

WAMPLER, Mr. WHITEHURST, Mr. CHARLES WILSON of Texas, and Mr. WOLFF.

H.R. 1603: Mr. CORCORAN, Mr. IRELAND, Mr. SHUSTER, Mr. PATTEN, Mr. HINSON, Mr. WINN, Mr. MONTGOMERY, Mr. HANLEY, Mr. DANIEL B. CRANE, Mr. EMERY, Mr. MADIGAN, and Mr. TREEN.

H.R. 1986: Mrs. HOLT.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

55. By the SPEAKER: Petition of the board of supervisors, Sussex County, Va., relative to economic problems of farmers; to the Committee on Agriculture.

56. Also, petition of the Detroit Lithuanian Organizations Center, Dearborn, Mich., relative to Soviet occupation of the Baltic States; to the Committee on Foreign Affairs.

57. Also, petition of the Education and Public Works Committee of the House of Representatives of South Carolina, relative to creation of a Department of Education; to the Committee on Government Operations.

58. Also, petition of the Miami Beach

Tourist Development Authority, Miami Beach, Fla., relative to fuel allocations for automotive tourism travel; to the Committee on Interstate and Foreign Commerce.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1894

By Mr. VANIK:

Page 2, line 15, strike out "6½ per centum" and insert in lieu thereof "7 per centum".

EXTENSIONS OF REMARKS

IMPROVING THE BEOG PROGRAM

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. DRINAN. Mr. Speaker, on January 15, 1979, I introduced H.R. 272 which removes home value from consideration in determining a student's eligibility for a basic educational opportunity grant. At the present time the program groups a home with assets such as savings, stocks, bonds, and other investments in determining what a family can be expected to contribute toward the cost of higher education. Basic grants are the prime source of Federal financial assistance for higher education.

BEOG is an entitlement program. In order to be fair, eligibility for this program must relate to the total financial strength of the family. Obviously a family's economic position is enhanced by the possession of certain assets. However, to be truly fair, the program should make a distinction between assets which are a potential source of supplementary income as savings, stocks, and bonds, and a home, which is not a source of immediate additional income to a family.

A home is a nonliquid asset. It is a necessity intended for shelter and comfort. If converted to cash to meet educational expenses, the family still has the often increased expense incurred by refinancing or the choice of finding new housing. Over recent years housing costs have escalated dramatically. According to the Census Bureau a home that cost \$32,000 in 1972 cost \$52,000 5 years later in 1977.

Prices have shot up in neighborhoods across the Nation, but to homeowners this escalation has not meant a source of additional income. They are not living in better homes than what they purchased and have had little, if any, control over the appreciation of their homes. Also, just as value has increased so too has the cost of maintenance, utilities, property taxes, and insurance.

The parents who saved and bought their homes 10 to 20 years ago should not be penalized now when their children are looking for help in meeting higher education costs. Owning your own home is supposed to be the Ameri-

can dream and Federal policies have encouraged home ownership with considerable success. In 1940 fewer than half of American families owned their own homes; now, nearly two-thirds do.

For many middle-income families who have realized that dream, the home is their major asset. Yet, because of its appreciation over the years it can serve to disqualify their children from participation in the basic grant program. One of my constituents poignantly expressed in a letter to me what this dichotomy means. He said:

When I was younger and working it was possible for us to purchase a home at a price we could afford to pay. Now, we could never even think of purchasing a home in this town. We have managed to hold on to our home, difficult as this is, but now I feel I must in good conscience protest what I feel is a first rate fraud in which our federal government has participated.

Why does our government tell us that there are funds to help students with their college education, when, in fact, there is nothing more than words? For three years, even when I was ill, my wife tried to get help for our son. On our income we could not pay the costs of a college education for him, even in schools that were not in the high-cost category. Last Spring we tried again. The Iowa City Group (BEOG) said we were not eligible. We had equity in a house. Never mind our pension, social security, low level income; we were not eligible because we had struggled for years to keep our home.

The basic educational opportunity grant program was a major part of the Higher Education Amendments of 1972. It represented the first step in a Federal higher education assistance policy aimed at encouraging equality of opportunity. Awards would be made directly to the student based on need.

In the pamphlet which HEW sends out on how eligibility is determined for the BEOG program, it is stated on page 1 that—

Since the entitlement nature of the Basic Grant Program requires all students be treated in a consistent manner on a National basis, a formula has been developed by the Office of Education and approved by Congress which is applied to all students in the same way.

The formula provides that once total family assets are determined (home, savings, stocks, bonds, et cetera) an asset reserve is subtracted from the total. For the 1978-79 school year the asset set-off or reserve was \$17,000 and it will rise to

\$25,000 in the upcoming school year. If the sum remaining once the reserve is subtracted, the parents are expected to be able to contribute 5 percent toward educational costs.

For example, if the market value of a home was \$50,000 and the family seeking a BEOG for the 1978-79 school year, had \$10,000 remaining on their mortgage, their equity in the home is \$40,000. If this is their only asset, the asset reserve of \$17,000 would be subtracted from that sum leaving a total of \$23,000, 5 percent of which or \$1,150 is the amount the family could be expected to contribute toward their child's education. It should be kept in mind that "expected family contribution" is not an out-of-pocket requirement. In other words the family in the above example does not have to spend \$1,150 toward tuition costs in order to be eligible for a BEOG. The "expected family contribution" is used in determining the "student's eligibility index" on which eligibility for the program is based.

There will be a significant variation in the amount parents are expected to contribute toward tuition costs, because of the difference in fair market home values from State to State and within States. Thus two families with similar financial profiles could live in almost identical homes in two different neighborhoods and one family might be eligible for a BEOG whereas the other would not.

Regional disparities in home value are not taken into account in the formula which determines the "Expected Family Contribution." As a result the inclusion of home value in determining eligibility can serve to hinder the objective of the BEOG program "to treat all students in a consistent manner on a national basis." Although appreciation of home value is a national phenomena, wide disparity in home value exists. In a survey of 32 metropolitan areas, the Library of Congress found a range of from minus 5.6 to 38.1 percent in the increase in costs of existing housing between 1977 and October 1978. Why should a family be penalized simply by where they live?

An additional problem is that HEW simply asks the applicant to state the fair market value of their home. Although it might be suggested that the homeowner check with a local realtor, they are not asked to provide any verification of the sum designated "fair mar-

ket value" of the home. This serves to encourage subterfuge. Whereas some families will give a realtor's appraisal, others will simply provide a figure which might understate the market value. If the program is going to be fair it should not encourage applicants to manipulate the method of determining need to their own advantage.

Some might argue that by removing home value from consideration we will be opening the program to wealthy families. It should be remembered that even without home value families are subject to the substantial test of financial strength which includes consideration of income, savings, stocks, bonds, investments, and business interest. It is unlikely that removal of home value would lead to abuse of the program.

The Carnegie Council on Policy Studies when studying Federal aid to higher education in 1975 and making their recommendations specifically called for the elimination of home value in determining eligibility for the basic grant program.

There is a precedent for such a change in the law. In 1976 Congress removed home value from consideration in determining eligibility for the supplemental security income (SSI) program. SSI is also an entitlement program. Congress recognized that a home is not a liquid asset and should not be used in determining need for purposes of SSI.

Congress will be reauthorizing the Higher Education Act this year. Just last year we expanded the BEOG program by providing for a more adequate level of funding and thus insuring the participation of more middle-income families. We are bringing the program closer to its original objectives of offering educational access in a uniform and fair manner. Removing home value will serve to further that goal. ●

COLMAN MCCARTHY ADDS LIGHT TO ABORTION QUESTION

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. SIMON. Mr. Speaker, one of the most sensitive writers on the American scene today is Colman McCarthy and his recent column on the abortion question makes more sense than 99 percent of what I read and hear on the abortion question these days.

This column appeared in the Washington Post of February 14, appropriately Valentine's Day.

For citizens who are genuinely concerned about the abortion problem, I hope they read Colman McCarthy's column carefully:

ABORTION: TEMPER AND DIALOGUE

(By Colman McCarthy)

Talk of murder so befouled the air that the pollution index soared. From the steps of the U.S. Capitol three weeks ago, 60,000 citizens opposed to the Supreme Court ruling on legalized abortions heard their leaders denounce "the baby killers."

A few blocks away, supporters of the rul-

ing exhaled their fury: An amendment to the Constitution that would overturn the law would mean that "all abortions would be considered premeditated murder." That rap, they fumed, was what "the anti-abortion fanatics" would like to hang on women who terminate a pregnancy.

So passed another day of friendly Washington politics. Each side stuck it to the other, but good. Since then, tempers have cooled. Today and tomorrow, several pro- and anti-abortion groups are scheduled to risk each other's presence and meet in Washington "to establish a dialogue." Discussions are always better than diatribes, but if the meetings are to be successful, a loftier goal than just a new exchange of ideas is needed. It shouldn't be too much to ask that each side increase its sensitivity to the humane ideal that is consistently overlooked in the abortion debate: The offering of help to women who are pregnant and who desperately need financial, legal and emotional support in deciding what to do next.

Politically or intellectually, it is strainless to be either pro-life or pro-choice. Code words aside, respectable arguments can be made either way. But what about personal involvement? How many on either side have opened up their homes to the most vulnerable people in this debate: women who are young, unmarried or poor and who might want to keep their babies but will go to an abortion clinic as the grisly last resort if no options are available?

Many of the great national debates come down to that: Who is willing to pay up personally to ease the anguish of strangers? It has been well-enough documented that society, through the Supreme Court, has reached out to women who choose abortion. But this negative solution evokes only institutional care, not personal care.

At the moment, it appears that the most humanized and fruitful help to stranded pregnant women is coming from Birthright, a network of 360 centers in the United States that is staffed with an average of 25 volunteers at each location.

These are the people who have passed beyond the wild rhetoric about "baby killers." They skip the speeches, because women who seek help from Birthright don't want ideology, much less moralizing. Most have been victimized: some by a demeaning sexual relationship, some by an impoverished family life, and others by their own immaturity. Nearly all choose the positive solution of carrying out the pregnancy.

The crucial service of Birthright comes from the families connected with each center that provides shelter for young women who have no place to stay during their pregnancy. According to Denise Cocciolone, the national director of Birthright, which has headquarters in Woodbury, N.J., a family environment can be the difference between hope and despair in the mind of a young woman who is alone and pregnant.

"Both parties benefit," says Cocciolone. "A girl may be seeing for the first time a family where the members have a genuine love for each other. And for the first time the family gets to use some of its resources for caring."

I can testify, in a small way, about the latter. A while ago, when my home had a spare bedroom and the mayhem generated by the McCarthy children threatened neither the EPA noise standards nor the eardrums of guests, a pregnant teen-ager lived with us.

For myself, the ensuing friendship rendered useless the slogan that "society should do something for these people," because, at least this once, I was society and "these people" became one person across the dining-room table. The prospective mother was a remarkable woman once I came to know some of her thoughts and goals. Her baby was given up for adoption, and life has gone on smoothly.

The right-to-life movement has its politi-

cal side, but it is beyond me to figure out the politics of crying out "baby killer!" on the steps of the U.S. Capitol. It is mystifying, also, to understand why the movement is letting itself become linked with the likes of Sen. Jesse Helms (R-N.C.) or Rep. Robert Bauman (R-Md.). The record of this closed-minded pair on housing for the poor, ending racism or sexism, better schools or a cleaner environment is dismal. Those are pro-life issues, too.

As for the political activity of pro-abortion groups, it isn't enough to lament the deaths of poor women who die in the illegal back-alley clinics without also attacking the bleak conditions that persist in many of the legal operations. An exposé last year by The Chicago Sun-Times documented the immense profiteering and callousness found in parts of this new "health" industry.

Groups for or against abortions would enhance themselves if they came off the barricades for a moment and joined in a common effort to enlarge the number of families with homes to share with pregnant women in their time of aloneness. They need fewer marches and speeches, and more caring. ●

MRS. M. KAREL SPAK

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. WAXMAN. Mr. Speaker, one of the more pleasurable aspects of being a Member of the Congress is to have the privilege of recording the contributions of compassionate and generous citizens of our country. Mr. M. Karel Spak is such a person, whose long years of devotion to the elimination of a crippling and often fatal disease will be celebrated by the Myasthenia Gravis Foundation at its first founders award dinner in her honor on March 10, 1979.

Mrs. Spak's mother was a victim of this still mysterious disease, and Mathilda Karel Spak has worked unstintingly ever since to help support the research which ultimately will discover its cause and cure. Mrs. Spak's enthusiastic spirit and unflagging activity have helped to keep alive the California Chapter of Myasthenia Gravis Foundation. Her personal contact with victims of MG revives their spirits; she sees that free medication is supplied to those who cannot afford to purchase it; she donates office work so that overhead costs can be kept to a minimum; she plans fundraisers so that medical researchers can be kept supplied with needed money. In short, Mathilda Karel Spak is one of that unsung corps of people our country cannot do without—a committed volunteer.

In the 1940's in Chicago, Mrs. Spak founded the American Camp and Hospital Service, devoted to contact with veterans through parties, greeting cards, and holiday remembrances. The service was extended to New York, and both groups are still strong and healthy. She has been treasurer and is now on the Board of Directors of the Los Angeles Council of National Voluntary Health Agencies; and is secretary and life member of the Long Beach Sponsor Club of City of Hope. Last year she received the prestigious certificate of merit from the Human Relations Commission of the city

of Los Angeles. Karel was a charter member of the California Chapter of the Myasthenia Gravis Foundation when it was formed 25 years ago, and has served as its president, as well as being a board member of the national foundation.

It is fitting that Mathilda Karel Spak should be honored by the Myasthenia Gravis Foundation at this year's first founders award dinner. I invite the Members to join me in recognizing this occasion and Mrs. Spak's tremendous contributions.●

DR. WINSCHKE NAMED DEPUTY DIRECTOR OF BROOKHAVEN NATIONAL LABORATORY

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. AMBRO. Mr. Speaker, Long Islanders, particularly those of us involved with the scientific and technical communities, take great pride in the work being done at the Brookhaven National Laboratory on Long Island, one of the most progressive and innovative research facilities in this country's network of national laboratories.

It is therefore with great pride that I bring to the attention of this Chamber the recent appointment of Dr. Warren Winschke as deputy director of the Brookhaven Laboratory.

Dr. Winschke joins lab director Dr. George Vineyard at the helm of one of the most highly respected research laboratories in the world. Brookhaven, you may recall, is the site where the Isabelle project is underway, thanks in large part to the full support and cooperation of the Congress and in particular the House of Representatives which has approved funding of this most exciting high-energy physics research program.

Dr. Winschke has been associated with Brookhaven since 1946 when the lab was pioneering in nuclear research and technologies. He is the former chairman of the lab's nuclear engineering department and at the time of his appointment as deputy director he was the associate director for energy. Under his leadership a broad base of energy-related programs has been developed at Brookhaven, including energy systems analysis, energy storage development, reactor safety, nuclear materials safeguards, atmospheric sciences, coastal oceanography, and energy materials development.

As deputy director, Dr. Winschke will assist Director Vineyard in all phases of the general administration of the lab and assume the duties and responsibilities of the director in Dr. Vineyard's absences.

In addition to his new responsibilities, Dr. Winschke will continue to be in charge of all applied science and energy technology programs at Brookhaven, including the work of the nuclear energy department and the department of energy and environment.

Dr. Winschke combines the very best of scientific and technical expertise with keen administrative abilities and as such

his most deserved appointment as deputy director should serve as a model for all national laboratories in the Nation.●

THE COST OF MILITARY CONSCRIPTION

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. KASTENMEIER. Mr. Speaker, proponents of the military draft frequently cite their concern about the costs associated with maintaining an All-Volunteer Armed Force as one of the reasons for abandoning it. In their haste to impose military conscription upon the youth of our Nation, they tend to forget that the military draft is an expensive proposal. There is a hidden tax forced upon draftees that is equivalent to the difference between the military pay of the conscript and his earning power as a civilian.

Prof. Milton Friedman has described this hidden tax in the following manner:

The real cost of conscripting a soldier who would not voluntarily serve on present terms is not his pay and the cost of his keep. It is the amount for which he would be willing to serve. He is paying the difference. This is the extra cost to him that must be added to the cost borne by the rest of us. Compare, for example, the cost to the star professional football player and to an unemployed worker. Both might have the same attitudes toward the army and like-or-dislike-a military career equally. Just because the one has so much better alternatives than the other, it would take a much higher sum to attract him. When he is forced to serve, we are in effect imposing on him a tax in kind equal in value to the difference between what it would take to attract him and the military pay he actually receives.

Another distinguished economist, Prof. John Kenneth Galbraith, said that the military draft is—

A device by which we use compulsion to get young men to serve at less than the market rate of pay. We shift the cost of military service from the well-to-do taxpayers, who benefit by lower taxes, to the impecunious young draftee. This is a highly regressive arrangement that we would not tolerate in any other area. Presumably, freedom of choice here as elsewhere would be worth paying for.

Mr. Speaker, I would like to call to the attention of my colleagues a recent column in the February 13, 1979, Washington Post by Peter J. Ognibene. The subject of Mr. Ognibene's article is the cost of the draft:

DRAFTING PEOPLE OR DOLLARS?

(By Peter J. Ognibene)

There are two ways to raise an army. The nation can draft its young into service, or it can use another form of conscription—taxation—to pay for a volunteer force.

Throughout most of our history, we have chosen the latter, more democratic approach. Nevertheless, sentiment and support for the draft appear to be rising on Capitol Hill.

Conscription has a long, if inglorious, history. The British Navy impressed 10,000 native-born Americans between 1793 and 1811, an outrage that led to the War of 1812. Throughout the 19th and well into the 20th century, immigrants by the millions sought

the safety of these shores to keep their sons from being dragooned into the perennially warring armies of Europe. Until the Cold War, Americans regarded the draft as a last resort that could be justified only when the nation was in imminent peril.

The draft was abolished in 1973. To make the armed forces more attractive employers, Congress authorized higher pay, reenlistment bonuses and other incentives. Although the volunteer force does not work perfectly—what in government does?—it has performed far better than its critics prophesied.

In spite of predictions to the contrary, the quality of military recruits has improved since the draft ended. All prospective enlistees are assigned to one of five "mental categories" on the basis of aptitude tests. The law prohibits recruitment of the bottom 10 percent (Category V) but permits each service to draw up to 18 percent of its recruits from Category IV, which encompasses the 10th through 30th percentile. Over the past five years, the services have drawn only 7.4 percent of their recruits from Category IV.

The Army, which many thought would be unable to remain beneath the 18 percent ceiling, has confounded the pessimists. Only 11 percent of the Army's recruits have come from Category IV over the past five years.

More than a fourth of the Army is black; critics find that a cause for concern. The demise of the draft, however, appears to have had less to do with the rise of black enlistments than the skyrocketing unemployment rate of black teen-age males. Relatively few young blacks have been able to find good jobs in the domestic economy.

This is not so much an Army "problem" as it is a reflection on the trades, businesses and professions of America. With these routes of upward mobility closed to many blacks, they have been turning in greater numbers to an institution that has long welcomed them. In the Army, many of them will gain additional education, useful job skills and a rewarding career.

When "equal opportunity" becomes a reality in the civilian economy, black representation in the Army will probably decline to a level close to their proportion of the population. To revive the draft now would only serve to limit the number of blacks who would be allowed to volunteer for the Army.

It costs more to recruit volunteers than it does to induct reluctant civilians, but the actual savings are small by Pentagon standards.

Rep. Les Aspin (D-Wis.), a member of the House Armed Services Committee, calculates that "the cost of the all-volunteer raise in 1977 came to \$1.7 billion." That accounted for about a sixth of the boost in military pay; the lion's share (five-sixths) went to more senior military personnel.

If there were a new draft, the Department of Defense estimates it would save about \$500 million in recruitment costs—about \$2 for every man, woman and child in America. The only way to save more money would be to slash military pay for all ranks, and Congress shows no inclination to take such a step.

In response to a congressional query, Secretary of Defense Harold Brown said recently that any new legislation to register young men for the draft should also be extended to include young women. As a matter of equity, it would be hard to argue against a unisex draft. American voters, however, might not take too kindly to the prospect of having their daughters as well as sons shipped off involuntarily to boot camp.

Few members of Congress are advocating that conscription be immediately revived; their present objective is the registration of 18-year-old males. With such a system in

place, however, it would be a short step to actual inductions.

With some two million men and women currently in uniform, it is difficult to imagine the nation suddenly in need of millions more. Moreover, in this age of computers, registration would be much less a problem than the training and equipping of a massive influx of recruits. So, one could hardly plead logistical necessity in behalf of a so-called standby draft.

The real issue, of course, is money. The draft is a serious deprivation of liberty that can only be justified when the service of some must be conscripted to preserve the freedom of all. With the United States at peace, the case for a new draft rests primarily on how we will pay for our peacetime armed forces. The choice, in fact, is quite simple. We can draft dollars, or we can draft people. ●

AMBASSADOR ADOLPH "SPIKE"
DUBS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. WOLFF. Mr. Speaker, it is with profound sorrow that I rise this morning to offer a few words in memory of my friend, Ambassador Adolph "Spike" Dubs, who was killed recently in Afghanistan.

His shocking and brutal death has deprived this country of a man of enormous talents and a far-reaching vision. Words alone cannot represent adequately my disgust for the way in which he died.

Throughout his life and career, Spike served this country well. His contributions were remarkable, his death deplorable. I am proud to have been a friend and colleague of his.

But his death is also symbolic—for when the lives of our most dedicated and courageous citizens can be snuffed out so easily, then I say it is time to respond. This is not just an isolated incident of terrorism; it is part of a widespread pattern of terrorist activity that threatens the very foundations of civilized society.

There is a dark spirit haunting the world today. When any person thinks he or she can achieve some perverted goal by brutality, intimidation, and violence, then no one is safe. When any group sinks to such depths then we all lose a part of our humanity.

The time has come to recognize the problem and to combat it with all of our resources at our command. Some of us in Congress have been warning the Nation of this apocalypse for some time. I call upon this House, and this Nation now to redouble our efforts to combat the insidious activities of these cowardly terrorist groups.

The loss of Spike Dubs is appalling to say the least. But the loss of any one else because we fail to act would be inexcusable. How many more people must suffer and die?

Mr. Speaker, let this tragic death be a catalyst for action against terrorism and all of the hideous things which it represents. I pledge my efforts in this fight. I call upon my colleagues to see to it that Ambassador Dubs did not die in vain. ●

FORT WORTH: OUR CITY OF
COLORFUL YESTERDAYS AND
BRIGHT TOMORROWS

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. WRIGHT. Mr. Speaker, on the banks of the Trinity River in Texas, a city rises out of the open prairie. It is Fort Worth, where the West begins. It is the capital and queen city of west Texas, a 120,000 square mile domain.

Down the canyon of West Seventh Street the wind whistles off the plain at 45 miles an hour between tall buildings that stab at the sky, pointing the flight-path of Fort Worth's future. It is a friendly, big, garrulous, open-hearted town. Here, in this last year of the 1970's, live 415,000 people.

All of this began 130 years ago. In 1849, the U.S. Army founded here on the untamed prairie a calvary fort. Its mission was to protect the increasing wagonloads of settlers from the ravages of savage Kiowa and Comanche tribes which roamed the area.

Seven years later, four events, of importance then only to a handful of determined settlers, transformed the temporary settlement which had grown up around the Army fort into a full-fledged civilian community.

In 1856, the first general school was created. The first industry was launched. A post office was established. And in that fateful year, by dint of undaunted determination and more resourcefulness than scruple, Fort Worth became the county seat.

The future was pregnant with promise. Fort Worth's hour of destiny had not yet struck, but the wheels of history had been set in motion.

Only 6 years earlier, the U.S. Army had funded here on the untamed prairie a fort, charged with the mission of protecting the increasing wagonloads of settlers from the ravages of the savage Indian tribes which roamed the area.

In 1853, with the thin edge of settlement pushing westward, the fort had been abandoned and in its place had sprung up a tough-rooted little civilian settlement on a bluff overlooking the Trinity Valley and the southward tilt of the rolling plain.

Other communities, to be sure, had clawed a tenuous foothold in this new frontier. Others opened schools and post offices, hopefully started infant industries, became county seats.

But there was, even then, something about the spirit of this frontier village which marked it for permanency. It was like a hardy little prairie flower, determined not to wither on its vine under the scorching southwestern sun.

Wagon trains of settlers were rolling westward, looking for a place to get a new start and stake the family future. Some 30 miles to the east lay Dallas, already established, like a roadblock across the trail.

When the wagons rumbled through on the westward track, Dallas men would stop them with lurid tales of danger to

the west. "The Indians will surely scalp you if you venture to Fort Worth," they warned. Here, perhaps, began Fort Worth's vaunted early reputation as a wild and woolly place.

Here, too, began an intense rivalry which raged for more than 100 years. Picking up the challenge, the Fort Worth settlement sent riders to intercept the wagons east of Dallas and escort them to Fort Worth along a trail that bypassed the neighboring village.

And here, also, was born a tradition of resourcefulness in building a city. Fort Worth had no doctor. When Julian Field, a leading community figure, became ill, it was necessary to send to Dallas for young Dr. Carroll Peak. The townspeople immediately set upon him with handshakes. They would not hear of his leaving. He and his wife were put up in an abandoned barracks, and he stayed in Fort Worth.

Unwilling to trust the schooling of the children to the erratic comings and goings of wandering tutors, the infant community in 1856 called an election, chose a school board, imported two regular teachers, and erected a crude school building.

The first industry, appropriately enough, was milling. Julian Field, R. S. Mauk, and David Man built a gristmill to make flour from the wheat brought in from neighboring farms.

The nearest post office was Dallas. Dr. Peak hired a horseman to ride over semi-weekly and bring back all missives addressed to Fort Worth's residents, and for this service he charged a dime a letter. In 1856, President Franklin Pierce recognized the new community carved out of the frontier by appointing Julian Field as the postmaster, and Fort Worth built its own post office.

The dauntless tradition then aborning was most dramatically portrayed, however, in the circumstances surrounding the removal of the county seat to Fort Worth from Birdville, then a separate village some 5 miles to the east.

A delegation went to Austin, button-holed lawmakers, finally prevailing upon the legislature to call an election in which Tarrant County's settlers could choose between the two villages for their seat of justice.

The competition was keen, if not entirely clean. As an added lure to voters, Birdville leaders cached a big barrel of whisky in an oak grove at the edge of town. Fort Worth merchants, with less propriety but not to be outdone, stationed huge barrels of free whisky on the public square. Adding insult to injury, an over-zealous group of Fort Worthers stealthily made their way into Birdville's grove and siphoned away their neighbor's liquor, leaving the adversary dispirited in more ways than one.

Riders went out from both cities in all directions to round up voters. It was afterward contended that the total vote far outnumbered the aggregate male population of the county, but a precise census was virtually impossible. Sam Woody, of Decatur, told in later years of having brought in 14 men from Wise County to vote for Fort Worth that day in 1856. When all ballots were in, Fort

Worth had carried the election by seven votes.

That night a torchlight procession gleefully made its way to Birdville and physically removed the courthouse effects, then and there conveying them to their new and permanent home.

This same instant resourcefulness and unashamed partisanship have characterized every step of Fort Worth's ascent up the ladder to eminence.

Two decades later, the Civil War-disrupted Texas economy was pulled out of the doldrums by the cattle drives which took bawling herds of rangy longhorns up the long, dusty trail to Abilene, Kans. It was in this era that Fort Worth, still a drowsy hamlet of but a few hundred people, seized upon opportunity and became the base of supply for West Texas stockmen.

Adjusting its pace to the trail-driving age, the town provided a welcome release for the pent-up energies and appetites of the cowhands after long, dull months on the range. It was a noisy, lusty, brawling place, but nobody cared. The cowboy was king; and this was Cowtown.

The open sesame for any aspiring township of the day was a railroad, and Fort Worth set out to have one. In the 1870's B. B. Paddock, editor of the Fort Worth Democrat, displayed the town's unrestrained ambition when he published a drawing that he called the Tarrantula Map. Its center was a heavy blob denoting Fort Worth, while lines, like the hairy legs of the huge Southwestern spider, reached out in nine directions to represent the nine railroads which the editor prophesied would one day serve the town. Although rival towns scoffed, his prediction eventually came to pass.

With enthusiasm, Fort Worth leaders set out to promote their first railroad. An agreement was struck whereby the Texas & Pacific would be given large land grants from the State of Texas and 320 acres at Fort Worth, donated by such local enthusiasts as Van Zandt and Dagget, upon the condition the road reached Fort Worth by January 1, 1874. Work was begun, and the town danced with excitement over the prospects.

Catastrophe loomed when the powerful northern financial house of Jay Cook & Co. went broke. Risk capital froze in panic throughout the Nation, and the twin rails were halted in the middle of nowhere, several miles east of town.

Not to be denied, Fort Worthers determined they would have the road completed, if they had to build it themselves, foot by painful foot. They organized the Tarrant County Construction Co., subscribing its stock with cash, materials, labor, supplies—whatever they had. A bargain was driven with the T. & P., whereby the local company agreed to prepare the roadbed, the railroad to lay the track.

In a dramatic night-and-day race against time, with townswomen bringing food and coffee to the perspiring workmen and section crews resorting to the most unorthodox improvisations, the tracks were laid and an old wood-burning engine puffed into town to beat the second deadline set by the State legislature.

A churning cauldron of activity then

erupted upon the prairie. Oliver Knight in his excellent work, *Fort Worth, Outpost Upon the Trinity*, from which most of this information was derived, has said that this was "by all odds the greatest day in the history of Fort Worth," pointing out that within a few weeks after the first train rolled into town 59 new businesses had opened, and that within 4 years there were no less than 460.

Now joined to the east by railroads, the rapidly growing city attracted a web of stagecoach lines, becoming in 1878 the eastern terminal for the world's longest stage route which stretched for 1,500 aching miles to the California border at Fort Yuma, Ariz.

The Fort Worth story is one of vision, and of a community's ability to adopt to changing circumstances. While money flowed into town on the wings of transportation and cattle drives, Fort Worth was not content to soak up this boon with the impassivity of a sponge. Why not capitalize permanently upon these two advantages?

On Fort Worth's old North Side, where all the accoutrements of the early West are still much in evidence, a group of farsighted leaders founded the Texas Dressed Beef & Packing Co. A stockyard and slaughtering pens were built. Meat was dressed and shipped under refrigeration to the eastern markets, and the plant paid ranchmen 50 cents a head above the prevailing Kansas City price.

The taproot was driven deeper into the bruised soil upon the Trinity's banks. Fort Worth had industry.

It was then, near the turn of the century, that an air of real permanence began to settle upon the ebullient cowtown. Other industries slowly took hold. Municipal improvements came in a wave—a dependable water system, sanitary sewers, street paving and a modern fire department. Law and order took firmer grasp, churches thrived and women's clubs burst upon the scene.

The boisterous, roughneck town was growing up. Like a self-conscious overgrown farm youngster in the city, the seam-splitting prairie colossus developed a newfound interest in higher education.

The Methodists in 1881 founded Polytechnic College on the present Texas Wesleyan site, then some 4 miles southeast of Fort Worth.

The Christian church in 1889 took over Add-Ran Institute, begun in Fort Worth as early as 1869 but moved by its founders to Thorp Springs to avoid "the alluring vices of the city." The church transplanted the institution for a time in Waco, then brought it home to Fort Worth in 1910 as Texas Christian University.

In that same year, the Baptists opened Southwestern Baptist Theological Seminary which has flourished ever since.

But even with the stabilizing influences of culture, the spontaneity of fierce community pride continued. With the new century came the automobile, and Fort Worth took up the craze.

In their penchant for new horizons, the town's civil leaders foresaw that highways would one day be the new arteries of commerce. The State adopted a constitutional amendment in 1904 per-

mitting counties to issue road bonds, and with characteristic vision Tarrant County became the very first in the entire Southwest to approve road and bridges bonds for \$1,600,000.

As it had become the capital of the cattle industry, Fort Worth in the 1920's again grasped the elusive figure of opportunity and gambled on oil. With the throbbing exhilaration of west Texas boomtowns, Fort Worth girded itself as the gateway and supply base for the oil kingdom.

Just bring out something new, and it will find a home in Fort Worth. In 1921, Harold Hough held the torch of vision which had lighted the wilderness for Cowtown's early planners when he pioneered radio with WBAP. It was the State's first radio station. Twenty-seven years later, Fort Worth had the first television station in Texas.

Aviation evoked immediate enthusiasm in Fort Worth. The first daredevils to schedule a barnstorming tour through this part of the country made the mistake—or perhaps it was not a mistake for them, as it turned out—of booking an exhibition in Dallas but none in Fort Worth. This would not do. Amon Carter raised a public subscription and paid the four-man troupe \$5,000 to demonstrate their talents in Fort Worth.

Fort Worth became an early aviation center at the outset of World War I. The Canadian Government established three flying fields near the city—Hicks, Everman, and Benbrook—where pilots were trained for the Royal Canadian Flying Corps.

In recent years, Fort Worth has carved itself a permanent niche in the history of aviation. During World War II, its Convair plant performed the impossible in production of our B-24 Liberator bombers. And in 1949 a new epoch in world history may even have come into being with the very first nonstop flight around the earth, originating and ending at Fort Worth's Carswell Air Force Base.

Today Carswell continues to make important contributions to the Nation's defense and the Fort Worth economy and citizenry. With just one exception, more Air Force personnel have chosen the Fort Worth area as a retirement home than any other spot in America.

And with our highly skilled work force we make a major contribution to America's military readiness. No other metropolitan area in the country performs more prime defense contracts than Fort Worth.

General Dynamics employs about 11,500 people and its contract to build 1,896 F-16 aircraft is the largest ever awarded. Bell Helicopter, which employs about 11,000 workers, is the leader in its field, and Vought Corp. continues to make the highly effective A-7 fighter-bomber.

These defense contracts have spawned more than 100 new businesses in our area in the past few years.

In civilian aviation, we now share with Dallas one of the world's greatest airports. Larger than Manhattan Island, the new Dallas-Fort Worth Airport is the third busiest in the Nation in air-carrier operations.

And that splendid facility has helped us win back an old and important friend, American Airlines.

In 1927, a fledgling operation called Texas Air Transport began flying out of Meacham Field here. That little outfit became the Nation's second largest carrier and moved off to the big city—New York.

But American has announced that it is coming home to Fort Worth, moving its corporate headquarters, with at least 1,300 jobs, here. Like so many others, American's executives are recognizing the tremendous advantages of this cosmopolitan Cowtown.

Most of the cows are gone now, the stockyards reduced and packing houses closed. For a while that hurt us. But now we are developing the old North Side, using the cattle exchange, pens and barns to preserve intact its authentic western atmosphere.

Fort Worth prides itself on the deep feelings it has for its past. Whether it is preserving the original log cabin settlement or saving the relics of its cowtown days, Fort Worth knows where it came from.

And the downtown area, which felt the same pressures that squeezed so many American cities, is going to demonstrate how that sad process can be reversed. We have got a new Convention Center, the Water Gardens, the Tandy Towers, the Fort Worth National Bank building, and the Lanham Federal Building up and we are not stopping there.

There are plans for one new downtown hotel and the renovation of two others. The regional headquarters of the Department of Housing and Urban Development will move into another remodeled building.

Those who do not live in Fort Worth ought to come visit. And those of us who do are lucky.

Today, the city's skyline glistens in the bright Texas sunlight. The classic old courthouse overlooks the Trinity in the same spot where the Army dragoons built their fort 130 years ago. But in the city's heart pulsates the rhythm of chance, of growth, of still untamed ambition.

Fort Worth dreams new dreams and believes in a better tomorrow.●

AFRO-AMERICAN HISTORY FESTIVAL

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. RODINO. Mr. Speaker, as we join in celebrating the meaning of Afro-American history during this special month, I would like to call attention to a very special event taking place in New Jersey's 10th District. The Student Government Association and the student activities office of Essex County College in Newark are responsible for the Third Annual African-American History Festival held this week.

Mr. Speaker, the festival offers films, lectures, artistic performances, workshops, and other activities to recognize

the tremendous value of one of the richest cultures blended into our American way of life. Public acknowledgment of the achievements of African Americans is very important to our evaluation of America's ethnic diversity, and this weeklong festival in our community is proving to be a great success.

The theme for this year's festival, "International Brotherhood," rightly emphasizes the efforts of American blacks to promote peace and social justice in our own community and around the world. The festival honors Ambassador Andrew Young for his commitment to peace, justice, and truth in the international community. His courage and determination have helped to raise the consciousness of the American people to further the cause of brotherhood at home and in other lands. I commend the festival on their fine choice of honoree and I congratulate my friend Andy Young.

Mr. Speaker, I hope that millions of Americans will share in the meaning of Afro-American history month just as members of the Essex County community participate in this weeklong festival to hail the many contributions of Americans of African descent.●

A TRIBUTE TO PHIL PORTNOY

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. RINALDO. Mr. Speaker, the contributions of private citizens to the common good is a fundamental characteristic of our society. It is an expression of charity, decency, and compassion of fellow citizens for one another.

Any organization of private citizens that hopes to carry out programs to serve the common good needs leaders in the community. Leaders like Phil Portnoy of Union, N.J., a man of remarkable energy and unquenchable good will toward his fellow citizens.

Over the years, Phil Portnoy has come to the aid of men, women, and children whose tragedies were too small for larger, organized community fund drives. They were the forgotten people, yet their ordeals and pain were nevertheless real. Now, however, the families of Theresa Gargalowicz, Doreen Delaney, Eileen Sipermann, and Michael LoConte have been able to muster the resources they need in their battles against disease and catastrophe.

Many years ago, Ralph Waldo Emerson wrote about the law of compensation. For those with courage and determination, a personal tragedy in life, such as the loss of a limb, could serve as the inspiration to do more than might otherwise be possible. Their lives became productive, important, and courageous.

Mr. Speaker, it may be due to the fact that Phil Portnoy overcame his own handicap that he exhibits such an exemplary commitment to helping others overcome their own adversities.

As a result of his accomplishments, he is justifiably being honored tonight by

Union Lodge 1782, B'nai B'rith, as its Citizen of the Year.

It culminates a period of service that extends over many years. Phil Portnoy has been a founder of Temple Israel in Union and the Pop Warner Midget Football League. He has coached and served on the board of the Teener League, and he is president of the Union Board of Education.

I am pleased to take this opportunity to join my many friends and constituents in honoring the hard work and dedication of a fine individual, Phil Portnoy.●

POLITICAL FREEDOM FOR POSTAL EMPLOYEES

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. CLAY. Mr. Speaker, I have today introduced the Postal Service Employees' Political Activities Act of 1979.

This bill updates and modifies the Hatch Act for postal employees. It permits them the right to participate voluntarily in political activities so long as those activities do not even appear to compromise the integrity of the merit system or the administration of the functions of the U.S. Postal Service which is a semi-independent agency of the Government.

The Hatch Act was precipitously enacted in 1939 with no public hearings and limited debate. It was an overreaction by the Congress to abuses, not of voluntary political activity, but to coercion and kickbacks by employees and recipients in the Federal relief programs. Postal employees, because at that time, they worked for an agency which was totally within the confines and jurisdiction of the Federal Government were included along with all Federal employees under the Hatch Act.

Today there is little justification for Federal employees' rights of full voluntary political participation to be impeded or restricted but there is no basis whatsoever for postal employees to be included under the antiquated and repressive restriction of the 40-year-old Hatch Act. In 1970, the Congress passed the Postal Reorganization Act thereby making the U.S. Postal Service a quasi-independent agency. Postal employees today are treated differently than Federal civilian employees who work for the Government. The most predominant feature is the fact that postal employees come under an entirely different labor management program which more closely resembles that of the private sector than it does the Federal Government's system.

The postal service system is a quasi-autonomous public corporation. Some may have problems with that fact but, be that as it may, postal employees are in a different category from Federal employees. The postal worker's role, as an employee of a semi-independent agency, and the role of a Federal civilian employee, as an employee of the Government, make these two groups separate

and distinct. Unfortunately, the issue of full political participation for postal and Federal employees has been confused, notwithstanding their different status, so that they are treated as one and the same.

My introduction of two separate Hatch Act reform bills—one for postal employees and another for Federal employees—should not be construed as any diminution of my commitment to the right of full political participation by both of these employee groups. I intend to push for speedy enactment of both bills.

This is similar to H.R. 10, the Federal Employees' Political Activities Act of 1977, which passed the House overwhelmingly on June 7, 1977. The bill differentiates between voluntary and involuntary political activities. It protects the public interest while providing postal employees with greater freedom to participate in the political process.

In the 94th Congress both the House and Senate passed Hatch Act reform legislation, but President Ford vetoed the bill. The House passed the bill in the 95th Congress, but it was not passed by the Senate, even though the legislation had the full backing of President Carter. In his recent State of the Union message, the President has once again announced his full support for reform of the Hatch Act.

In summary, this provides the following:

States that postal employees are encouraged to exercise their right of voluntary political participation.

Prohibits the use of official authority, influence, or coercion with respect to the right to vote, not to vote, or to otherwise engage in political activity.

Prohibits solicitation of political contributions by superior officials and making or soliciting political contributions in Government rooms or buildings.

Prohibits, with certain limited exceptions, political activity while on official duty, in Federal buildings, or in uniform.

Prohibits the extortion of money for political purposes from employees.

Requires that employees who seek elective office do so on their own time, and that employees shall, upon request, be granted accrued annual leave or leave without pay to seek elective office.

Designates the Special Counsel of the Merit Systems Protection Board (MSPB) as the enforcing authority and the MSPB as the adjudicatory authority; provides for judicial review of adverse decisions; and, limits investigations of prohibited activities to 90 days.

Subjects violators of law to removal, suspension, or lesser penalties at the discretion of the MSPB; requires a minimum of 30 days suspension without pay for any employee found guilty of violating the prohibition against use of official authority or influence for political purposes.

Requires the U.S. Postal Service to report annually to the Congress on its implementation of this act.●

CRAZY JOE MACAIG

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. WILLIAMS of Montana. Mr. Speaker, for those of you here in Wash-

ington who are put off some by the hardships of continual below freezing temperatures and 2-foot snowfalls, let me tell you about Joe Macaig. Joe is a constituent of mine from Anaconda, Mont. He calls himself Crazy Joe. Folks at home do not argue. On December 29 of last year, Crazy Joe set a new world's record for ice dipping.

This 22-year-old railroad employee donned his swimming trunks and when the temperature around Anaconda reached 23° below zero, he took a 46-second dip in an ice cold creek. By the way, it is known as Warm Springs Creek, but there is nothing warm about it—not at 23° below.

Crazy Joe has submitted his report to the Guinness Book of World Records, and we are now awaiting official confirmation. That will not be the first time that Joe has made the book: A few years ago he established a new world record by swimming down the Yellowstone River—292 miles down the Yellowstone River.●

STATES SHOULD PASS ERA

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. EDWARDS of California. Mr. Speaker, I want to share with my colleagues an editorial that aired on radio station KNBR 68 in San Francisco, Calif. The editorial, by Bill Dwyer, vice president and general manager of KNBR, voices my own hope that the equal rights amendment will soon be made a part of the Constitution.

However, the statement also makes an important point. States that support the ERA need not wait for the necessary 38 States to ratify the amendment to guarantee equal rights for women and men in their State. States can add equal rights amendments to their State constitutions. Fourteen States have already done so. I would encourage that California Legislature and the legislatures of other States that support equal rights to move in this direction.

The editorial follows:

EDITORIAL OPINION FROM BILL DWYER, VICE PRESIDENT AND GENERAL MANAGER OF KNBR 68

One of the best things that could happen in 1979 would be the approval of the equal rights amendment to the U.S. Constitution. Right now, the outlook is not too bright. In just 52 well-chosen words, this amendment prohibits discrimination against women and authorizes congress to pass laws to make it effective. The campaign for adoption has been going on for almost seven years but supporters still have no guarantee of success. So far, 35 states have ratified the E.R.A., but it won't be part of the U.S. Constitution unless three more states say yes.

However, there's an encouraging development. Fourteen states have gone ahead on their own to put equal rights amendments in their state constitutions. And the U.S. Civil Rights Commission says these amendments have been effective, especially in opening up new employment opportunities to women. There's no reason why states that want the benefits of equal rights for women should have to wait. Because of that, we urge the legislature of California and all other states that have approved the E.R.A. to act

now to put equal rights into their own state constitutions.●

SINGLAUB: CARTER'S BROKEN PROMISES THREATEN ANOTHER PERIOD OF IMPERIAL PRESIDENT

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. McDONALD. Mr. Speaker, the article that follows these remarks is No. 2 in a series by retired Maj. Gen. John K. Singlaub, which appeared in the Atlanta Journal on February 5, 1979 (the first appeared on page 2662 of the CONGRESSIONAL RECORD for February 15, 1979. In this item, General Singlaub discusses how President Carter not only scorned the U.S. Senate as well as our ally Taiwan in taking this step. He draws a parallel between President Carter's action and suggested a return of the days of secret Kissinger diplomacy. He further mentions an important point that I have made on previous occasions, that is, that we do not need Chinese oil. There is all the oil we can possibly use in Mexico and why the Carter administration does not face up to this fact is one of the mysteries of the century. Chinese oil has a high paraffin content and would be extremely difficult for our refineries to deal with. The Japanese have found this out to their sorrow. The General further points out that at the rate we are throwing away friends and allies, who can possibly have any faith left in treaties with the United States? And this is indeed the largest question to arise out of the whole issue. The column follows:

SINGLAUB: CARTER'S BROKEN PROMISES THREATEN ANOTHER PERIOD OF IMPERIAL PRESIDENCY

(By John K. Singlaub)

(NOTE.—Maj. Gen. John K. Singlaub, a veteran of three wars and an articulate student of military history, was forced to retire from the Army last summer because he disagrees with military decisions being made in Washington by the Carter administration. In retirement, he is still speaking out. Here is the second of a three-part series in which he examines the recent "rearrangement" of U.S. policies in the Far East, especially as they affect Red China and Taiwan.)

During his campaign, candidate Jimmy Carter promised to consult Congress on foreign policy as well as on domestic matters. He also promised to put an end to secret diplomacy a la Henry Kissinger.

However, when he recognized the People's Republic of China (PRC) and abrogated our treaties with Taiwan, he broke both of these promises. I am confident that some will justify this as necessary to provide political flexibility, or an ability to exploit sudden political changes. I feel, however, that there should be no confusion about what the breaking of these promises involves.

Not consulting Congress on this important foreign policy change is especially significant due to the fact that the Senate last October, in a 94-0 vote, called for consultation before abrogation of the treaties with Taiwan.

It has been written that the handling of the agreement took special care not to make the Chinese communists lose face, but what about the Senate's face, not to mention other American and Taiwanese faces? The president's treatment of Senate minority

leader Howard Baker was less than flattering. He met with President Carter in the early afternoon of the same day that the rearrangement of diplomatic relations was announced, but he was not informed of it. Is this an indication of Carter's appreciation of the support that Sen. Baker gave many of President Carter's foreign policy initiatives—some at heavy cost to his standing within his own party and state?

The manner in which these arrangements were reached clearly represents a usurpation of power by the president which may cause the assertiveness of the last Congress to be replaced by a new imperial period of the presidency in foreign affairs.

The selling of the rearrangement was also a rather unnecessary, even tasteless, show of force, with a selective and deceptive use of facts and possible developments which I have stated earlier. This is also clearly reflected in an article from the *Wall Street Journal*: "All day top officials received a stream of journalists and touted the political and economic benefits of full relations with China."

No mention was made of any possible burdens or negative aspects of the new arrangement. As a part of the sales pitch, it has been stated that China has more than 100 billion barrels of oil reserves. This is a very interesting argument indeed. I do not understand how we can be so certain about how much oil China has, when the same administration spokesmen claim that we have no idea how much oil Mexico has.

Mexico is an open society and shares our borders, whereas China is a closed society to which even our intelligence organizations have little access. It is difficult enough to estimate the reserves in a field where all the information and tests are available. Could it be that it would not be expedient or politically wise to release information about Mexican oil reserves at a time when the President wants to force his energy bill through Congress? This selective release of facts and information by the administration seems indicative of the efforts being made to place only a favorable light on this question.

There can be little doubt that the recognition of the PRC and the withdrawal of recognition and the abrogation of the Mutual Defense Treaty with the Republic of China (Taiwan) represented a major victory in Peking. It is fairly easy to understand most of the reasons why the Chinese communists want to be recognized.

It is less easy to understand why President Carter felt so compelled to recognize Peking that he accepted terms of recognition previously rejected by his predecessors. It is clear that the agreement in its present form could have been concluded by either Nixon or Ford, but they apparently had a different view of the "realities" mentioned by President Carter. For them, the realities were complex, and they were aware that such a move would mean not only the cancellation of a defense treaty with friends, but at the same time the establishment of relations with our former friends' adversaries.

The betrayal would not stop there. We would then also recognize these adversaries as the sole legal government of China. This is a reversal of 180 degrees—with a new twist of not even accepting our former friends' legal right to exist! For President Carter, these considerations must have been too complex and were, therefore, simplified.

The old principles of international law, such as treaties are to be honored, *pacta sunt servanda*, were scrapped and in their place the illusion of sole legal government was created. There is nothing in international law or traditional practice that indicates that the PRC has any legitimate claim to the islands of Taiwan and the Pescadores.

Even the PRC cannot be overly impressed

by this betrayal of an old friend. With its broader perspective on history, it is bound to make some reflections along the lines of "Today Taiwan was sold out, tomorrow maybe we'll be the ones." This action has proven for all the world that the U.S. is an unreliable ally and friend; or, as a former Undersecretary of State George Ball said a year ago: "We would gain little from pushing Taiwan overboard. What would we lose? Our self-respect for one thing. We would be acting out of character in pursuing the sordid diplomacy of the 18th century, when the reversal of alliances was standard procedure."

So why did we do it? To enhance world peace? This sounds frighteningly similar to Neville Chamberlain's remark in 1938: "Peace in our time" while waving the worthless Munich agreement.

Perhaps the most important question unanswered by the administration's announcement is: What would the U.S. do if the PRC attempted to reunify Taiwan with China, either by force or through blackmail? Would we simply sit back and insist that this was an internal matter for the Chinese to resolve themselves? Certainly this is the answer suggested by our statement that there is only one China. Why did we not insist on assurances from the security of Taiwan?

Statements from officials claiming that we got this agreement on our terms seem to suggest that we did not even seek any guarantee for the territorial integrity of our former friends. Can this possibly be true? Was the president in such a hurry or did he believe that this agreement was of such importance that he did not even dare raise the question? If this is the case, then the American people have the right to be shocked—at least until there has been adequate, substantial proof to the contrary.

The American public has been told that China cannot invade Taiwan today. What about tomorrow? After all, increased production and military capabilities are what the PRC's modernization program is all about. Then we are told that Red China would value its trade relations too much to risk having them cut off in case of a reunification attempt by force.

If this were so certain, it would reveal that the PRC values trade more than reunification. Why did the U.S. not give them trade privileges and recognition and still keep the treaties with Taiwan? The PRC surely would have been content if they truly do value trade more than reunification.

Another complex problem is the possibility that Taiwan will feel compelled now to develop its own nuclear weapons. This would increase nuclear proliferation and perhaps the danger of war—instead of "reducing the danger for international military conflict" as the president claims is his goal. This issue is not a relevant problem, we are told, since Taiwan has signed the nuclear non-proliferation treaty and the U.S. has control over uranium supplies.

The nuclear issue will remain irrelevant only as long as Taiwan proves to be a more reliable treaty partner than we are ourselves, and as long as they do not engage in alliance swapping a la Carter—in which case they would turn to the U.S.S.R. for uranium.

We have lost our right to argue on moral terms—such as keeping a treaty or relying on old friends—so we can only resort to the use of power. Which country is next on the sellout list? South Korea? We have heard that the growing capabilities of the North Koreans are not a threat any longer, since we have the China card. Are we to believe that a poor nation such as North Korea uses its scarce resources for the sheer pleasure of having an enormous army? This is bordering on stupidity. May we really assume that there is no rationale behind the North Korean buildup—that they simply keep increasing their armed forces out of habit?

What about a potential sell out of Europe in the coming SALT II agreements? These probably will not include either the backfire bomber or the SS-20 nuclear missile—small threats to the U.S. but potentially deadly for Europe. Again we appear to be willing to forsake our friends for another agreement with our enemies. No wonder rumors emerge internationally that prominent West German leaders are looking into other security arrangements besides NATO. ●

COMMONSENSE ON MR. TENG

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. MICHEL. Mr. Speaker, from time to time I come across old-fashioned commonsense from a liberal Democrat. I know that a liberal Democrat with commonsense sounds like a contradiction in terms, but these things do happen, Mr. Speaker, and we cannot ignore them.

A great deal of the time I find this commonsense in the writings of John Roche. Mr. Roche, a professor, was once a top aide to Lyndon Johnson and the head of Americans for Democratic Action. Given such an impoverished political background we could expect to find Mr. Roche spouting the same old clichés of the Great Society. Well, Mr. Roche is not above praising the Great Society, but, oddly enough, on other issues he is quite sound.

He recently showed this in a newspaper column published in the *Washington Star*. The subject was the visit of Chinese Vice Premier Teng Hsiao-ping to the United States. Mr. Roche reminds us that despite the euphoria surrounding the visit, Teng is a "brilliant, dedicated old gangster" and that he was the designated hit-man during one of China's bloodiest purges. Teng would like nothing better than to see the Soviet Union and the United States go to war while he watched from the sidelines.

At this time I would like to insert in the RECORD, "The De Facto Warden," by John P. Roche, *Washington Star*, February 14, 1979:

THE DE FACTO WARDEN

(By John P. Roche)

"You Americans," a Polish friend sadly observed some years ago, "think history starts anew every morning." His particular complaint was that Eastern Poland, his ancestral homeland, had been casually handed to the Soviet Union at the end of World War II and his family shipped off with nothing but the clothes on their backs to land formerly German. He could not in any case return to his new "home": he was a veteran of the Polish army that fought with us in Italy, "a reactionary fascist" in the lexicon of the Polish communist regime.

The frenzy over the visit of Chinese Vice Premier Teng Hsiao-ping, which stopped just short of strewing palms in his path, reminded me of this somber insight. One might have thought Teng was a long-persecuted advocate of human rights, a Messiah come to redeem Chinese communism of its totalitarian character. In fact, he was the chief organizer of one of the greatest purges in history, the "Rectification Campaign" of 1957-58.

It began with roses—quite literally. On

June 18, 1957, Mao's "Hundred Flowers" speech, made in February, was released to the people. In it the chairman admitted that perhaps the liquidation of 800,000 alleged counter-revolutionaries (a gross underestimate according to knowledgeable Sinologists who put the count in millions) had been a bit severe. To summarize a four hour speech, he went on to call for open debate within a framework of "centralized guidance" and coined the slogan "Let a Hundred Flowers Blossom and Let a Hundred Schools of Thought Contend."

The obviously unanticipated response was seismic. A million flowers bloomed including one notable cactus-blossom: a professor at Peking University stated baldly in the *People's Daily* that "to kill communists and overthrow you cannot be called unpatriotic, because you communists are no longer of service to the people. Even if the Communist Party is destroyed, China will not perish."

Four days later Chou En lai, shadowed by Teng, his chief capo, decided to close the playground: he told all non-communist Chinese they would be "enemies of the people" if they criticized the government. This took over 95 per cent of the population out of play at one swoop. Shortly thereafter students were told critics of the regime would be subjected to severe penalties, "rightists" were discovered spreading "fantastic anti-Socialistic views," and the elite hit the panic button.

Chou En-lai, an urbane, cynical survivor whom Mao never purged because he was useful and quite prepared to be No. 2, seldom handed dirty jobs in person. What was called for in 1957-58 was not a minor league operation but a purge of millions. Chou called for his faithful hit man, Teng, who threw himself into liquidating rightists with the same bouyant zeal to which we have recently been exposed. God alone knows how many million intellectuals, teachers, small entrepreneurs, and other "anti-social" elements went to the wall. Ironically, survivors have just been "rehabilitated" by the same man who sent them down! He smiled his charming smile and said, in effect, "I cannot tell a lie: Mao did it."

To say this is not to argue President Carter should have him arrested for trial in Nuremberg, or that the United States should not recognize the Chinese Peoples Republic. It is to call for a realistic assessment, not a love affair. Teng has been running around the United States trying to gin up a war with the USSR. I share his view of Moscow as I do Moscow's of him, but no matter how sincerely I despise Soviet totalitarianism I'm not going on a Chinese sponsored polar bear hunt. If he and the Soviets want to fight it out, let's watch on television.

In short, anyone who thinks we are playing a "Chinese card" against this brilliant, dedicated old gangster suffers from the sin of innocence. No matter how nice Teng and Cho Lin were to Shirley MacLaine, Jimmy and Rosalynn, Fritz and Joan, and the other starry-eyed members of the White House cast, the vice premier is still the de facto warden of the world's largest concentration camp and thus an implacable enemy of the fundamental values of our society. ●

THE PRESIDENT'S BUDGET AND PROGRAMS FOR THE POOR

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. GIAIMO. Mr. Speaker, OMB Director McIntyre has stated that the President's fiscal year 1980 budget increases spending on programs for the poor by \$4.5 billion. Because of the in-

terest expressed by many of my colleagues about this statement, I am taking this opportunity to insert in the RECORD a table prepared by OMB detailing the increase.

The table is self-explanatory, but I believe several points would help put it in perspective.

First, when compared to estimated 1979 outlays, the increase in outlays it identifies as for the poor is marginally above the inflation rate.

Second, a significant portion of the increase results from higher caseloads or the fact that programs are indexed or price increases are automatically reimbursed (medicaid, veterans pensions, supplemental security income, food stamps, WIC, and child nutrition).

Third, a portion of the increase results from changes in the law initiated by Congress last year (earned income tax credit, veterans pensions).

Fourth, there is room for disagreement as to whether some of the programs in the OMB list, such as urban development action grants and community development block grants, are truly programs for the poor. On the other hand, some programs that deliver substantial benefits to the poor were excluded from the list. Examples of such programs are community and migrant health centers, Indian health services, and veterans' medical programs.

Developing such a list is difficult because programs typically do not benefit the poor or nonpoor exclusive. Many programs for the poor—including AFDC, supplemental security income, food stamps, child nutrition, and veterans pensions—also deliver some benefits to persons who are above the official Federal poverty level. Conversely, many programs not created specifically for the poor, such as social security and medicare, play an important antipoverty role. Determining how much of each program's benefits flow to the poor requires more data than are readily available for some programs.

The table follows:

FEDERAL PROGRAMS FOR THE POOR¹

(Outlays in billions of dollars)

	Estimate		
	1978 actual	1979	1980
CETA.....	9.5	10.3	9.6
Education ²	2.9	3.3	3.8
Urban development action grants.....			.2
Community development block grants.....	2.5	2.9	3.3
Rural housing program.....	.5	.2	.4
Community services.....	.6	.6	.5
Work incentive.....	.4	.4	.4
Women, infants, and children (WIC).....	.4	.5	.7
Community service employment, older Americans.....	.1	.2	.2
Earned income tax credit (EITC).....	.9	.8	1.5
Veterans pensions.....	3.2	3.7	4.2
Supplementary security income.....	5.9	5.6	6.3
Assistance payments (AFDC and other).....	6.6	6.7	6.7
Food stamps and donations.....	5.5	6.4	6.9
Medicaid.....	10.7	11.8	12.5
Grants to States for social and child welfare services.....	2.8	3.0	3.0
Child nutrition.....	2.8	3.0	3.0
Subsidized housing.....	3.7	4.4	5.3
Total.....	59.0	63.8	78.5

¹ These programs do not include tax expenditures such as targeted jobs tax credit and work incentive credit which result in revenue losses of \$640,000,000 in 1980.

² Includes title I—ESEA; Head Start; and special higher education programs for the disadvantaged.

Source: Office of Management and Budget. ●

INCOMPETENCE AT THE IRS

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. PAUL. Mr. Speaker, last week the Internal Revenue Service issued a revised revenue procedure on private schools, updating the revenue procedure first printed in the Federal Register on August 22, 1978. Hearings were held yesterday, February 20, by the Subcommittee on Oversight of the Committee on Ways and Means. I prepared a statement for those hearings, and I include the text of that statement in the RECORD as an extension of my remarks:

STATEMENT OF DR. RON PAUL

Mr. Chairman, I appreciate the opportunity to submit a statement to your Committee on the matter of the Proposed Revenue Procedure concerning private schools recently revised by the Internal Revenue Service.

When any government agency threatens the existence of private, voluntary agencies I am concerned. I am especially concerned, however, when the private organizations being threatened by the government are private and church-related schools. The education of children is an extremely important function, and it is my firm belief that of all functions it should be one of the least regulated and controlled by a Governmental bureaucracy such as the Internal Revenue Service. Children are all different; each child is unique. The persons who know the child best are his parents, and they are, and will always remain, the best guardians of his wellbeing. Unfortunately, many people no longer believe that, preferring to surrender children to the beneficent state and denying parents any role in the major decisions that affect the education of their children. Some of these people, it appears, work at the Internal Revenue Service, for that agency has proposed a regulation that would, in effect, close down private schools that parents have judged best for their children. These schools would be closed, not because they have violated a law, but because they do not conform to a pattern—a changing and ambiguous pattern—conceived in the mind of a nameless bureaucrat. That, Mr. Chairman, is precisely the kind of government our Constitution was written to prevent.

The presumptuousness and audacity of the Internal Revenue Service in issuing regulations that threaten private schools is surpassed, however, by the Service's incompetence. I do not make the charge lightly, Mr. Chairman, and I hope that it is not taken lightly. Let me state my reasons.

On February 13, 1979, the Internal Revenue Service published its revised Revenue Procedure in the Federal Register. That procedure, as published in the official version, is logically incoherent. Let me explain.

We are initially told on page 9451 that—

"This document contains a revised proposed revenue procedure which sets forth guidelines the Internal Revenue Service will apply in determining whether certain private schools have racially discriminatory policies as to students and therefore are not qualified for tax exemption under the Internal Revenue Code."

On the next page, page 9452, the Internal Revenue Service states:

"If a school engages in any acts or practices that are racially nondiscriminatory as to students, the school is not entitled to tax exemption even though it may otherwise

comply with the provisions of Revenue Procedure 75-50 or this Revenue Procedure."

One has two options at this point. First, one can conclude that the IRS is hopelessly confused and has promulgated blatant contradictions, or, second, one might conclude that no private school, discriminatory or nondiscriminatory, is entitled to tax exemption. Which option is the correct choice will become obvious as we examine the other passages in question.

The second passage is also on page 9452: "This Revenue Procedure sets forth guidelines to identify certain private elementary and secondary schools that are racially nondiscriminatory, even though they claim to have a racially nondiscriminatory policy as to students."

Mr. Chairman, I humbly submit that that statement is nonsense. However, for the skeptics, I call your attention to another statement on page 9452:

"A school 'adjudicated to be discriminatory' means any school found to be racially nondiscriminatory as to students by a final decision of a federal or state court of competent jurisdiction; . . ."

The honest reader is now compelled to admit that this statement is gibberish, illogical nonsense. There is, moreover, another example of the incompetence of the IRS:

"If a particular school which is part of a system of commonly supervised schools would be treated as not having significant minority student enrollment under the foregoing provisions, it may nevertheless be considered to have a significantly minority student enrollment if all the following conditions are met: . . ."

"(3) There is no evidence that the school system operates on a racially nondiscriminatory basis, such as through the operation of a dual school system based on race."

Mr. Chairman, I believe that these four statements are evidence of gross incompetence in the agency charged with collecting federal taxes. If the errors are not simply typographical—and it is difficult to believe, that such errors could be made repeatedly and still be typographical—then we are witnessing a phenomenon that has occurred infrequently in human history: the confusion of language resulting from the confusion of thought. George Orwell analyzed the phenomenon at length in his novel "1984" and in his nonfiction works. It appears that the Internal Revenue Service, attempting to square the circle by imposing non-quota goals on private schools, has become explicitly incoherent and now writes of nondiscriminatory discrimination and discriminatory nondiscrimination. Orwell coined the term Newspeak for such linguistic and logical nonsense, and Newspeak is what appeared in the Federal Register on February 13.

There is, of course, the possibility that these are simply clerical errors, not logical blunders. If so, then we can only conclude that an agency that can make errors of this magnitude is not only unfit to regulate private schools, but also incompetent to administer the tax laws. Some years ago a toy company was driven out of business because the Consumer Product Safety Commission made a clerical error (or so it claimed) and listed a toy manufactured by that company as dangerous and banned. No agency should have enough power to cause such damage through a clerical error. Now the IRS is presuming that it can exercise a power not granted to it by the Congress—power that used in error might result in the closing of private schools that have not violated any law or even any regulation issued by the IRS. Like the toy company, the schools will become helpless victims of entrenched and arrogant incompetence.

There are, of course, many other issues that ought to be raised, and I am confident that others will call this Committee's attention to them. I would, however, like to suggest one

further consideration: Taxes are for the purpose of raising revenue needed to sustain legitimate, constitutional functions of government. They ought not be used—and this Congress nor any of the agencies it has created has the authority to use taxes—as a weapon to compel citizens and organizations to conform to sociological models favored by federal politicians and bureaucrats. It seems that this Congress and the agencies it has created have forgotten this elementary principle of taxation. The result has been, and will continue to be, an erosion of respect for this Congress in the minds of the people, and, what is worse, an erosion of respect for law generally. The people cannot be blamed for this result; the blame must rest right here in Washington. Revenue procedures such as that proposed by the Internal Revenue Service concerning private schools are illegitimate, unlawful, and deserving of the disrespect they receive. This Congress and the bureaucracy it has created seem to be deluded on the nature and extent of their power, believing that they can do whatever they wish. They cannot. If the IRS stubbornly refuses to admit that it has exceeded its authority, it will, I fear, learn its lesson the same way its spiritual ancestor, George III did. I fervently hope that this Congress and its agencies recognize that fact and change their plans before such a prospect becomes a reality.

Thank you, Mr. Chairman, for this opportunity to present my case. ●

DON'T TINKER WITH SOCIAL SECURITY BENEFITS

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. SCHEUER. Mr. Speaker, the success of social security has always rested on the foundation of public confidence in the Government's determination to fulfill its commitments under the system.

In her recent letter to the editor, which appeared in the New York Times of February 9, Elizabeth Wickenden persuasively argues against "tinkering" with promised benefits as a means of freeing funds for other Federal purposes.

I find her letter particularly illuminating and I commend it to my colleagues attention:

SOCIAL SECURITY: DON'T "TINKER" WITH BENEFITS

To the Editor:

The Times has been a staunch and knowledgeable defender of Social Security throughout the system's long and highly successful history. The two indispensable ingredients of that success have been stability of institutional arrangements and confidence on the part of the public that the Government will fulfill its commitments under the system.

These have depended, in turn, on long-range planning to maintain the delicate balance between contributions paid in by future beneficiaries and benefits paid out, as promised, to the currently retired, the disabled and those deprived by death of the family breadwinner.

It is therefore disappointing to find The Times, in its editorial of Feb. 1, treating Social Security benefits as if they were just another element in the current Federal budget. President Carter himself has modified his original recommendation to this effort by requesting (in his Supplemental State of the Union Message of Jan. 25) the two already existing statutory bodies on Social Se-

curity to consider his recommendations as part of their overall examination of this complex system.

No one is objecting to a considered review of the system with respect to benefits, financing and demographic factors. What is objectionable is to tinker with promised benefits in a given fiscal budget as a means of freeing funds for other Federal purposes.

Social Security in the United States is a self-contained, self-financing system and should be so treated. The best way to assure his original recommendation to this effect by Senator Church: to create an independent Social Security board to administer the program and to separate its financing entirely from the consolidated Federal budget.

As a postscript, I must, as an advocate for children, protest The Times's characterization of the "heart of Social Security" as "basic income and medical care for the old and disabled." Not only are five million children currently receiving monthly Social Security benefits but the life insurance protection of the system has major immediate value to the younger working families now paying Social Security taxes.

ELIZABETH WICKENDEN.

NEW YORK, February 2, 1979.

(The writer is a consultant on social policy.) ●

BAN DIOXIN

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. EDWARDS of California. Mr. Speaker, I am today introducing legislation to prohibit the aerial spraying of the chemical 2,4,5-T and other chemicals containing dioxin in our national forests.

The chemical 2,4,5-T has been used in the United States in the spraying of our forest, range, and agricultural lands for some 30 years. It is used to kill forest underbrush, control weeds, and clear brush. In recent years there has been growing concern about the health hazards posed by the use of this substance. The chemical 2,4,5-T contains as an unavoidable contaminant a substance known as TCDD (tetra-chloro-dibenzo-dioxin) or dioxin, one of the most toxic substances known. It is the presence of this dioxin which is the source of this concern.

My own alarm over the use of this chemical has been increasing over the last year. I first became involved in this issue through my work on the House Veterans' Affairs Committee. As my colleagues know, the committee has been looking into allegations of serious health difficulties being encountered by Vietnam veterans as a result of their exposure while in Vietnam to a defoliant known as Agent Orange. Agent Orange contains 2,4,5-T, and thus the dioxin contaminant.

Many Vietnam veterans have come forth to file claims for compensation for such health problems as numbness in limbs, weight loss, fatigue, chloracne, psychological problems, cancer, and birth defects in children they parent. The veterans have alleged that these ailments are the result of their exposure to Agent Orange.

The Veterans' Administration is in the process of studying this situation with a hope to determine whether or not a direct correlation can be made between exposure to Agent Orange and these illnesses. Our committee plans to continue to follow this matter closely. We want to make sure the VA gets to the bottom of these allegations and that the many claims filed by Vietnam veterans are handled appropriately.

In studying the problems associated with Agent Orange, I was distressed to learn that 2,4,5-T was also being used here in the United States. While the concentrations of TCDD or dioxin present in the 2,4,5-T used domestically are admittedly much less than in the compound used in Vietnam, serious questions still remain about its safety.

Concerned scientists have been studying the situation. Scientific research has shown that TCDD causes birth defects, miscarriages, leukemia, lung, liver or other cancerous tumors in laboratory animals. Environmental groups have called for a ban on 2,4,5-T and other chemicals containing dioxin. They cite evidence of pregnant women living near spray sites suffering an abnormally high percentage of miscarriages. They point out the many cases of deformity to animals, many of whom die shortly after spraying takes place. They are concerned about deformities in plant life as well.

These facts and the growing controversy over the use of this chemical led the Environmental Protection Agency to begin a review of 2,4,5-T in April of 1978. The EPA, in announcing its Rebuttable Presumption Against Registration (RPAR), acknowledged the research which has been conducted showing serious problems associated with exposure to 2,4,5-T. Unfortunately, the EPA chose not to exercise its authority to suspend the use of the chemical while its review is underway.

As a result, the chemical is still in use. The EPA is not expected to issue its recommendation on the future use of 2,4,5-T until April of this year. The Agency's recommendation must then be reviewed by the Agriculture Department and a scientific advisory group before a final decision can be rendered. Once made, this final decision can be appealed—and probably would be, whatever the outcome—and a hearing would have to be held before an EPA administrative law judge. After his recommendation is made, the EPA Administrator issues the Agency's final order. The ruling at this point still could be challenged in the courts. In the course of this lengthy process, the chemical's continued use is permissible.

It simply makes no sense at all for one agency of the Federal Government to be using a chemical which is being reviewed by another Federal body for possible harmful effects to human and animal life. It is for this reason I have introduced my legislation calling for a ban on the spraying of 2,4,5-T or other chemicals containing dioxin in our national forests.

My bill does not address the use of this substance by the private sector. While I personally feel there is sufficient evidence to ban this substance from the market

entirely, I recognize the need for the EPA to follow its review procedure through before this can be accomplished. However, I see no reason why the U.S. Forest Service or the Department of Agriculture should continue using 2,4,5-T so long as these many troubling questions about its safety remain unanswered.

I would welcome the support of my colleagues in cosponsoring this measure with me.●

WHERE IS THE ADMINISTRATION'S BACKBONE?

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. MICHEL. Mr. Speaker, the Wall Street Journal has published an editorial which, in my view, deserves the attention of every American.

I refer to "Symbols of Irresolution" published February 15, 1979. It deals with the lack of backbone and will on the part of the Carter administration in foreign affairs.

At this time I wish to insert this important editorial in the RECORD, in the hope that the hard truths it contains will become known by every Member of this Congress:

SYMBOLS OF IRRESOLUTION

So Mr. Carter lost an embassy. Oh, perhaps you shouldn't fault him. After all, he had another 69 marines on alert in the Azores, only 4,000 miles away.

And while the American embassy in Iran was being overrun, the American ambassador in Afghanistan was being assassinated by Moslems demanding that the Afghan regime release imprisoned mullahs.

The Marines were stuck in the Azores because Turkey would not accept them; it has become too dangerous to take risks on behalf of the United States. And while Afghanistan is the Soviets' newest puppet, rebels there do not kidnap Russians; it is much safer to pick on Americans.

None of this should be particularly surprising. It might be called the vindication of the domino theory. In the world of geopolitics, if you lose in one place you will be tested in another. If you lose successively you will be tested in more and more ways. If you start not even to put up a fight, everyone will start to bully you. Any normal kid in a schoolyard learns this; we keep wondering where the members of this administration grew up.

To be fair, of course, the erosion of American power and standing in the world started long before the Carter administration. In our view, it started in the Kennedy administration, with the colossal blunder of sanctioning a coup in Vietnam against Ngo Dinh Diem. This sealed a heavy American commitment to the place, and within a month Lyndon Johnson, who had opposed the coup, was the President dealing with its aftermath.

Many subsequent mistakes were also made in Vietnam, of course, but as strategic analyst Albert Wohlstetter has remarked, the worst thing about the war was bound to be the lessons we drew from it. So in its wake, public discussion centered on the arrogance of American power, the irrelevance of military force, and so on. These attitudes in the public and the Congress served to hamstring the Nixon-Kissinger-Ford approach to foreign policy.

The great tragedy of the current administration is that just as the public and Congress started to regain their sense of proportion on these matters, Mr. Carter stuffed the key second and third levels of the State Department, National Security Council and even the Pentagon with people upon whom the wrong lessons had been indelibly stamped. So now that the public is ready to do something to strengthen the American posture in the world—indeed forcing the administration to do more against its own instincts—we have policymakers adept at designing symbols of irresolution.

In the midst of the Iranian crisis, the administration starts the aircraft carrier Constitution out of Subic Bay and heads it toward the Persian Gulf, where it might have come in handy yesterday. But it changes its mind, and leaves the carrier circling aimlessly off the straits of Malacca. To firm up the Saudis in the wake of the shah's collapse, it sends a flight of F-15s, but announces that they are unarmed. It plays the "China card" and gets nervous when the Russians are upset. For that matter, we learn that it does not even bother to ask Peking to renounce the use of force against Taiwan; you can rest assured the strategic arms treaty with the Soviet Union has been negotiated the same way.

We are paying the price for this kind of policy, and are simply lucky that the episode at the Tehran embassy did not turn out even bloodier than the episode in Kabul. Unless the administration starts to show some backbone somewhere, the ultimate price is likely to be far higher than either.●

CONGRESSIONAL ETHICS AND THE KOREAN SCANDAL

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

○ Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for February 21, 1979, into the CONGRESSIONAL RECORD:

CONGRESSIONAL ETHICS AND THE KOREAN SCANDAL

From early 1977 to late 1978 the House Committee on Standards of Official Conduct (the Ethics Committee) investigated charges and found evidence that the government of the Republic of Korea tried to influence Congressmen by giving them large amounts of money. The Koreans adopted at least three plans of influence-buying apparently because they feared that the United States was preparing to withdraw its economic and military support of Korea.

The Committee found that Tongsun Park, a Korean-American businessman, proposed the first plan to Korean government. The plan required American rice dealers to name Mr. Park as their agent in rice sales to Korea. In return, he gave a portion of his commissions to House members in order to influence them. The investigation of Mr. Park's activities is essentially complete. The reprimands given to three Congressmen late last year were the results.

The second plan involved Hancho Kim, another Korean-American businessman. The Korean Central Intelligence Agency gave Mr. Kim \$600,000 to be used to influence House members and others. The evidence shows, however, that he did not pay off Congressmen but instead used the money for his own benefit. Mr. Kim was tried and convicted for conspiracy and perjury.

The third and most serious plan was put into effect by officials at the Korean Embassy in Washington, D.C. There is evidence that

four to seven identifiable members of Congress received payments of thousands of dollars from the former Korean Ambassador, Kim Dong Jo. Unfortunately, the investigation of the Ambassador's activities remains incomplete for two reasons. First, information concerning the payments is detailed and convincing, but it is highly sensitive and its release would compromise secret sources and methods of American intelligence. Furthermore, such information might not stand up as the main evidence in an adjudication. Second, the Korean government refused to disclose key evidence in its possession, and the Ambassador himself proved to be an uncooperative and unreliable witness. At the present time I see no way that disciplinary action can proceed against these members of Congress.

The incompleteness of the investigation troubles me deeply, but so too does the attitude of many House members toward the whole ethics issue. The Committee has had to pursue its mandate in a general atmosphere of misunderstanding in the House itself. For example, the House voted to reduce one Congressman's punishment from censure to reprimand in spite of a finding that the Congressman had lied to the Committee under oath. Also, the House leadership has had difficulty convincing House members to serve on the Committee in the 96th Congress. As a result of my long and frustrating experience on the Committee, I am making some recommendations which, if accepted, should lead to better enforcement of the new Code of Conduct.

1. Some House members think that the Code should be enforced by an outside group rather than by the Committee. Although an outside group may eventually be necessary, for the time being I believe that everything possible should be done to ensure that Congressmen accept the responsibility they have under current procedures. Since House integrity is the ultimate reason for the Code, the turning over of ethics cases to outsiders would be self-defeating: it would show that the House did not have enough integrity to judge the conduct of its members fairly and honestly. Besides, sitting Congressmen are better equipped than anyone else to understand the full implications of the ethics issue. They know the House very well because they work in it every day.

2. I favor a resolution to require every House member and employee to disclose any evidence of a violation of the Code. The resolution would make investigators of all House members and employees so that the Committee would not be forced to work on its own, as it was in the investigation of Korean influence-buying. A rule requiring that every House member and employee be involved in enforcement of the Code has its problems, but self-discipline is an inherently difficult task. It should not be left to twelve Committee members to carry out a task that the House as a whole does not support.

3. I also favor more meaningful penalties for violations of the Code. No matter how good the new Code is, and no matter how much House members and employees assist in disclosing evidence of violations, the Code has little value if violators do not face serious consequences. The traditional penalties of reprimand, censure, and expulsion all have their defects. Reprimand and censure are largely symbolic, and expulsion is too drastic in most instances. In my view, emphasis should be put on penalties that restrict official powers. A House member unconcerned with a reprimand might think again before doing something that could result in the loss of a committee or subcommittee chairmanship, an important committee assignment, or seniority. More to the point, a restriction on official powers is fitting punishment. Those who cast discredit on the House

should not be permitted to exercise far-reaching official powers. ●

RECORD HIGH BLACK UNEMPLOYMENT

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. GRAY. Mr. Speaker, the Wall Street Journal is to be commended for its news report of February 1, 1979, focusing on the continued serious unemployment among black youth.

As the Journal points out, black youth are in the midst of literally a depression in the midst of America's prosperity.

The jobless rate for black teenagers now stands at nearly 40 percent, by even conservative estimates. The actual figure is likely to be much higher, since official Government figures include other minority teenagers, whose employment levels are generally higher than the black community's.

What this all points to, Mr. Speaker, is the need to intensify the focus of our jobs programs on inner-city youth, where the largest numbers of black teenagers are found.

I offer the Wall Street Journal article for the RECORD in order to share with my colleagues an overview of the problems confronting our black teenage unemployed—and our Nation:

THROUGH GOOD TIMES AND BAD, JOBLESSNESS AMONG YOUNG BLACKS KEEPS RIGHT ON RISING

(By Alfred L. Malabre, Jr.)

Amid America's prosperity, a depression is in progress.

General business activity is at a record level. The economy spawns more jobs than ever before. Yet, consider the message carried in the adjoining chart:

The rate of joblessness among black teenagers, climbing with little interruption through a quarter of a century, now is close to four in 10. It's far higher than the country's overall unemployment rate—of one in four—at the pit of the Great Depression of the 1930's. The table traces, by population group, the unemployment story since 1954.

[In percentage]

	1954	1978
Black teen-agers.....	16.5	36.3
White teen-agers.....	12.1	13.9
All blacks.....	9.9	11.9
Black adult females.....	8.5	10.6
Black adult males.....	9.9	8.6
White adult females.....	5.1	5.2
All whites.....	5.0	5.2
White adult males.....	4.4	3.7

Joblessness among black teen-agers has soared, but unemployment among white teen-agers, as well as among blacks generally, has risen only moderately since 1954. Jobless levels actually are down in two categories—black adult males and white adult males.

Black teen-age unemployment last year, though very slightly under the 1977 level, was precisely as high as in 1975, when the last recession hit bottom, and about four percentage points higher than in 1974, a year of deepening recession. Since 1974, the rate for white teen-agers has inched down. Since 1975, the jobless rate for every other group in the table has fallen. The rate for black men has dropped from 11.7 percent to 8.6 percent.

Official estimates of black teen-age unemployment, moreover, may seriously underestimate the situation. The published figures overwhelmingly represent black teen-agers but also encompass other nonwhites whose jobless levels tend to be lower. In addition, it's widely agreed that so-called hidden unemployment—joblessness not picked up in surveys—is particularly prevalent among black youths.

The unemployment rate for black teen-agers is "really 50 percent" or more, maintains Vernon E. Jordan Jr., president of the National Urban League, a social-services group serving mainly low-income blacks. Whatever the true rate for black youths, Mr. Jordan sees their predicament as a major reason that "black America today verges on the brink of a disaster."

Why have young blacks, through times of economic growth as well as in recessions, fared so badly in the labor market?

Analysts who monitor the broad, national picture offer various explanations. Governmental jobs programs don't focus enough on inner-city neighborhoods where black teenagers predominate. New jobs keep emerging farther from inner-city areas. Increases in the minimum wage particularly hurt young blacks seeking work. Other factors range from inadequate educational facilities to job-interview difficulties.

Interviews with black teen-agers as well as employers and social workers dealing directly with them, were recently conducted in Florida's Dade County. They tend to corroborate the generalizations. An effort was made to canvass the same black, low-income neighborhoods covered in a report on teen-age joblessness that appeared in this paper on Feb. 9, 1977.

Unemployment among young blacks has long been a major problem in Dade County. The 1977 survey found that some 40% of youths in the neighborhoods visited were looking unsuccessfully for work. No comparable head count was taken now, but the interviews do suggest that 42% would likely be too low a figure today.

A TALE OF TWO CENTERS

Dissatisfaction with jobs programs is apparent in the remarks of Odessa Hill, a black who heads a team of eight social workers at an "action center" aimed at finding work for jobless teen-agers in a poverty-ridden neighborhood just north of Miami. Her staff will probably have to be reduced in coming months, she complains, because government funds for her center were recently trimmed. Funds for another such center in a somewhat more prosperous neighborhood, she notes, were recently increased.

George D. Sarol, director of the second center, attributes the increase in support—from \$106,000 yearly to \$136,000—to "our good record at finding jobs for the young people who come here." The center trains teen-agers in draftsmanship. A recent graduate of the five-month course now earns \$5.50 an hour in the design department of Burger King Corp. in Miami. About three dozen youths apply for the 14 openings that come up at the start of each course, Mr. Sarol says. Selection is on the basis of aptitude tests.

These young people, however, are mainly white and generally are from homes where at least one parent holds a full-time job. In contrast, every youth interviewed at Miss Hill's center recently was black and frequently from a home on welfare. Reasonably typical is Reggie Bernard, who reports that he has been "looking for a year and a half" without success. The high-school dropout says that there are "just no jobs around" for him.

A worsening problem for many Dade County teen-agers is the inaccessibility of

new jobs. "We get calls about job openings where the position would take hours for the kids to reach and get home," says Miss Hill. One youth willing to spend some three hours daily getting to and from his job is Andre Delaney. The 18-year-old black lives in northwestern Miami and works—five hours a night, at \$3.50 an hour—in a large hotel south of the city. During the day, he is enrolled at a high school near his home.

A MAXIMUM PROBLEM

The minimum wage presents difficulties. As it has risen—from \$2.30 an hour in 1976 to \$2.90 now—some jobs once open to young Dade County blacks have either dried up or been grabbed by older, more capable persons deciding to enter the labor force.

Among these interviewed in February 1977 was John Manley, owner of a restaurant in a poor, black district in southern Miami. At that time, he employed three teen-agers, at about the hourly minimum of \$2.30. He warned, however, that at least "two would have to go" if the minimum were raised appreciably. A return visit finds no teen-agers now employed there. Ola M. Lester, Mr. Manley's mother-in-law, helps him in the kitchen and her sister works at the counter. "We work for free," Mrs. Lester says. "John couldn't afford to keep the kids on any longer."

Rich Robinson, a personnel director at Miami-based Burger King, reports that the age of people going to work for the fast-food chain has been rising, along with the minimum wage. The average age of employees in the chain's restaurants has climbed, he estimates, from "about 17 years a couple of years ago to close to 20 now." To offset increasing wage rates, he adds, "we're combining some jobs, such as having cashiers also handle soft drinks."

Some teen-agers in Dade County, it should be added, report that they would be willing to work for substantially less than the minimum wage, if they could only land a job. Gwen Williams, a 16-year-old black, says: "I would work for \$2 an hour just to get some experience." She is looking for a clerical job but says that "the chances seem very slim in this area." She says that she can type close to 40 words a minute.

Poor-quality education is often mentioned as a factor in the county's teen-age job problem. Reggie Bernard says the high school he quit "wasn't worth finishing." Bobby Valentin, 16, says that his teachers "are so bad I fall asleep all the time." Classes now average about 35 students per teacher, he says, up from a ratio of 25-to-one last year. Then, he recalls, "school was more interesting." So far this year, he reports, 69 youths in his age group have dropped out of his school. Drug use among the students, he adds, is widespread.

A special problem faces black teen-agers in Dade County. The area also has a large population of Cuban youths who speak Spanish as well as English. "The first question they ask you in a job interview," says Eric Lowery, a black 17-year-old, "is: Are you bilingual?" Eric's job—working weekends as a cook's helper in a restaurant—fortunately doesn't require a knowledge of Spanish. The high school he attends offers a Spanish course, he says, but few blacks take it.

Many young blacks seem at a disadvantage during job interviews. "The schools don't teach these kids how to handle themselves and give a good appearance when they're trying to get a job," say Cornell Hills, a black law student at the University of Miami who also does social work for Dade County. The problem is indicated in a remark of Rich Robinson of Burger King: "We look for the all-American boy look when we interview a teen-ager for a job."

Reggie Bernard wouldn't pass muster. He

wears a wool cap, indoors as well as out, and under it his hair hangs down in long, braided locks.●

THE 27TH ANNUAL NATIONAL PRAYER BREAKFAST

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

Mr. SCHULZE. Mr. Speaker, over 3,000 guests, including representative citizens from all 50 States and more than 100 other countries of the world, gathered at the Washington Hilton Hotel in Washington, D.C., on January 18, 1979, for the 27th national prayer breakfast.

This annual event, which is sponsored by the Senate and House prayer breakfast groups, marks a time for us to gather in a spirit of fellowship to reaffirm our mutual dependence on God. It is a public opportunity to demonstrate that we are a nation founded on spiritual principles and that our strength derives from our adherence to God.

Mr. Speaker, I think many can benefit from the words of the several speakers at the national prayer breakfast, as did those of us who were in attendance.

Accordingly, I ask unanimous consent that the program and transcript of the breakfast be printed in the RECORD, and I commend these remarks, and the spirit in which they were delivered, to all.

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

THE 27TH ANNUAL NATIONAL PRAYER BREAKFAST PROGRAM

Grace: The Honorable Jack Brinkley, U.S. House of Representatives.

Opening Song: "Father, Lead Me Day by Day," Valley Forge Military Academy and Junior College Glee Club.

Presiding: The Honorable Richard T. Schulze, National Prayer Breakfast Committee.

Opening Prayer: Dr. Billy Graham. Introduction of Head Table and Statement: The Honorable Richard T. Schulze, U.S. House of Representatives.

Old Testament Reading: The Honorable Juanita M. Kreps, Secretary of Commerce.

New Testament Reading: The Honorable Cecil D. Andrus, Secretary of the Interior.

Prayer for National Leaders: The Honorable Mark O. Hatfield, United States Senate.

Solo: "I Come to the Garden Alone," "He'll Understand and Say Well Done," Dr. Thomas H. Tipton.

Message: The Most Reverend Fulton J. Sheen, Archbishop of Newport.

The President of the United States.

Closing Prayer: The Honorable Harry A. Blackmun, Associate Justice, U.S. Supreme Court.

Closing Song: "The Battle Hymn of the Republic," Valley Forge Military Academy and Junior College Glee Club.

TRANSCRIPT OF PROGRAMS

GRACE: THE HONORABLE JACK BRINKLEY

Dear Father, may this time be a time of thanksgiving for your love and tender mercy towards us, in that while we were yet sinners Christ died for us, and that by the blood of the Lamb we have been redeemed and are joint heirs with Him. May we love each other with tenderness, as Thou hast commanded us to do, and may this nourishing food be-

fore us let us run and not grow weary in Thy good service. Teach us to number our days with rejoicing toward that day when we will run no more and will enter that lonely river separating time from eternity, and may ours be the true faith that Christ has risen and will pilot us safely to that distant shore to rest forevermore in the precious arms of Jesus. Amen.

Ladies and Gentlemen, the President of the United States and Mrs. Carter.

PRESIDING: THE HONORABLE RICHARD T. SCHULZE

Good morning and welcome to the 27th annual National Prayer Breakfast. I am Congressman Dick Schulze of Pennsylvania, and I'd like to take this opportunity to express our gratitude to the Glee Club of the Valley Forge Military Academy and Junior College in Wayne, Pennsylvania, under the direction of Captain Charles King, for honoring us with their presence and their inspiring music. They will now favor us with a selection entitled, "Father Lead Me Day by Day."

STATEMENT OF PURPOSE: THE HONORABLE LAWTON CHILES

The Sixty-Third Psalm starts off, "Oh God, Thou art my God; early will I seek Thee; my soul thirsteth for Thee, my flesh longeth for Thee in a dry and thirsty land where no water is; To see Thy power and Thy Glory as I have seen Thee in the sanctuary. Because Thy loving kindness is better than life, my lips shall praise Thee. Thus will I bless Thee while I live: I will lift up my hands in Thy name."

We're also told that David, when he was escorting the ark into Jerusalem, got out in the street and he danced, and he shouted because of the joy that he had. I hope you kind of feel like dancing this morning, because I think we're here, gathered from all over the world, almost every country represented. And in addition to all of us that are gathered here there are literally thousands at home praying for this meeting, and we come expectant to watch the work of the Lord, to have His Spirit begin to move across the land and to heal the land. And I think each one of us is here expecting a blessing. I know that I am. And I think we just wait to see how the Spirit is going to move, how we're going to be taught, how each one of us is going to receive that message. And I think that's the wonderful thing of this day; that we're here and that so many at home are praying for us, and we now wait to see how the Lord will move.

Mr. Schulze: Before I introduce Dr. Graham for our opening prayer, I just want to say a few brief words. As many of you know, he is one of the staunchest supporters of the National Prayer Breakfast, having been the speaker at the first Prayer Breakfast, held in 1953, as well as the fifteen following after that. He and Bishop Sheen are very close and deep personal friends. And Dr. Graham, I am going to ask you this morning if you will include in your prayer, or say a special prayer for the son of our Secretary of Labor, Ray Marshall. Ray's son is undergoing surgery and treatment for a very serious bout with cancer, and I would ask that you would include him. Ladies and gentlemen, Dr. Billy Graham.

OPENING PRAYER: DR. BILLY GRAHAM

President Carter, Mrs. Carter, Bishop Fulton Sheen, Congressman Schulze. Shall we all bow in prayer. Our Father and our God, we humbly thank Thee for this unique occasion. We've come here not to recount achievements of the past or to plan for the future but simply to seek Your face and to pray. In Your presence we see ourselves as we truly are, men and women who are subject to the frailties of human nature and who need Your forgiveness. Give us a knowl-

edge of Thy truth and confidence in Thy mercy. We need our vision renewed, our faith restored, and the desire to love and to serve rekindled. We come to you, our Father, because our problems are clearly beyond us. The weapons of war are greater than ever before. The possibilities of conflict are numerous. The social problems of our time are with us as they've been since the dawn of history. Our vaunted technology has not solved the basic problems of human greed and pride and selfishness. Nor has it solved the problems of loneliness, sorrow and suffering. Nor has it solved man's greatest enemy—death. We need Thy life, we need Thy compassion, we need Thy strength.

And our Father, on this day we pray especially for President Jimmy Carter. We thank Thee for his personal faith in God. Give him strength, courage and wisdom. Give wisdom to those who bring counsel to him and to those who serve at every level of government. Make us to remember that to whom much is given, of them much shall be required. And if this applies to us all as individuals as well as a nation, grant that the strong, driving wind of the Holy Spirit may sweep across the land and may help our youth regain their dreams and our old men their visions. Bring us back to the rock from whence we were hewn, back to those values that materialism cannot give and cannot take away. Grant us again the determination to seek justice, to love mercy, and to walk humbly with Thee, our God.

And in these surroundings and amidst the bounty of this food, help us to remember the lonely, the oppressed and the hungry. May we sense the presence of Him who is the Way, the Truth, and the Life. May this prayer breakfast become a commitment service for all of us. May we rededicate ourselves to the God of our fathers. And on this day, our personal prayer to Thee is "Bless Chris Marshall," whose father, Secretary Marshall, could not be here because of his illness. We pray, if it be Thy will, to touch him and to heal him and touch his family, and may Thy grace be sufficient for all of them. We pray these things in the name of our Lord and Saviour, Jesus Christ. Amen.

WELCOME: MR. SCHULZE

I feel when I say "Good Morning" to you I should say "Good Morning" to the tip of the iceberg. Because although we are over 3,000 strong here this morning with representatives from all fifty states and more than one hundred countries, we who are here this morning merely represent the millions of others who meet regularly for spiritual fellowship through Jesus Christ. I would like to thank President and Mrs. Carter for their presence, continuing the tradition of Presidential participation, and tell you that there are thousands of others around the world and on ships at sea participating through the Armed Services Radio Network. I'd like also to say a word of gratitude for the committee that did all of this work to put this together and everyone who had a hand in this morning. Our heartfelt thanks to all.

This National Prayer Breakfast demonstrates in strong and certain terms that we as a nation need God's help, guidance, and strength if we are to retain our position of influence in the world. The purpose of the Prayer Breakfast is to give to our nation that spiritual strength which is available to those who will but ask for it, to renew and strengthen those bonds of brotherhood with the faithful across our country and around the world and to give us the opportunity to ask God's guidance as well as express our gratitude for that which He has given us. Throughout the twenty-seven year history of this event in our nation's capital, the effort has been to influence men and women around this world of ours to recognize and participate in fellowship and love through Jesus Christ.

As many of you know, this National Prayer Breakfast was initiated by the Senate and House prayer breakfast groups, and as the presiding officer of the House prayer breakfast, I'd like just to take a minute and tell you something about our meetings. We meet weekly while Congress is in session, the Senate on Wednesday and the House on Thursday mornings at 8:00. Both groups meet in the Capitol. We begin with breakfast, enjoying the fellowship of our colleagues during the meal, often discussing mutual problems, the problems which are somewhat unique to our chosen field; the problems of how to be a good husband or wife, father or mother, under the pressures of travel, devotion to duty and demands or needs of constituents. And although we may not always find solutions, we at least feel much better knowing that others share our difficulties. Then, after an opening prayer, one of our members shares with the group his thoughts and feelings. And I must tell you that for a gathering of supposedly tough politicians, these presentations are often very candid and very, very moving. But through these candid presentations and the discussions which follow, a mortar of understanding and fellowship forms a common bond which could be solidified in no other way. With politics aside, we draw strength and vitality from God and each other, even though in a short time, we may engage in verbal battle on the floor of those chambers above our heads at that time. A member then closes with prayer and we go our various ways. My personal involvement in the House prayer breakfast, I can say without equivocation, has been one of the most meaningful experiences of my life. And on behalf of the many members of the Senate and House prayer breakfasts, I again welcome you here this morning.

THE OLD TESTAMENT READING:

SECRETARY OF COMMERCE OF THE UNITED STATES OF AMERICA, THE HONORABLE JUANITA M. KREPS

Mr. President, Mrs. Carter, ladies and gentlemen. In choosing from the Old Testament, one is always drawn to the Psalms. There we find an elegance of expression that is seldom matched in the Scriptures or elsewhere. There we find a simple reassurance that becomes ever more critical as our lives become more complex. And there we find the ringing of joy that affirms our faith in what it is we are about. For the leaders of a great nation, most particularly for the President, that ring of joy is vital. For it is with such joy that he must send to the people of his nation our common message of hope and faith and, by God's will, our strength. And so to Psalm 95:

"Oh come, let us sing unto the Lord, let us make a joyful noise to the rock of our salvation. Let us come before His presence with thanksgiving, and make a joyful noise unto Him with psalms. For the Lord is a great God, and a great King above all gods. In his hand are the deep places of the earth: the strength of the hills is His also. The sea is His, and He made it: and His hands formed the dry land. O come, let us worship and bow down: let us kneel before the Lord our maker. For He is our God; and we are the people of His pasture, and the sheep of His hand."

And from Psalm 100:

"Make a joyful noise unto the Lord, all ye lands. Serve the Lord with gladness: come before His presence with singing. Know ye that the Lord He is God: it is He that hath made us, and not we ourselves; we are His people, and the sheep of His pasture. Enter into His gates with thanksgiving, and into His courts with praise: be thankful unto Him, and bless His name. For the Lord is good; His mercy is everlasting; and His truth endureth to all generations."

THE NEW TESTAMENT READING:

SECRETARY OF THE INTERIOR OF THE UNITED STATES OF AMERICA, THE HONORABLE CECIL D. ANDRUS

Thank you, Mr. President, Mrs. Carter, distinguished guests all. Chosen from the New Testament this morning to share with you from St. John, Chapter 15, commencing with Verse 7. This choice was determined after thinking about the mutual love that Christ always had for His friends, and in hopes that this love and these words will be understood throughout the world and bring together men and women from all countries in peace:

"If ye abide in Me, and My words abide in you, ye shall ask what ye will, and it shall be done unto you. Herein is My Father glorified, that ye bear much fruit; so shall ye be My disciples. As the Father hath loved me, so have I loved you: continue ye in My Love. If ye keep My commandments, ye shall abide in My love; even as I have kept My Father's commandments, and abide in His love. These things have I spoken unto you, that My joy might remain in you, and that your joy might be full. This is My commandment, That ye love one another, as I have loved you. Greater love hath no man than this, that a man lay down his life for his friends. Ye are My friends, if ye do whatsoever I command you. Henceforth I call you not servants; for the servant knoweth not what his lord doeth: but I have called you friends; for all things that I have heard of my Father I have made known unto you. Ye have not chosen Me, but I have chosen you and ordained you, that ye should go and bring forth fruit, and that your fruit should remain: that whatsoever you shall ask of the Father in My Name, He may give it you. These things I command you, that ye love one another."

THE PRAYER FOR NATIONAL LEADERSHIP: SENIOR SENATOR OF OREGON, THE HONORABLE MARK O. HATFIELD

Mr. President, ladies and gentlemen. I wonder if you would all join me, and as a symbol of our unity and our oneness here this morning, if you would join hands around the table, we will have a time of silence for each to offer his own prayer for the leadership of this and all countries. I shall offer a prayer on our behalf, and then if you would all join me at the end with reciting the Lord's Prayer.

Holy, holy, holy, Lord God Almighty, who made of one blood all the peoples of the earth. We gather as leaders, men and women of power, prestige, and title, yet each only a sinner, redeemed by your love in Jesus Christ. We confess our corporate sin and our personal sin. Forgive us for being fascinated with instruments and forces of destruction that would open the gates of hell. Enable us, oh God, to gain mastery over the technology and the knowledge that we have, to sustain life, not to destroy life, to feed the hungry, to relieve pain and sickness, to eliminate illiteracy and poverty, to establish justice, and to bring the good news of redemption to those who are in darkness.

We thank you, God our Creator, for the land, water, and all your resources. Forgive us for the throwaway ethic and for worshipping at the shrines of convenience and disposability. Free us from being possessed by our possessions, and teach us the meaning of faithful stewardship. Forgive us of our arrogance, our hearts' desire to manipulate, dominate and command, to prove leadership. Help us to catch the vision of our Lord as He took the towel and the basin of water and washed the feet of His followers, thus demonstrating the greatest example of leadership, the servant leader. So enliven each of us to affirm our love for You through our love for each other.

We continue to pray for the peacemakers

of the world, for Your servant, Jimmy Carter, his advisers, and his family. The burdens mount, the pressures grow almost beyond endurance. How often we need to offer a word of encouragement or restrain from unnecessary critical comment, which would help lighten his load. We pray for the Congress, the courts, the state and local leaders. Inspire all who serve, and give peace in our time by Your sovereign power and mercy through Jesus Christ, our Lord, who taught us to pray:

"Our Father, who art in Heaven, Hallowed be Thy name. Thy kingdom come. Thy will be done on earth, as it is in heaven. Give us this day our daily bread. And forgive us our trespasses as we forgive those who trespass against us. And lead us not into temptation, but deliver us from evil: for Thine is the kingdom, and the power, and the glory, for ever. Amen."

MESSAGE: THE MOST REVEREND BISHOP FULTON J. SHEEN, ARCHBISHOP FROM NEWPORT, RHODE ISLAND

Mr. President, Mrs. Carter and fellow sinners. In a speech which the President gave, in the Baptist Church, in Plains, Georgia, he quoted St. Paul to the effect that we are all sinners. So, Mr. President, we include you in this title. I will tell you why I have addressed you that way. But I want to preface it. First of all, by thanking God for our rights and liberties. Secondly, by acknowledging to God our duties and responsibilities. And then, will come the fact that we are sinners.

First of all, thanking God for rights and liberties. Where do we get the right of assembly? Whence comes my right of free speech? From Congress? In the courts? If our rights came from them, they could take them away. Our founding fathers had to face that problem. They looked across the waters, where it was said that the majority gave rights. They rejected that on the ground that the majority is the custodian of minority rights. They found the answer and they set it down in the second paragraph of the Declaration of Independence, that it is self-evident that all men are created equal, and that the Creator has endowed man with certain inalienable rights, among which are the right to life, liberty and the pursuit of happiness. The Creator has given us those rights. Therefore they are inalienable. If we wish to keep our forest, we must keep our trees. If we wish to keep the pendulum swinging, we must make it dependent upon a clock. If we wish to keep our perfume, we must keep our flowers, and if we wish to keep our rights, we must also keep our God. That is why our Declaration of Independence is fundamentally a declaration of dependence on God. That's why we have rights and liberties.

We constantly hear about rights and liberties. But, how about duties? Why are there not leagues organized in defense of duties and responsibilities? There is no such thing as a right without a duty. Rights and duties are correlative, like the two sides of a saucer. It is popularly said for example, today, "Well, I've got to be me. I have to develop my own identity." How do we know our identity? By boundaries, by limits. How do I know the boundaries of the identity of the District of Columbia? By its limits. How do I know my responsibilities, my duties? By limits. By my God, my neighbor, my government, my fellowman. This is how we come to a sense of our duties and our responsibilities. And I wonder if it would not be a good idea to put up a statue on the West Coast. On the East Coast, we have the lady of liberty holding out the torch of rights and liberties. Why not put on the West Coast a statue to duty and responsibility. In which that light is thrust outward to neighbor, in which the hand is open to feed the poor, and in which we will acknowledge as a nation

that no one has a right unless he has a duty to God, to country and to neighbor.

Our founding fathers recognized duties, the very ones who gave us rights, and a very deep sense of responsibility. There were 56 signers of the Declaration of Independence. What happened to them? What duties did they acknowledge? Nine died in the Revolutionary War. Five were captured by the British and died under torture. Twelve had their homes ransacked and burned to the ground. Dr. Witherspoon's home and college library were burned. Thomas Keen was compelled to move five times in five months to escape capture. He settled at last in a log cabin on the Susquehanna. Thomas Nelson, Jr., when his home was occupied by General Cornwallis, urged Washington to open fire and destroy his home. He died in poverty. Seventeen of the signers lost everything they had. The 56 pledged, "Our lives, our honor, and liberty." Many of them lost their lives, all of them their liberty for the moment, but not one of them lost his honor.

Now we come to the fact that we are sinners. We Americans do not like to hear about sin. We Catholics believe in the Immaculate Conception of the Blessed Virgin Mary. We used to be the only ones who did; now all Americans believe that they are immaculately conceived. There is no sin, we just make mistakes. We were fed on Grade B milk, had insufficient playgrounds, or our mother loved us too much, or our father loved us too little. So a distinguished psychiatrist, Carl Menninger, has written a book, "Whatever Happened to Sin?" He said the rabbis and ministers and priests stopped talking about it. Jurists picked it up and it became a crime, and they dropped it. The psychiatrists picked it up, and then it became a complex.

Now, we have personal and we have social, national sins. Muslims have their month of penance, Jews, Yom Kippur. Should we not have some reparation? Did not Lincoln mention it? Lincoln was the only President of the United States, in any public address who ever mentioned the word sin. Think of it! The only one, in his address of March the 30, 1863:

"Whereas it is the duty of nations as well as of men to own their dependence upon the overruling power of God, to confess their national sins and transgressions in humble sorrow, yet with a renewed hope that genuine repentance will lead to mercy and pardon, and to recognize the sublime truth announced in Holy Scripture, and proven by all history, that those nations alone are blessed whose God is the Lord. Inasmuch as we know that by His Divine Law, nations, like individuals, are subjected to punishments and chastisements in this world, may we not justly fear that the awful calamity of civil war, which now desolates our land, may be a punishment inflicted upon us for our presumptuous sins to the needful end of our national reformation as a whole people. . . . It behooves us then to humble ourselves before the offended Power, to confess our national sins and to pray for clemency and forgiveness."

First of all, our own personal sins: pride, covetousness, lust, anger, envy, gluttony and sloth. So that when we look at a Crucifix, that's our autobiography. The life of each and every one of us has been written. In those pierced hands I can see my own hands grasping for things. The other hand dug with steel for my sinister moves, and the open side for all false loves. Flesh hanging from Him like purple rags for all the sins of lust. And for these personal sins gathered in this breakfast, we beg God's pardon and forgiveness.

And for our national sins, whatever they be, for example for not sufficiently helping the other nations of the world: being sufficiently dedicated to life and then, being so

much concerned with the nuclear armaments. At the close of the last century, two of the greatest scientists of the times, Claude Bernard and Louis Boutroux called on one of the French writers and publishers, Goncourt, and they said to him, "We have just begun to list the alphabet of destruction, and in the next generation, we shall finish it." Goncourt said, "And when that day comes, I think God will come down from heaven like a night watchman, rattling his keys, and he will say, 'Gentlemen, it's closing time,' and we'll have to start all over again." May the Lord forgive us all of our sins.

"Oh God of earth and alter,
Bow down and hear our cry,
Our earthly rulers falter,
Our people drift and die.
The walls of gold entomb us,
And swords of scorn divide,
Take not Thy Thunder from us,
But take away our pride!
From all that terror teaches
From lies of tongue and pen,
From all the easy speeches
That comfort cruel men,
From sale and profanation,
Of Honor and the sword,
From sleep and from damnation,
Deliver us, Good Lord."

—G. K. CHESTERTON.

THE PRESIDENT OF THE UNITED STATES, THE HONORABLE JIMMY CARTER

The President. Fairly early in my Naval career we moved from Hawaii back to this country, about the time of the advent of television. We had doubts about its value because the reports said that it was going to destroy the moral fabric of our nation. But one of the delights of my life, one of the greatest contributions of this technological miracle, was a presentation by Bishop Fulton Sheen on his regularly scheduled program of the religious interrelationships in his own life and how they related to a modern world. And I'm deeply grateful to him for being willing to come this morning to share with us the dynamism and the strength and the sensitivity and commitment of his own life again with us. Thank you very much, Bishop Sheen. It even boosts my spirits when he refers to me as a fellow sinner.

I listened with great care to him this morning as he talked about the liberty, the love, the duties, responsibilities, the constraints that bind us as believers in God, and that offer us a guide to the future. Last year was a year of turmoil. I noticed one public opinion poll that asked news reporters and American citizens what were the three most interesting news events of the year. All three had some religious connotation. One was a story of great tragedy, almost disgrace for the world of believers where hundreds of people, simple people, searching for an elusive element of truth at Jonestown, perished because of misguided leadership. That was the top story of the year. Another story in this last year demonstrated a great change in leadership as a Cardinal from Poland, outside Rome, behind the Iron Curtain, became the leader of a great Christian faith. And a third most important story to the people of our country was the Camp David discussions between myself, President Sadat, and Prime Minister Begin. We stayed there thirteen days, and the first day we agreed almost as an outpouring of mutual commitment and concern that we would pray within Camp David, and that we would call on the entire world to join us in a common prayer for peace. And we called upon the very same Congressional and other leaders who put this breakfast together to coordinate that effort. For several days that was the only thing on which we did agree. And we made great progress because of those prayers. But peace is still elusive and I hope that out of this breakfast can come a reconfirmation that all of you will continue to use your influence

to revitalize that prayer for peace in the Middle East and throughout the world.

I would guess that one of the great new stories of 1979 will be the impact around the Persian Gulf in the Middle East of religious fervor and a searching for some compatibility between a modern, rapidly changing technological world on the one hand and an inclination on the part of devout religious leaders to cling to stability and security predicated on past social and personal habits. So, as you can well see, in various ways, even in a modern world, one we consider to be highly secular, the great events that move the people here and in other nations are intimately related to religion. Our nation requires by law that the church and the state must be separated. The church cannot dominate our government; our government cannot dominate nor influence religion. But there is no way for a human being to separate in one's own heart and mind those inevitable correlations: responsibilities of a secular life, even in government, on the one hand, responsibilities to God on the other. They combine to form what a person is, what a person thinks, what a person hopes to be. And in international events, no matter how we try to order or separate religious trends, changes, hungers, thirsts, there is no way to sever that from public events. In Africa, South America, Indonesia, many other nations where a crisis has not reached the tornado stage, those undercurrents of religious people searching for compatibility with a modern world, a changing world, are intense, and are of profound significance to everyone in this room. Our own nation is not impervious to this circumstance. We have suffered severely in the past, because we who are Christians, others who are deeply religious in our own nation, have not been willing to accommodate those who have been deprived, who have and do suffer as they struggle for a better life. We tend to say this could only happen in the past. Today, certainly it's not a factor in our lives.

I grew up in a region of the country which has in the past and still sees quite often, too often, the Christian churches as a last bastion for racial segregation and even discrimination. This past Sunday I went down to Ebenezer Baptist Church in Atlanta. I participated in a program commemorating the fiftieth birthday of Martin Luther King, Jr. Speakers there, Dr. Benjamin Mays, Daddy King and others, pointed out the progress that has been made, but the emphasis was on the progress yet to be made. One of the elements that I noticed was the absolute truth that tends to come forward much more vividly in a quiet prayer. I was honored at the meeting, but when Mr. Benjamin Mays got up to give his prayer I sat back with the anticipation that somehow in his prayer he would complement me and help my image with the audience there, the congregation. As we bowed in prayer, he talked about all the troubles in our country, the poor, deprived, discrimination, and the culmination of his prayer was, that at least our President has done a little something about some of these problems. And he thanked God for that little something.

Truth is a mandatory element of a sound basis for a religious life. But sometimes we cannot accept the truth. I was intrigued by Bishop Sheen's reference to the Immaculate Conception complex of Americans. It is difficult for us as Americans to think that we might be sinful, that we might be in some ways inferior, that we might have some element of our life not yet realized. That we might have standards that have been prescribed for us which we have not met. And there's a natural human inclination to lower those standards to accommodate the very low achievements of our own life.

We must guard against the abuse of our own religious faith. We've seen broad changes

in history. In the first few centuries after Christ's life and death on this earth, it was a crime to be a Christian. I've been reading Barbara Tuckman's delightful history of the 14th century era. And during those days it was a crime not to be a Christian. And the horrors of the Inquisition, the easation of a Christian commitment with a willingness to be a constant dedicated warrior, a complete dependence on combat and bloodshed, and the abuses within the Christian church, are vividly expressed. And I'm sure at that time there was a rationalization among devout religious believers that what we look on now with abhorrence and sometimes so remotely with amusement, was the true teaching of Christ. And we must avoid a distortion or rationalization because of materialistic inclinations in our own hearts, of our own religious faith and its beliefs. When any religion impacts adversely on those whom Christ described as the "least of these," it can have no firm foundation in God's sight.

The last point I want to make is the dramatic sense of how our religion pertains to a modern era. Shortly before Christmas, we had Alec McCowen, a great British actor, come to the White House. And he stood there on a bare stage, and he quoted for memory the Book of Mark; I think about sixteen thousand verses, two and a half hours. He didn't use a modern translation; he used the King James Version. And there was a sense among those two or three hundred people that here came someone directly from the presence of Christ, and told almost like a newspaper in the most vivid, moving terms about the life of the Son of God. There was nothing stale about it. There was nothing ancient about it. There was nothing removed about it, from the existence of those assembled in that room. If you get a chance, I hope you'll hear him give that recitation.

Almost everyone in this room is a leader. People have exhibited faith and trust in us. Not only to carry out the mundane duties of a sometimes confused government responsibility, but also to carry out the responsibilities much broader than that. To set an example. To search more fervently for the truth. Sometimes we lose our confidence. One of the great problems with the modern church is its timidity about self-assertion. We're sometimes fearful not to project ourselves as believers in God into a controversial issue, because we are fearful that we might fail. We might be rebuffed. So it's much more easy for us, in the confines of our church or our synagogue, to sit back and say, "I'll enjoy those around me whom I know, who trust me, with whom I share limitations, and ignore limitations," than it is to project a deep belief in love, compassion, understanding, service, humility into a broad influence among others.

It's difficult to be bold and gentle at the same time. Peace and gentleness and humility are perhaps the most difficult characteristics of a human being. In Paul's Second Letter to the Corinthians he said, "Since we have hope, we are very bold." And I hope that we believers in God have not lost our hope and will continue to be bold. And later on in the same chapter of II Corinthians, he says, "Where the Spirit of the Lord is, there is freedom." Where the Spirit of the Lord is, there is freedom. There's no incompatibility between gentleness and boldness. There's no incompatibility between the constraints and the shackles on our lives by standards prescribed by God on the one hand, and the ultimate freedom that can come when the Spirit of the Lord is present.

Mr. SCHULZE. Thank you Mr. President. I believe that I can assure you that we will join in your admonition to continue to pray for peace in the world.

THE CLOSING PRAYER: ASSOCIATE JUSTICE OF THE SUPREME COURT OF THE UNITED STATES, THE HONORABLE HARRY A. BLACKMUN
Mr. President, Mrs. Carter, Archbishop

Sheen, Dr. Graham, and friends. At this very breakfast one year ago, Max Cleland, the administrator of veteran's affairs, ended his moving and intimate devotional message with a prayer attributed to a Confederate soldier and delivered to Mr. Cleland by a POW out of Viet Nam. Those lines, in my mind, merit rereading as we approach the close of this meeting. This was it:

"I asked God for strength that I might achieve; I was given weakness that I might learn humbly to obey. I asked for health that I might do greater things; I was given infirmity that I might do better things. I asked for riches that I might be happy; I was given poverty that I might be wise. I asked for power that I might have the praise of men; I was given weakness that I might feel the need of God. I asked for all things that I might enjoy life; I was given life that I might enjoy all things. I got nothing that I asked for, but everything I had hoped for. Almost despite myself, my unspoken prayers were answered."

And in that spirit let us turn to our closing devotion.

We stand before Thee, oh God, on this day and in the capital city of this nation, only a few days after our celebration of the festival of Christmas and only a few weeks before the beginning of the period that we call Lent, between the two seasons in Christian reckoning that are the Alpha and the Omega. But also in between now, we stand at the threshold of a new governmental and national year. May it be that our recollections and our convictions about the Spirit of Christmas will not evaporate, but will linger and permeate our dealings and responsibilities one with another. And as we embark upon our duties and our deliberations of the year we are mindful of the words of Moses to Israel:

"For this law I enjoin on you today is not beyond your strength. The word is very near to you. It is in your heart for your observance. See, today I set before you life and prosperity, or death and disaster. If you obey the commandments of your God that I enjoin on you today, if you love your God and follow His ways, if you keep His commandments, His laws, His customs, your God will bless you. But if your heart strays, if you refuse to listen, if you let yourself be drawn into worshipping other gods and serving them, I tell you today you will most certainly perish. So I set before you life or death; the blessing or the curse. Choose life so that you and your descendants may live."

Help us to remember those words.

And may we also be mindful of the mandate from the apostle:

"Let love be genuine and hate what is evil and hold fast to what is good. Rejoice in your hope. Be patient in tribulation. Be constant in prayer. Rejoice with those who rejoice. Weep with those who weep. Live in harmony with one another. Repay no one evil with evil, but take thought for what is noble in the sight of all. If possible, so far as it depends upon you, live peaceably with all."

Help us to remember those words. And finally, may we so far as our country is concerned, be mindful of the words of one who, in this city some thirty years ago, prayed fervently and earnestly in this fashion:

"Our Father, we pray for this land. We need thy help in this time. May we begin to see that all true Americanism begins in being faithful to Thee, that it can have no other foundation, as it has no other roots. To Thy glory was this republic established, for the advantage of the Christian faith did the founding fathers give their life's heritage passed down to us. We would pray that all over this land there may be a return to the faith of those men and women who trusted in God as they faced the perils and the dangers of the frontier, raising a standard of faith to which men have been willing to repair down through the years. Thou didst

bles their efforts. Thou didst bless America. Thou hast made her great. Would Thou also make her good. Guide us in all this, so that as the year goes on and the days pass, we may know and feel and cry aloud in realization, 'Oh, the depth of the riches and wisdom and knowledge of God! How unsearchable are His judgements, and how inscrutable are His ways.'"

The Closing Song: "The Battle Hymn of the Republic"—The Valley Forge Military Academy and Junior College Glee Club.●

DIVIDEND REINVESTMENT: KEY TO AN UNTAPPED RESERVOIR OF NEW CAPITAL

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

○ Mr. PICKLE. Mr. Speaker, early this session I introduced H.R. 654, a bill relating to tax treatment of qualified dividend reinvestment plans. This bill, which would defer the tax on dividends that are reinvested in a qualified reinvestment plan now has 22 cosponsors. I would like to insert in the RECORD an article by John D. deButts, former chairman of the board, American Telephone & Telegraph Co. on "Dividend Reinvestment: Key to an Untapped Reservoir of New Capital." In this article the author states that the future of dividend reinvestment would seem more assured if current tax disincentives to investment—high capital gains taxes and immediate taxation of dividends even when automatically reinvested—were removed. This article was chapter 18 of *Capital and Job Formation, Our Nation's 3d Century Challenge* edited by Charles D. Kuehner.

The article follows:

CHAPTER 18—DIVIDEND REINVESTMENT: KEY TO AN UNTAPPED RESERVOIR OF NEW CAPITAL (By John D. deButts)*

What is most surprising about dividend reinvestment is that it was so long in coming to the corporate world. Long a fixture of the mutual fund industry, where dividend reinvestment proved a convenient and inexpensive way for participants to buy additional shares, it was the late 1960s before American corporations first sensed the potential of automatic dividend reinvestment. Even then, that potential was seen for the most part in terms of offering a gesture of goodwill toward shareowners who found it costly and troublesome to make small stock purchases in the capital markets.

More recently, however, a combination of factors—a more bearish stock market, capital shortages, and an increasing appetite for scarce equity capital on the part of corporations—has led an increasing number of American businesses to adopt this vehicle for attracting new capital and encouraging long-term investment in American business. In short, what first appeared to be only a convenience for small shareholders is now seen by some companies as the key to an untapped reservoir of new capital.

In the years ahead, dividend reinvestment will surely play a larger role in the formation of capital than it has in the past, generating even larger amounts of new equity to help create jobs and spur economic growth, while offering investors of every eco-

nomic level a greater share of American enterprise.

An estimated 800 businesses now offer their shareholders the opportunity to have dividends reinvested for the purchase of additional shares. Chart 1, which depicts the growth of corporate dividend plans over the last ten years, illustrates this upsurge in corporate interest. Some of the plans permit only the reinvestment of dividends; others offer shareowners the option of buying additional shares with cash as well as reinvested dividends. Still others permit the purchase of shares without service fees or brokerage commissions.

[Charts not reproducible in RECORD.]

Among U.S. corporations offering dividend reinvestment are some of the nation's biggest and most prestigious. Of the 30 corporations whose stock activity is tracked by the Dow Jones Industrial average, all but 4 offer their stockholders some form of dividend reinvestment plan. Overall, it is estimated that in 1976 some 1.5 million investors then enrolled in reinvestment plans made stock purchases amounting to more than \$1 billion.

THE FIRST REINVESTMENT PLAN

The potential of a large market of shareowners who would be interested in having their dividends reinvested was first perceived by Citibank, which in 1968 approached a number of widely owned, capital-intensive businesses with the proposal that it establish and administer for the companies an investment program modeled on the mutual fund reinvestment concept. The first business to accept the proposal was Allegheny Power System, a holding company for electrical utility firms, which inaugurated the first corporate dividend reinvestment plan in September of that year.¹

American Telephone and Telegraph Company was not far behind, announcing a similar plan in April 1969 for its then more than 3 million owners of common shares. Under the bank-administered plan, AT&T shareowners were invited to reinvest their quarterly dividends to buy additional shares of AT&T common stock on the open market at prevailing prices. For that service, they were charged a flat 75-cent service fee and a proportionate share of whatever brokerage commissions the bank had to pay on bulk purchases of the stock in the marketplace. Some 130,500 shareowners signed up for the service.²

Enrollment in AT&T's Dividend Reinvestment Stock Purchase Plan rose slowly until 1972, when the company negotiated a lower service fee with the bank. Later that year, the plan was again modified to enable shareowners to add cash payments of up to \$1,500 a quarter to their reinvested dividends. By the year-end over 220,000 shareowners had signed up for the plan.

TYPES OF REINVESTMENT PLANS

At the start, dividend reinvestment plans offered only existing shares of stock bought on the open market by brokers for the banks and others that served as agents for sponsors of the plans. Beginning late in 1972, a second type of reinvestment plan was inaugurated by the Long Island Lighting Company. Under this type of plan, in which newly issued shares of stock were offered, the stock was sold directly to the shareowner by the corporation.

The Long Island Company plan prompted other companies to follow suit. AT&T moved in that direction in 1973, taking over administration of its plan from the bank that had been acting as trustee. At the same time, the company introduced a number of new features for its plan: shareowners could henceforth buy new shares and make cash payments of up to \$3,000 a quarter. In addition,

they could invest income from other Bell System securities as cash payments.

For AT&T shareowners, the revised plan meant the end of service fees and brokers' commissions for stock purchased through the plan; from then on, every dollar invested would buy stock. For the company, which because of difficult financial markets, had been relying principally on debt issues of one kind or another to meet its capital requirements, the plan was a move that strengthened the equity side of the capital structure.

Further improvements in the plan followed in 1975, with the introduction of a 5 percent discount on shares purchased with reinvested dividends, and in 1976, with new features that permitted shareowners to buy shares each month with cash and to reinvest less than all of their dividends. These steps made AT&T's plan even more convenient and attractive to many shareowners. And for the first time, AT&T had provided a substantial incentive for institutional investors to enroll.

With these changes, enrollment and investment rose to new levels. By the end of 1976, enrollment, as shown in Chart 2, had increased to 650,000—almost one out of every four shareowners. Equity investment through the plan, as shown in Chart 3, rose to \$432 million in 1976, and \$265 million was invested in the first six months of 1977.

Experience has shown that individual participants include people who, because of the costs and effort involved in making purchases in the regular market, might not otherwise invest further in stocks at all. Furthermore, by adding to the supply of shares already in the hands of the public, this ownership eventually leads to new business for brokers when those shares are ultimately resold. Thus, reinvestment plans provide investors with an easy way to buy more stock while leading to new business for brokers when the shares are sold again.

COMMON FEATURES OF REINVESTMENT PLANS

Although the features of all reinvestment plans are more or less standard, it is important to distinguish between the plans that offer new shares and those that offer existing shares. The latter are by far the more numerous. Indeed, among the hundreds of businesses that sponsor dividend reinvestment plans, less than 5 percent—perhaps 35 firms—use their plans to raise equity capital through the sale of new shares of stock, and most of those that do are capital-intensive utility companies.

Of 100 businesses surveyed in 1976, nearly eight out of ten identified the improvement of shareholder relations as a primary objective of their plans.³ Other objectives, as noted in Table 1, were identified as: stabilizing the stockholder base, supporting the market price of the company's stock, and reducing the administrative costs of mailing dividend checks and stock certificates. These are valid business reasons for inaugurating dividend reinvestment plans. For the most part, capital formation has not been used as a major consideration.

TABLE 1.—Survey of 100 companies sponsoring reinvestment programs

Objectives of programs:	Number of mentions
Improving shareholder relationships...	79
Stabilizing the stockholder base.....	26
Increasing market support for shares...	20
Raising equity capital.....	12
Reducing costs.....	6

Source: The Conference Board.

Aside from the obvious differences between new and existing share plans, these features are more or less common among the current corporate investment plans:

1. Reinvestment of all dividends to purchase full and fractional shares.
2. Investment of cash payments on an average of \$1,000 a month.

*Chairman of the Board, American Telephone and Telegraph Company.

Footnotes at end of article.

3. A combination of the first two options—investment of dividends and cash payments.

4. Preparation of cumulative stock ownership and tax records for participants.⁴

Also standard among many companies offering new shares is the absence of service fees or commissions on stock transactions. Among a few, a discount on stock purchased with reinvested dividends is an appealing feature to institutional and individual investors, despite the tax treatment applied to the discount.⁵ The tax treatment—taxing the discount as ordinary income rather than as a capital gain—is an example of the lack of incentive to equity investment inherent in the nation's present tax laws.

In AT&T's case, the discount and savings on brokerage commissions make investment in additional shares of our common stock especially appealing to large insurance companies, banks, and brokers owning AT&T stock in their own or beneficial owners' names. In 1976, following the start of the 5 percent discount on shares bought with reinvested stock, almost 20 percent of the \$432 million raised through the AT&T plan was supplied by institutions which were able to save upward of 6 percent on their stock purchases—the discount plus savings on a broker's commission.

Discount or not, savings on the purchase of stock have always been a primary attraction of reinvestment plans. Small shareowners, for example, can save as much as 40 percent of a broker's commission if they buy already issued shares through a reinvestment plan rather than individually through a broker.⁶ But savings are not the only attraction: shareowners can also buy fractional shares that produce dividends, just as do full shares; their stock and tax records are produced automatically; and investment is largely automatic, meaning that stock purchases are made regularly and conveniently without further action by the shareowner.

Even so, the latest estimates of stockholder participation indicate that investor interest in reinvestment plans varies widely. As mentioned earlier, not quite one in four shareowners participates in AT&T's plan, for example. In 1976 participation in 93 of the companies that sponsor reinvestment plans ranged from 1.4 percent to 19.5 percent of the stockholders eligible to enroll,⁷ as shown in Chart 4. And of 22 million owners of stock in companies offering reinvestment plans, only an estimated 1.5 million are now enrolled, as shown in Chart 5.

At the same time, participation is on the rise.⁸ A recent survey of businesses with reinvestment plans suggests that those with higher participation are the more vigorous in soliciting new—and periodically resoliciting current—shareowners. In addition, the popularity of dividend reinvestment and the widening publicity given the plans have in themselves encouraged greater interest in enrollment.

DIVIDEND REINVESTMENT AND CAPITAL FORMATION

Some analysts are convinced that dividend reinvestment will play an increasingly greater role in capital formation in the years ahead, particularly among companies seeking to reduce the proportion of debt in their capital structure. At AT&T, dividend reinvestment currently provides an important and growing part of the company's total external financing. If U.S. businesses could motivate stockholders to reinvest as much as a third of their dividends, it is estimated that stockholders alone could generate as much as \$10 billion a year in new equity capital.⁹ This level of investment is not unrealistic, considering that 60 percent of all mutual fund dividends—some \$950 million of \$1.6 billion in 1976—are reinvested in additional mutual fund shares.¹⁰

This is not to suggest that dividend reinvestment could—or should—be the primary

solution to the nation's capital formation problems: It is, however, a step in the right direction because it appeals to the small investor to enlarge his or her stake in American enterprise. And it permits small shareowners to do so automatically and regularly in whatever amounts they choose, and at relatively low cost, especially in those plans which have reduced or eliminated service fees and commissions. In this way, whether they invest in new or existing shares, shareowners make a contribution to capital formation. The important thing is that dividend dollars are being used to make equity investments—that is being saved rather than being spent.

THE FUTURE OF CORPORATE DIVIDEND REINVESTMENT

The recent increase of interest in reinvestment plans has led to sanguine growth estimates for this type of investment program.¹¹ This much is clear: the number of participants and the number of plans continue to grow; and among companies offering new shares, equity investment is on the rise. In the case of AT&T's plan, for example, investment and enrollment have never once declined in any of the eight years that the plan has been in operation. Since 1969, there has been a 14-fold rise in shareowner investment in the plan and a 4-fold rise in enrollment.

Encouraging as these signs are, however, a survey of companies sponsoring reinvestment plans suggests that the growth potential is not unlimited. Some businesses fear high administrative costs and low participation. Still others express a more philosophic concern: they are convinced that investment in stock without regard to market price is fundamentally unwise. There is also the matter of investors' desire to diversify.

The prospects for plans that sell new shares appear to be brighter, if only because individuals—the backbone of most reinvestment programs—can purchase stock through them free of service fees or commissions. The extension of such plans, however, hinges upon the return of large numbers of small shareowners to the market.

Crucial to the extension of reinvestment plans, of course, is the profit performance of business. Basic to the success of any reinvestment plan is the underlying demand for a company's stock. This demand rests in turn upon corporate earnings levels that are comparable to those of other companies with which the corporation must compete for equity investment in the capital markets. Without rates of return—and the prospect of continuing earnings improvement—comparable to those of rival investment choices, no plan, however convenient, can expect to attract continuing investment interest.

TAX POLICY BARRIERS TO REINVESTMENT

The future of dividend reinvestment would seem more assured if current tax disincentives to investment—high capital gains taxes and immediate taxation of dividends even when automatically reinvested—were removed. Of all the barriers to the extension of these plans, none is more formidable than the fact that, although they provide no cash flow to the shareowners, automatically reinvested dividends are immediately taxable as personal income. As one utility executive said recently, "Unless there are tax incentives to participate in dividend investment programs, we do not foresee such programs becoming significant factors in the capital markets." Others in a nationwide survey concurred in the view that the answer to further expansion is a change in tax policies that apply to reinvested dividends and dividend income.¹²

Under current tax laws, a stockholder who reinvests dividends must report them as ordinary income—subject, of course, to the

individual \$100 dividend exclusion. However, for dividends that are reinvested automatically, the shareowners receive no cash flow with which to pay those taxes. Because such tax treatment tends to discourage participation in reinvestment plans—and more important, because it discourages capital investment—the leaders of some of the nation's largest corporations have testified before the tax-writing committees of Congress in support of deferring the taxation of reinvested dividends until the stock purchased is sold.¹³ Such a deferral would, of course, match the payment of taxes with the actual receipt of the cash income on which the tax is based.

There is even a good deal of logic for going farther and treating reinvested dividends in the same way as retained earnings are treated for tax purposes. Doing so would reduce the cost basis for the stock held as dividends were automatically reinvested, and would apply capital gains taxes at the time the stock was sold. In effect, this method would provide the same treatment for earnings reinvested at the discretion of the individual shareowner as is now applied to earnings reinvested at the discretion of corporate management. Such a policy would be a powerful incentive both for increasing participation in dividend reinvestment plans and for increasing capital formation itself.

The primary objection to deferring the taxation of reinvested dividends is the prospect of lost federal tax revenues, but the following factors suggest that the actual losses might not be as large as is generally expected:

First, a high percentage of common stock is held by tax-exempt institutions and trusts.

Second, almost a third of all dividends are currently tax-free as a result of the current dividend exclusion.

Third, the terms of any dividend reinvestment credit or exclusion might be drawn to limit tax revenue losses to an economically and politically acceptable level.¹⁴

And fourth, the economic stimulus to jobs and capital formation of such a step would probably offset any losses in tax revenues.

CONCLUSION

The nation's need for new equity capital has never been greater than it is today. Indeed, it is the prime requisite for increasing job opportunities in the United States. And it is essential to the maintenance of our nation's world economic leadership in its third century.

Already dividend reinvestment plans have proven to be an effective and popular means of stimulating the efficient formation of new equity capital for the U.S. economy. It is an idea whose time is "now." In the years ahead, dividend reinvestment programs will, I believe, become a major part of this country's equity growth processes.

FOOTNOTES

¹ Patrick J. Davey, *Dividend Reinvestment Program* (New York: The Conference Board, 1976), report no. 699, p. 1.

² "Dividend Reinvestment: A Growing Source of New Capital," *Bell Telephone Magazine*, November-December 1974, p. 8.

³ Davey, *Dividend Reinvestment*, p. 6.

⁴ Mark J. Appelmann, *The Corporate Shareholder*, August 15, 1974, pp. 1-4.

⁵ "Companies Make It Easier to Reinvest Dividends" (New York: Standard & Poor's Corporation, 1976).

⁶ Appelmann, *Corporate Shareholder*, p. 1.

⁷ Davey, *Dividend Reinvestment*, p. 10.

⁸ *Ibid.*, p. 12.

⁹ Charles D. Kuehner, "Capital Formation—A New Approach via Dividend Reinvestment," speech given to the National Investment Relations Institute, May 20, 1975.

¹⁰ News release, Investment Company Institute, Washington, D.C., April 1, 1977.

¹¹ Davey, *Dividend Reinvestment*, pp. 43-47.

¹² *Ibid.*, pp. 13-16.

¹² Robert N. Flint, AT&T vice president and comptroller, statement submitted to the Ways and Means Committee, U.S. House of Representatives, July 23, 1975.

¹⁴ Eugene M. Lerner, "On Utility Financing," *Public Utilities Fortnightly*, May 8, 1975, p. 30. ●

THE ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. MURPHY of New York. Mr. Speaker, last week I introduced a bill, along with a number of other members of the Committee on Merchant Marine and Fisheries, which represents the last stage of a 20-year effort to resolve the status of the 375 million acres under Federal stewardship in Alaska. This bill, the Alaska National Interest Lands Conservation Act, proposes to do what no other single land conservation measure has ever done—establish over 100 million acres of new national wildlife refuges, national parks, national forests, and wild and scenic rivers. It is easy to see why this bill has been called the land and wildlife conservation vote of the century. The magnitude of the Alaska issue rivals that of any other land issue ever faced by this country. The natural resources at stake in the Alaska question certainly rival those at stake in President Theodore Roosevelt's decision to establish the National Forest System in 1907. The size and diversity of the land at issue dwarfs the congressional creation of Yellowstone National Park in 1872.

Alaska covers 375 million acres—nearly a fifth of the size of the Continental United States. And yet, 20 years after its introduction into the Union, Alaska remains largely unpopulated. The State has a population of 400,000; most of which are located in the three urban centers of the State. The remainder of the State remains largely the way it was when we purchased it from the Russians.

In a very real sense, Alaska is our last frontier. It is the last part of the United States to remain largely untouched by the imprint of modern man. All of this is changing however. The admission of the State into the Union in 1959 and the discovery of oil in 1969 has started the State down the inevitable and, I believe, beneficial road toward development.

We cannot stop the development of Alaska, nor do I believe that we should. What we can do, however, is insure that as Alaska does grow and develop, a portion of the State's priceless resources are retained for the benefit and enjoyment of future generations of Americans.

It is no accident that the Alaska issue has captured the minds and hearts of Americans throughout the country whether they have ever visited Alaska or not. Alaska contains unique natural resources such as the large caribou herds of the Arctic Circle. But, Alaska contains so much more. A significant percentage of the migratory waterfowl found within the Continental United States originates

from feeding and nesting grounds in Alaska. The State is in fact the focal point for the birds of three continents—the terminus of migrations which start in Argentina, Tasmania, South China, Cape Horn, Hudson Bay, and Siberia. It is not unusual for some of these species to travel 10,000 miles before coming to rest in Alaska.

Alaskan wildlife, of course, is not limited to the migratory birds. The same land and water that supports millions of birds also provides habitat for a broad spectrum of mammals from the lemming to the moose. Alaskan waters support several species of whales and other marine mammals.

In some cases, the fish and wildlife have a commercial as well as an esthetic and recreational significance. Alaskan waters support a priceless fishery which provides protein for the people of the United States and the world. For example, 16 percent of the world's red salmon population migrates through the waters of one Alaskan bay. This fishery, once subject to excessive exploitation is now regulated under the terms of the 200-Mile Act to provide optimal benefits to all Americans.

Impressive as the wildlife resources may be, they are but one of many that this country must insure are wisely conserved. The State of Alaska is suspected to contain a veritable storehouse of minerals. We know about the oil, of course. Prudhoe Bay contains the largest oil field in the country, and yet it is only one of a dozen or more suspected, though yet undiscovered, major oilfields in Alaska.

Alaska is also suspected to contain potentially significant deposits of hard-rock minerals. These resources remain largely undeveloped and even unexplored. The Federal-State Land Use Planning Commission suggests that Alaska contains 18 important minerals of national interest. These include: Copper, antimony, silver, gold, lead, nickel, borates, platinum, chromium, tin, tungsten, fluorine, asbestos, molybdenum, mercury, iron and titanium. With the exception of gold and borite, all of these minerals appear in the 1976 study by the Office of Technology Assessment or the stockpile goals list of the Federal Preparedness Agency.

The challenge to the Congress in the Alaska issue is to balance the need to develop the mineral and other natural resources of the State against the obligation to conserve both the renewable and nonrenewable resources of the State for the use and enjoyment of future generations.

Alaska is an enormous State. It can easily accommodate both development and conservation. We can have it both ways, but it will take planning, intelligence, and an excessive amount of foresight. This bill attempts to assist us in that regard.

The 96th Congress will be the second time that the Congress of the United States has faced this important issue. Last Congress, the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs labored for 2 full years to develop a balanced, reasonable,

and intelligent bill to send to the House of Representatives.

My committee, which has the jurisdiction over the designation of wildlife refuges as well as all other components of the bill impacting on the management of fish and wildlife, held hearings in both Washington and Alaska. We heard from virtually every individual or group seeking to contribute their thoughts to this landmark legislation.

The House agreed with the work of these two committees and passed the bill overwhelmingly on May 19, by a vote of 277 to 31. Unfortunately, as often happens in the legislative process, the Senate did not take up the House bill until last summer. As a result, they were unable to complete consideration of this important measure prior to adjournment.

Although we must begin anew this Congress, I believe that we have amassed enough information to move this legislation rapidly forward in the first session of the 96th Congress. The Committee on Merchant Marine and Fisheries, for its part, intends to put the Alaska issue at the top of its legislative agenda.

ADMINISTRATIVE ACTIONS

Although Congress failed to settle the Alaska lands issue last Congress, Secretary Andrus and President Carter have moved boldly, under independent authorities to protect the irreplaceable resources of the State. On November 16, 1978, Secretary Andrus exercised his authorities under section 204(e) of the Federal Land Policy and Management Act to withdraw for 3 years all lands in Alaska (110 million acres) which have been under consideration for inclusion in the national conservation systems. The Secretary's action encompassed the composite boundaries of all the various (d) (2) proposals, including the administration's recommendations, the House-passed bill and the bill reported by the Senate Energy Committee. The Secretary's action does not reduce the need for legislation in the 96th Congress. All it did was insure that these lands will be fully protected from State selections or development while Congress debates the ultimate disposition of these areas.

On December 1, 1978, President Carter added to the secretarial withdrawal by designating 17 national monuments in Alaska—comprising 56 million acres. These monument designations included parts of all 13 of the proposed national parks, 2 of the 17 proposed national wildlife refuges, and 2 of the 7 proposed national forest wilderness areas. In sharp contrast to the secretarial withdrawals, the monument designations will be permanent unless modified by Congress. The areas designated by the President generally parallel those identified in the House-passed bill, although there are some important differences in the boundaries of the various units and the administrative provisions governing the management of these units.

At any rate, the President's action does not and should not preclude congressional consideration of the Alaska issue. First of all, the President has only gone part way toward resolving the land status of the State of Alaska and protect-

ing the natural resources of the State for all Americans. The President only designated monuments in 2 of the 17 areas proposed as wildlife refuges by the House-passed bill. All of these areas were subject to rigid scrutiny in the Committee on Merchant Marine and Fisheries and were determined to be worthy additions to the National Wildlife Refuge System.

Second, the President failed to address many of the issues in the (d) (2) debate including transportation, wilderness, subsistence, and mineral development. It will be necessary for the Congress to resolve many of these issues.

Third, as the legislative branch of the United States, the Congress is ultimately responsible for the disposition of these lands. It is only appropriate that we complete the work started last Congress and continued by the Secretary and the President.●

THE ECLIPSE CAPITOL OF THE WORLD

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. MARLENEE. Mr. Speaker, this Monday at 8:18 a.m. the Sun will cease shining on Lewistown, Mont. There have been many explanations advanced for this event. Some have suggested that the harsh winter being experienced by those in my State has forced the Sun to flee while others theorize that the sunset legislation introduced in Congress has had even greater results than we ever expected. Still others who idolize our Secretary of Energy have advanced the notion that the Sun is not going to shine because the Secretary has not ordered it to.

The real reason is the eclipse of the Sun and communities in Montana will be in the path of the total solar eclipse on February 26. I would like to share with my colleagues an excerpt of an article that appeared in the Wednesday, February 21, edition of the Wall Street Journal on this subject:

Most eclipse-goers seek out the exact center of the track, because totality lasts longer there than on the edge, and Lewistown is smack in the center. It is modestly calling itself "the eclipse capital of the world."

"Lewistown is really going all out on this," said Katy Shaw, president of the chamber of commerce. Though just 8,500 people live there, Mrs. Shaw says up to 10,000 visitors are expected, and the townsfolk "are opening up their homes." Special committees have planned torchlight parades for next Saturday and Sunday, and there will be dogsled races, sleigh rides, and square dancing. School will be let out on Monday morning, the "eclipse holiday." A schedule of events is all laid out in an official souvenir program.

Hotel bookings are heavy in Great Falls, Montana, which is in the shadow track but not quite on the central line. Through local merchants, the chamber of commerce is giving away free dollar-sized tickets to the eclipse (sponsor: "Celestial Bodies"), which later will be used in a raffle for prizes. The main purpose of the tickets, the chamber says, is to get wide distribution of a warning

on the reverse side against looking at the eclipse with the naked eye.

Lewistown will truly be the "eclipse capital of the world" come this Monday and "as the Sun sets in the West" I wish that I could be present with them to join in on their celebrations.●

TRICKLE DOWN?

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. STARK. Mr. Speaker, I would like to draw the attention of my colleagues to an article which appeared in the Wall Street Journal on Tuesday February 13, 1979, which reports on what the California business community is doing with their proposition 13 income.

The article notes that in many cases there is a difference between what some businesses said they would do with their share of the \$2.9 billion in property tax cuts that went to owners of commercial and industrial property, and what has actually happened.

I commend this article to those of my colleagues who believe that every tax break for business eventually "trickles down" to the people who are paying for that tax expenditure. I shudder to think how much the American people are going to end up paying for the capital gains cuts agreed to by this House last year and how much they will actually benefit.

The article follows:

BUSINESS BONANZAS COMPANIES' BIG SAVING FROM PROPOSITION 13 IS SLOW TO REACH PUBLIC

(By Stephen J. Sansweet)

When California voters approved Proposition 13 last June, they cut about \$6.4 billion from property tax collections.

Only about \$2.3 billion of that total went to homeowners. Landlords got a \$1.2 billion break. But the largest cut, \$2.9 billion, went to the owners of commercial and industrial property in the state.

These businesses, Gov. Jerry Brown asserted at that time, had a "moral obligation" to invest their \$2.9 billion tax saving strictly in California to create more jobs and a "buoyant economy." And former Gov. Ronald Reagan urged businessmen to share their tax reductions through lower prices and lower rents. In fact, some business backers had assured voters that they would indeed be generous with the savings.

But now, two months after the first half of the reduced property tax bill was due, it is clear that the savings granted to business have been slower in trickling down to the average citizen than politicians had hoped or some businessmen had promised. The situation has caused a flurry of complaints from consumer groups and politicians.

BENEFITS FOR ECONOMY

While many executives say that by reinvesting the savings in their own companies, the entire California economy will benefit, critics claim that much of the money is being used to increase corporate profits. "Greed is epidemic," one social activist charges.

Most businessmen appear to be hunkering down, hoping that the fuss will be relatively brief. Some worry that adverse publicity could help revive last year's short-lived legislative attempt to restore indus-

try's property taxes about to the levels before Proposition 13.

The cut in property taxes has, of course, given some relief to homeowners, and the local governments and school districts that lost revenue haven't fared too badly, mainly because the state bailed them out with \$5 billion of surplus revenues for fiscal 1979. The severest cutbacks in personnel and programs have come in some libraries, parks and recreational services.

Howard Jarvis, co-author of Proposition 13, says that one of his intents in drafting the initiative was to give business a tax break. "But I think they're obligated to pass along their lower costs to the consumer in the form of lower prices," he says.

INITIAL GENEROSITY

After Proposition 13's passage, some companies sounded magnanimous. Crocker National Bank took out full-page newspaper ads pledging to use its \$2.8 million saving (or almost \$1.5 million after federal income taxes) to make loans for job-creating purposes. A spokesman now concedes, "We obviously don't know that the money goes directly for that, although we feel and hope that most of it does."

Safeway Stores Inc. has publicly stated that it will pass its savings along to consumers, but a spokeswoman for the large supermarket chain cautions, "You can't say we've done it yet, and I can't give you any idea of the size of the cuts."

Some companies say that to the extent that Proposition 13 savings cut costs, they will be able to keep prices from rising more than they otherwise would have. Danny's Inc. says its \$1 million of savings will go to that end, "although menu prices last year rose more than any other year." An official of Walt Disney Productions says that while most of its \$1.5 million in savings will be reinvested for such things as new films and attractions at the company's theme parks, "We hope we won't have to raise ticket prices as fast."

Businessmen's ambivalence about what to do with Proposition 13 savings is indicated by two meetings held under the auspices of the United Way of Los Angeles County. At the first, held shortly after the measure passed, those in attendance generally went along with an urgent request from area schools and agreed to give part or all of their property tax savings as gifts to make up a looming shortage of funds. But at the second meeting 30 days later, sentiment had changed. "There was a feeling that the need wasn't as great and that the major impact on schools wouldn't be for a few years, so we felt we ought to go slow and see what develops," one businessman in attendance says.

BUSINESS BENEFITS

Many companies say that by reinvesting Proposition 13 savings in their own companies, they will create more jobs and keep the state's economy vigorous. For example, Southern Pacific Co., California's largest private landowner, will have a total tax saving of around \$20 million, of which about \$14 million is attributable to railroad operations. "The best use of that money as far as we're concerned is to invest it in new freight cars and locomotives," a spokesman says. However, he can't say what the railroad would have spent on rolling stock if it hadn't gotten the tax savings.

One conspicuous group of companies has returned its savings directly to the public, but only after arm-twisting by the California Public Utilities Commission. The state's energy, telephone and water companies are passing on to consumers a total of \$264.4 million either through a credit on bills or a lesser rate increase than ordinarily would have been granted. But much of the savings go to large industrial and commercial customers because they generally use more

power than homeowners. In the case of Southern California Edison Co.'s 46.7 million reduction, the average residential customer's bill has been cut just about 22 cents a month, or less than 1%.

Lockheed Corp. says most of its \$10 million tax saving will be passed back to the federal government under cost-reimbursable contracts, but a net gain of \$2 million will be used for such things as capital expenditures and research and development. A spokesman for Teledyne Inc. says, "We have revenue and we have income, and whatever we have left after taxes we handle like we usually do." He declined to say how much Teledyne's tax saving had increased profit.

"It's clear that the most productive and proper way for us to use any tax savings is in the mainstream of our banking operations," says Arthur V. Toupin, vice chairman of Bank of America, which had after-tax savings of about \$7.2 million. This boosted earnings per share by about seven cents. However, because the "problems and dislocations arising from Proposition 13 will be increasingly felt for possibly three more years," the bank has committed itself to raising its charitable contributions over that period to a level at least \$10 million greater than if it were to maintain 1978's \$4 million level of giving, he adds.

Some businesses, in fact, are giving away their total savings—at least this year. United California Bank, a unit of Western Bancorporation, contributed all of its \$1 million after-tax saving, half to United Way and the rest to establish no-interest emergency loan funds for students at California's 24 independent colleges.

Wells Fargo & Co. gave away all of its \$1.2 million after-tax savings in equal amounts to public-television stations for in-class TV instructional programs, to a foundation that makes high-risk loans for rehabilitating housing in deteriorating neighborhoods and to the United Way for "emergency funds" to meet Proposition 13 cutbacks. The money is in addition to the bank's normal charitable contribution of about \$1.3 million.

SOME LARGE CONTRIBUTORS

Six large industrial companies, all but one in the San Francisco Bay area, say they are considering or have donated much if not all of their savings to charitable, civic or educational endeavors. Kaiser Aluminum & Chemical Corp., for example, has committed \$150,000 of its \$1 million after-tax saving to a rehabilitation project in downtown Oakland and says more such grants will be made.

"There are a lot of things we want to do in California, and since that's where the windfall came, that's where we're going to use it," says Thomas E. Drohan, president of Forestmost-McKesson Inc. The company saved \$600,000, and Mr. Drohan says he will recommend to directors that they place the full amount into the Forestmost-McKesson Foundation, which supports health, education and culture programs.

Phillip M. Hawley, president of Carter Hawley Hale Stores, thinks such contributions might be a mistake. "What if two competing businesses receive identical Proposition 13 savings?" he asks. "One decides to give it all to charity while the other decides to price more tightly. After six months, the first company finds it's losing market share, so it has to lower its own prices. In a sense, that's giving away Proposition 13 savings twice."

Savings and loan associations are pursuing a more indirect course. Three large holding companies (Financial Federal Inc., First Charter Financial Corp. and Great Western Financial Corp.) say their savings, ranging from \$230,000 to \$300,000, will go into making more mortgage loans.

OIL AND GAS BENEFICIARIES

Oil and gas companies are among the largest beneficiaries of Proposition 13. Stand-

ard Oil Co. of California had its bill reduced by \$47 million, Getty Oil Co. by \$12.3 million, Atlantic Richfield Co., \$10 million, Exxon Corp., \$60 million and Occidental Petroleum Corp., \$2.7 million.

Standard Oil's Walter K. Morris, vice president for public affairs, says he objects to people telling corporations what to do with their savings. "It's like someone telling me I have to give all of my person property-tax savings to the Red Cross." The executive adds that under federal regulations governing allowable gasoline prices, about half the company's property-tax saving has gone into reducing gas prices by about 0.2 cent a gallon. He denies a published report that the company has set aside \$250,000 to assist United Way agencies that have sustained cutbacks. "It may eventually reach that amount, but it isn't the easiest thing to find these organizations."

"It's misleading just to look at last year's bill and the current one," says Sidney R. Petersen, Getty president. "Our taxes more than doubled between 1974 and 1977, and all we've gotten is relief from the tax ripoff." He notes that many localities have increased business fees and license costs to offset their drop in revenue. "The largest beneficiary in all this is the federal government, which gets about half of everyone's tax savings."

SOME RELUCTANCE TO TALK

But many businessmen simply try to duck the savings issue. The Los Angeles County Board of Supervisors and several other governmental agencies have asked California's top businesses what they intend to do with their tax savings. They have gotten few responses.

In a telephone survey, The Wall Street Journal asked 43 of the largest companies headquartered or doing business in California the size of their tax savings and what they intend to do with the money.

One company, H. F. Ahmanson & Co., declined to answer any questions. Of the others, about one-third declined to specify the amount of their tax savings.

"We sincerely believe that it's wrong to make public the so-called savings figure," Carl E. Hartnack, chairman of Security Pacific Corp., says at first. "In the emotional and political environment of Proposition 13," he says, "there's a good possibility that isolating these numbers could produce misleading conclusions."

After he learns that other major banks supplied the information, however, Mr. Hartnack relents and supplies an after-federal-tax figure for its saving: \$2.9 million. He adds, "This money will flow into capital, which in turn permits us to take care of increased loan demand, thus producing sound economic growth that benefits all Californians."

CONFIDENTIAL DATA?

Carnation Co., Fairchild Camera & Instrument Corp., Safeway Stores Inc. and Union Oil Co. of California all say they consider property-tax data proprietary or confidential information. While assessments and therefore property taxes are listed on public documents, the records are available only on a county-by-county basis and are often carried under the names of many corporate subsidiaries. Thus, it's almost impossible to figure out with any accuracy the total tax bill of a large company with statewide operations.

A number of concerns that won't give figures say their savings are insignificant. They include Crown Zellerbach Corp., Litton Industries Inc., Memorex Corp. and MCA Inc. But a check of tax records in Los Angeles County, where MCA has its 420-acre Universal Studios complex, shows that the company has saved at least \$1.6 million in property taxes this year, before federal tax considerations.

Officials of both Carter Hawley Hale Stores

and Texaco Inc. say they just don't know how big their savings are although property-tax bills went out last November. However a report prepared for Los Angeles County estimates that Texaco saved \$6.8 million in the county alone. Teledyne says its tax-cut figure "isn't readily available," Wickes Corp. says the matter is "too complex," and Potlatch Corp. says this "isn't an opportune time" to divulge the data.

TOM HAYDEN'S VIEW

To social activist Tom Hayden, the corporate reluctance to discuss Proposition 13 isn't surprising. Mr. Hayden, best known for his past antiwar activities, now heads the California Campaign for Economic Democracy, which seeks more government regulation of big business and revamping of corporate priorities. "Many chief executives I've spoken to have made a judgment that—as one put it—the hoopla will be over soon," he says.

However, Mr. Hayden believes the pressure on business will increase. "In the next two to three years," he warns, "the state surplus that bailed out local government will run out and we'll be faced with either massive layoffs and cuts in services, a doubling of the personal income tax or a repeal of that part of Proposition 13 that resulted in a windfall for big business. It's shortsighted of businessmen to think the issue will disappear."

Perhaps the issue won't disappear, but the talk of savings might. Most businesses that made charitable or other contributions stress that these are one-time grants. "I think that after this year," says Norman Barker, Jr., chairman of United California Bank, "it will be business as usual." ●

STATEMENT OF THE HONORABLE AL ULLMAN, CHAIRMAN, COMMITTEE ON WAYS AND MEANS, WITH RESPECT TO THE RULE TO BE REQUESTED FOR CONSIDERATION OF H.R. 1147, TO EXTEND TEMPORARILY THE AUTHORITY OF THE SECRETARY OF THE TREASURY TO WAIVE THE IMPOSITION OF COUNTERVAILING DUTIES

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. ULLMAN. Mr. Speaker, on February 21, 1979, the Committee on Ways and Means ordered favorably reported to the House H.R. 1147 with amendment. The bill would extend until September 30, 1979, the authority of the Secretary of the Treasury to waive the imposition of countervailing duties.

I take this occasion to advise my Democratic colleagues as to the nature of the rule that I will request for consideration of H.R. 1147 on the floor of the House. The Committee on Ways and Means specifically instructed me to request the Committee on Rules to grant a closed rule which would provide:

First. Committee amendments, which would not be subject to amendment;

Second. Two hours of general debate, to be equally divided;

Third. Waiving all necessary points of order; and

Fourth. One motion to recommit with or without instructions.

I anticipate that H.R. 1147 will be officially reported to the House and the committee report filed tomorrow, February 22, 1979. It is our intention to re-

quest a hearing before the Committee on Rules as expeditiously as possible.●

PHILIP FINKELSTEIN—LONG BEACH SHIPYARD'S LAST PLANK OWNER

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. ANDERSON of California. Mr. Speaker, February 24, 1979, will mark a special day for the Long Beach Naval Shipyard. On that day the friends and colleagues of its chief engineer, Mr. Philip Finkelstein, will honor him for his long years of service at the naval shipyard. This will truly be a landmark occasion, as Mr. Finkelstein is the last person to retire from the shipyard who can claim to have been with the shipyard on the day it was established 36 years ago. Those familiar with naval jargon know this gives him the distinction of being the last "plank owner."

It must be, that being with an organization since its inception instills a special sense of dedication and loyalty which inspires outstanding performance, because Mr. Finkelstein's tenure with the shipyard has been one that demonstrated those qualities. The people who work for the shipyard, and those associated with it, have witnessed and gained benefit from the work of this man. And, of course, it must also be noted that the people of this entire Nation have similarly gained from his years of service. His contributions toward the building, modification, and repair of Navy ships has helped guarantee the maintenance of a strong and effective naval fleet for our national defense. Today, I would like to share with you a brief history of Mr. Finkelstein's career in the Federal service.

Mr. Finkelstein's education and early career illustrate an extensive preparation for his later high level work with the Long Beach Naval Shipyard. His formal educational training culminated with the award of a master of science degree in mechanical engineering from New York's Syracuse University. He started his career in the Navy civil service as an assistant engineer draftsman with the New York Naval Yard and held engineering, draftsman, and architect positions in Washington, D.C., Philadelphia, and Mississippi before his arrival in Long Beach.

In 1943, Mr. Finkelstein was one of 350 employees who established what is now known as the Long Beach Naval Shipyard. Here at Long Beach, he advanced in grade from naval architect P-4 to chief design engineer, GS-15, and made the most notable contributions of his 40-year career in Federal service.

As chief design engineer, he supervised the modification of a steam plant on the U.S.S. *Barbey* which resulted in the advancement of the propeller analysis techniques. This made possible propeller design improvements to other ships of other classes. The first two west coast installations of the rubber window

sonar dome were also accomplished during his tenure as head of the design division.

Also during this period, the Long Beach Naval Shipyard gained national prominence by leading all naval shipyards in the utilization of computer science to assist in ship design. The design division also surpassed all other naval shipyards in the development and installation of the numerically controlled tools program.

These and other accomplishments have won him many honors. Among these are the Meritorious Civilian Service Award which he received twice in 1946, the Superior Accomplishment Award which he won in 1955 and again in 1958, and the Federal Employees Distinguished Public Service Award in 1977. Just recently, he was nominated for the Harold E. Saunders Award for Contributions to Naval Engineering.

A most admirable characteristic is his generosity in sharing his engineering talents when they are needed in special civic endeavors. He has provided design guidance for the construction of the model of the U.S.S. *Long Beach* which is used in parades and festivals throughout the local area. To reduce damage done by oil spills off the California coast, Mr. Finkelstein helped design scoops, oil booms, and skimmers.

He also devotes some of his spare time to teaching and developing education courses at local colleges and job training centers.

Mr. Speaker, a career in the Federal service can be a truly rewarding experience. This is especially true for those who work in the armed services, be it in uniform or by participation in the civilian work force. These people can claim a share in the effort which constantly maintains the strong national defense which is so vital to us all. Mr. Philip Finkelstein's career in the civilian Federal service definitely qualifies him as a major contributor to our security.

My wife, Lee, joins me in paying tribute to this man as he completes an outstanding career. We extend to him, his wife, Verna, and their two children, Dan and Ann, a wish for many years of happiness in the future.●

EXTEND GENERAL REVENUE SHARING

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. WYDLER. Mr. Speaker, today I am introducing legislation to extend the general revenue sharing program to State and local governments for another 4 years.

Since its enactment in 1972, over \$55 billion has been returned to the States and localities for their use. The present program will expire on September 30, 1979. Consequently, the 96th Congress must decide on a continuation of this assistance. I firmly believe that the Congress should continue the program.

I realize that many of my colleagues

have reservations about continuance of general revenue sharing. The continued deficit in the Federal budget and the increasing dependence of the States and localities on Federal Government for assistance troubles me also. However, after we examine the issues and listen to all the arguments, I believe that one single point stands out from the rest and that is that decisions affecting local communities are best made at home, not in Washington, D.C. In my 18 years in the Congress, I have seen many a worthwhile idea and objective passed into law, only to see the promise of such programs swallowed up and redirected by an unthinking and unrealistic bureaucracy. Too often we fail to acknowledge the fact that all knowledge does not originate in Washington, D.C. Too often we fail to recognize that many decisions are more properly and easily made at the local level.

That is why I am today calling upon my colleagues to give early and close attention to the reenactment of general revenue sharing. Prompt consideration of this measure will allow State and local governments time to prepare budgets and programs with a minimum of disruption at the local level. Early consideration of this measure is the only responsible way to proceed.●

ANNIVERSARY OF THE DECLARATION OF INDEPENDENCE OF LITHUANIA

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 15, 1979

● Mr. MIKVA. Mr. Speaker, I am privileged to join my colleagues in the observation and commemoration of the 61st anniversary of Lithuanian Independence Day. February 16 is a day to remember the tragedy of Lithuania's lost independence, and to reaffirm our recognition of Lithuania's right to exist as a free and independent nation.

Lithuania has had no distinct national boundaries since 1940 when it was annexed by the Soviet Union. Its people, however, continue to be a viable, independent, and free-thinking nation whose nationalistic spirit has not been extinguished.

The Lithuanian people have continued to maintain their own culture, language, history, and desire for liberty. As the world's leading democracy, the United States has an obligation to encourage all people to exercise their right to live in a free self-governing nation.

It is only fitting that we lend our moral support to people struggling for the basic freedoms we ourselves attained 202 years ago. Too often, Americans take for granted freedoms which many other countries do not possess. We are blessed to live in a country that values and protects the basic human rights of its citizens.

Today, I join my colleagues in expressing support for Lithuanians trying to achieve the same protection for themselves.●

TROTSKYISM AND TERRORISM:
IRELAND AND IRAN

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. McDONALD. Mr. Speaker, the Socialist Workers Party (SWP), the U.S. section of the Fourth International which coordinates revolutionary and terrorist activities of Trotskyite Communist parties and is actively supporting a wide range of terrorist revolutionary groups in Europe, the Middle East, and Latin America, has successfully recruited Iranians living in this country to the Trotskyite variety of Marxism-Leninism, has organized them into a Communist party recognized by the Fourth International as its Iranian section, and has sent them back into Iran to join in the revolutionary strife.

The involvement of the Fourth International Communists in international terrorist activities is nothing new. My colleagues may recall that in August and September 1976, I provided a series of detailed reports on the extensive involvement of the Fourth International in terrorism in Argentina, Bolivia, Chile, Peru, France, Britain and Ireland, Spain, Portugal, Greece, and the Middle East. More recently, the Japanese Trotskyites have participated in the rioting and arson at the Narita airport.

The Fourth International's involvement in terrorism in Northern Ireland is expanding as Trotskyites recruit among the terrorists of the Irish Republican Army (IRA) and its support networks. The Irish section of the Fourth International, the Movement for a Socialist Republic (MSR) is in the process of a merger with the People's Democracy, whose members have been convicted recently of such offenses as possession of illegal arms and ammunition, and have been sentenced to long prison terms.

These Fourth International parties have been assiduously courting another Trotskyite-oriented revolutionary organization, the Irish Republican Socialist Party (IRSP), which has a terrorist "military arm" called the Irish National Liberation Army. The Irish and British Fourth International parties have extensive contacts with both the Official and Provisional wings of the IRA. A number of IRSP members have been killed both in shootouts with British security forces and intramural killings by rival terrorist gangs: to these and to IRSP members apprehended and charged with terrorist crimes, the Fourth International parties have offered their "broadest support."

Just as the International Marxist Group (IMG), the British section of the Fourth International, played the leading role in the formation of the Irish section, the U.S. Socialist Workers Party has been the organizer and guiding influence in the formation of the Sattar League, now called the Hezbe Karegaran Socialiste—Socialist Workers Party—in tribute to its mentor.

It should be noted that as a result of a lawsuit brought by the SWP against the FBI and other Federal agencies, the

Federal Bureau of Investigation has been barred from examining the activities of the SWP. The lawsuit has resulted in the SWP obtaining extensive discovery into the Government's investigatory files, but this has been insufficient for the leaders of the Fourth International who have asked the SWP to "internationalize" the lawsuit by seeking FBI, CIA and other agency files on the Fourth International and its members as well. That information was obtained from the Internal Information Bulletin, a confidential "members only" publication of the Fourth International published in English as a "fraternal service" by the SWP. Because of the SWP lawsuit, the FBI are forbidden to obtain copies via informants in the SWP and become aware of these activities on behalf of the Fourth International.

As for the formation of the Iranian Trotskyite party, the details of its activities and recent implantation in Iran have been provided in the Information Digest, a newsletter that provides detailed information on terrorist and revolutionary movements in the United States that is published by John Rees.

The article follows:

SWP SPAWNS TEHRAN TROTSKYISTS

Thanks to its American section, the Socialist Workers Party (SWP), the Trotskyist communists of the Brussels-based Fourth International (FI) now have an overt cadre operating in violence-torn Iran.

On January 22, 1979, more than a dozen Iranian Trotskyists from the leadership of the Sattar League, accompanied by SWP National Committee member Cindy Jacquith, flew into Teheran to hold a press conference announcing that the Sattar League was now the *Hezbe Karegaran Socialiste (HKS)* [Socialist Workers Party], the Iranian FI section. The HKS unveiled a political platform praising the Communist "workers and peasants government" set up in Azerbaijan, Iran's northern province, by the USSR which had militarily occupied the area during World War II, and supporting the clandestine work of the Tudeh (Communist) party in Iran in collaboration with the Mossadeq government overthrown by the Shah in 1953.

The HKS calls for establishment of a "constituent assembly" of representatives of "the organizations of the workers, peasants, white-collar workers, soldiers, university students, and high-school students." It is noted that the Trotskyists call for "equal rights for all religions;" a full women's liberation platform including state-run childcare centers, abortion and contraception; and that it includes no provision for any involvement in government of the Shi'ite Moslem clergy. All these points are bound to bring the HKS into conflict with the supporters of Ayatollah Ruhollah Khomeini's planned "Islamic republic."

Those participating in the HKS founding press conference included Reza Baraheni, honorary chairman of the SWP's front for the support of Iranian revolutionaries, the Committee for Artistic and Intellectual Freedom in Iran (CAIFI); Babak Zahraie, a member of both the SWP and its youth arm, the Young Socialist Alliance (YSA), who played a leading role in using CAIFI to recruit Iranians into Trotskyism; the Sattar League; Nemat Jazayeri, CAIFI's former executive secretary; Parvin Najafi, active with CAIFI and a writer for *Intercontinental Press/Inprecor*, the weekly English language magazine of the FI produced by the SWP in New York City as one of its services to the FI; Javad Sadegh, who fled Iran in 1953; Hooshang Sepehri, who said that four

of his brothers had been killed fighting the Shah's government; and Zeyot Obrohim, an instructor at Teheran University.

The Sattar League and the HKS are the outgrowth of "colonizing work" among Iranian revolutionaries and dissidents living in the U.S. by leaders of the SWP who also are leaders of the FI. In brief, the recruitment of the HKS commenced in the late 1960s and early 1970s when the campus YSA chapters were used to support and co-sponsor demonstrations by the Iranian Students Association (ISA) and recruit ISA members. However, in 1973, the ISA expelled its Trotskyist members in a bitter faction fight that continues with ISA contingents frequently assaulting Iranian Trotskyists and accusing them of being "agents of the Shah and SAVAK."

In 1972, the SWP formed a defense committee to fight deportation of Babak Zahraie, an SWP and YSA member active in the Seattle ISA. With marriage to a U.S. SWP and YSA member preventing the deportation, and with the split in ISA, the SWP transformed the Zahraie defense committee into the Committee for Artistic and Intellectual Freedom in Iran (CAIFI), a front controlled by the SWP which took as its first campaign securing the release of Reza Baraheni. On his arrival in the U.S. after release from a brief detention, Baraheni became CAIFI's honorary chairman and most active speaker. CAIFI, under the leadership of Baraheni, Zahraie and other Iranian and U.S. Trotskyists, continued its recruitment among Iranian students, which resulted in formation of the Sattar League as the Iranian section of the FI with two voting delegates in the FI leadership who never deviated from the positions of the SWP-led Leninist-Trotskyist Faction (LTF).

The HKS issued a tribute to long-time SWP and FI leader Joseph Hansen, who used the alias "Pepe" in the FI, praising his "central role in educating our leadership and developing our party" during their "years in exile." According to the HKS, Hansen, who died on January 18, 1979, advised them on everything from "theoretical questions to the questions of day-to-day party building." Said the HKS, "Comrade Hansen taught us to concentrate on the problems of our own country, to be Iranian Trotskyists."

Hansen, of course, was only one of the SWP leaders who also serve in the FI leadership. Among the services provided to the development of the Sattar League by the SWP was production of a monthly newsletter, *Payam Daneshjoo* [Students Correspondence], which first appeared in 1973 following the expulsion of Trotskyists by the ISA. In November 1978, the publication which had grown to a 60-page magazine became a weekly using the format of *Intercontinental Press/Inprecor*, and using GPO Box 1266, Brooklyn, New York 11201, to reflect the "new stage" of revolution in Iran and serve "as a step toward a unified newspaper that will seek the collaboration of all Iranian revolutionary socialists." As Bahman Moradi noted in *Intercontinental Press*, "the editors of *Payam* are organized around the banner of the Fourth International, the world party of socialist revolution." He neglected to note that the chief editor of the publication is Babak Zahraie, long-time CAIFI field secretary and Sattar leader.

Through CAIFI, U.S. and Iranian Trotskyists have had some success in attracting broader support from the left for its causes. It will be recalled that a CAIFI press conference in Washington, DC, on 9/13/78 featuring Zahraie and Baraheni had as additional participants Representatives Tom Harkin [D-IA] and Fortney Stark [D-CA], and former U.S. Attorney General Ramsey Clark.

How successful the U.S.-trained Trotskyist communists will be in Iran remains to be seen. ●

ENERGY ISSUES DISCUSSED BEFORE
THE AMERICAN NUCLEAR SOCIETY

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. WYDLER. Mr. Speaker, recently my colleague, BARRY M. GOLDWATER, JR., spoke before the Washington, D.C., section of the American Nuclear Society. His speech touched current energy issues. Mr. GOLDWATER put alternative energy sources such as geothermal and solar in realistic perspective. He also discussed the major nuclear issues in the coming Congress both from a regulatory standpoint and in technology development. We all know that Clinch River Breeder project and nuclear licensing will be at the forefront of issues in the 96th Congress. Mr. GOLDWATER, like many of us, is impatient with the administration on nuclear waste management and has introduced a bill to remove this obstacle to nuclear power deployment.

I recommend the speech as a snapshot of the nuclear issues which must be dealt with in this session:

NUCLEAR POLICY AND ISSUES IN THE
96TH CONGRESS

(By Congressman BARRY M. GOLDWATER, JR.)

Thank you, Mr. Chairman, for that very kind introduction and good evening, ladies and gentlemen. It's a pleasure for me to appear before this dinner meeting of the Washington section of the American Nuclear Society, and especially to follow in the footsteps of your most recent speaker, Miss Kitty Schirmer of the Domestic Policy Council. I hope you will give me as warm a reception as you gave her last month.

Although the topic of my talk is to be nuclear policy and issues in the 96th Congress, I think I can best set the stage for discussing nuclear matters by putting them in context with other energy sources. As some of you know, in the last Congress I was the Ranking Minority Member on the House Science Committee's Subcommittee that dealt with solar energy and geothermal energy. I would like to say a few words about those energy sources, as they are often presented as alternatives to the continued development of nuclear power. Let's take geothermal energy first.

Geothermal energy is very important in my home state of California, as we have some of the Nation's major geothermal resource areas in our backyard. The Geysers field in Northern California provides about one-half the electricity needs of the city of San Francisco, and does so at a cost cheaper than that from any other available energy source. In the Southern part of our state, we have the Imperial Valley, with a resource potential of several thousand megawatts. We've made some important strides in geothermal energy development in the last few years, with the cost of well drilling having come down by a moderate amount thanks, in part, to the research and development program we have established within the Department of Energy. We've also seen increased private interest in the construction of geothermal plants, with a 10MW totally private financed plant about to come on line in the next few months, and a 50MW demonstration plant project now in the formative stages as a cooperative venture between the Department of Energy and a New Mexico utility.

However, despite this promise, geothermal energy, like all other energy technologies, is not without its problems. We have been

bringing geothermal energy plants on stream Nation-wide at the rate of only about 25-50 megawatts per year. That's a fairly significant rate when you consider that geothermal is a relatively new technology, but it is small, of course, when compared to the size of a large nuclear or coal-fired power plant at 1,000 megawatts each. Also, several problems stand in the way of accelerating geothermal development, such as objections to the gases released, uncertainty over reservoir life-time, leasing delays, and possible need for additional government development incentives. All these factors combine to leave some question as to what the ultimate contribution of geothermal energy will be. The resource base does seem to be there, but it is now clear that we are not going to have the 3 or 4 thousand megawatts on line by 1985 that had been predicted only a year or two ago. The statement by Governor Brown that nuclear power is not needed in California as geothermal energy can meet most of the state's future energy requirements is, in my opinion, not supported by fact, and totally irresponsible. Nor is it agreed to by almost all knowledgeable observers. Nevertheless, geothermal energy is a real resource, is providing some electricity now, and also is being used for direct heat applications. We need to continue the resource development and demonstration programs currently underway, but must not forget that any new energy technology takes a long time to break into a market place. Hopefully, the tax incentives provided under the National Energy Act, such as investment tax credits, and deductions for intangible drilling expenses and depletion allowances, all of which I supported, will help accelerate geothermal energy's entry into the market.

Solar energy receives much more attention than geothermal energy and is currently the energy source in vogue. The solar R&D budget is up to about \$600 million in fiscal 1980, and when you count tax incentives and activities in departments other than the Department of Energy, you find that the Federal solar effort is up around the \$800 million level, and still growing. Earlier in this decade solar funding was almost nonexistent.

Solar energy, as you all know, is actually a number of different technologies—photovoltaics, wind power, ocean thermal energy conversion, power towers, heating and cooling, and biomass, each with their own prospects and problems. The real questions are what contribution will solar energy as a whole make to our future energy requirements, when will this be obtained, and at what cost? Projections of solar's contribution by the year 200 range from 5% to 25%. While I naturally hope that the result is towards the higher end of this range, we have to be realistic. Solar has a long way to go. One must not forget, for example, that if we were to convert 20% of all the residences in the United States to solar heating and cooling, this would be equivalent to saving about 1 million barrels of oil per day, or 6% of the daily oil requirements. This 20% conversion would involve about 15 million residences, which at about \$10,000 per residence would cost \$150 billion. Are we ready for that?

Also, it would take about 500 of the largest sized windmills being developed today to provide the same energy capacity as one large coal or nuclear fired power plant. These windmills would require a land area of over 100 square miles.

Another solar technology, photovoltaics, is very promising, but it would take 25,000 times our present photovoltaic production capacity of about 750 peak kilowatts per year to produce electricity equivalent to that from 200,000 barrels of oil per day. That would be only about 1 percent of our current oil requirements. The present cost of

photovoltaic devices, also, is so high as to presently rule this technology out for all but the most limited applications.

I could say similar things about the other solar options such as power towers, OTEC, or biomass. I don't want to be overly negative, as I feel we should be developing these solar options, but the point is that we have a very long way to go, and experience tells us that developing a new technology is not an easy or rapid task. The public must not be misled into believing that the sun is an energy cure-all.

Nevertheless, we do see signs of that happening, in a manner reminiscent of the "too cheap to meter" earlier promises about nuclear energy. Just this past weekend, it was reported that 115 Members of the Solar Caucus in Congress wrote the President requesting additional funding for solar energy, and new initiatives in line with the "technically achievable" proposal of the Domestic Policy Review of the solar energy. I suspect that new funding will be held down due to the Congress' and the Administration's current mood of fiscal restraint, but some "grandstanding" or White House announcement of new solar goals cannot be ruled out.

Now that I've reviewed where we stand on solar energy and geothermal energy, and some of their problems, let me say a few words about what we have accomplished in the last Congress in the overall alternative energy field. I can point with some pride to the following:

a. passage of the Automotive Propulsion Research and Development Act of 1977, expanding and accelerating research and development on more efficient automotive propulsion engines;

b. modification of the Geothermal Energy Research, Development and Demonstration Act of 1974, facilitating use of the geothermal loan guarantee program;

c. establishment of a financial support program for converting municipal wastes into energy;

d. authorization of loan guarantees for biomass demonstration facilities;

e. establishment of a program for greater utilization of our low-head hydroelectric resources;

f. modification of the Electric and Hybrid Research, Development and Demonstration Act of 1976, so as to better phase the electric vehicle demonstration program in with technology development;

g. House passage of the Solar Power Satellite Research Development and Demonstration Act, which would accelerate a determination of feasibility for this potential energy source; and

h. passage into law of the Solar Photovoltaic Energy Research, Development and Demonstration Act of 1978, which established a more centralized, goal oriented program for this very promising technology.

This last bill was the only major piece of energy R&D legislation that was passed by the 95th Congress.

In addition to these activities, Congress in its last session successfully shaped the course of ongoing research, development and demonstration programs in other aspects of solar energy, geothermal energy, and energy conservation through selective changes to the funding levels proposed by the Administration, and has partly corrected the lack of emphasis we found on a broad front of energy production activities.

So much for the previous Congress. Let's take a look at what's ahead for the new one. First of all, on my own Committee, Science and Technology, we've had a major change, both in the jurisdiction of our energy subcommittees and in their Chairmen. As many of you probably know by now, Don Fuqua of Florida has assumed the Chairmanship of the Full Committee, taking over for Tiger Teague of Texas, who retired. Jack

Wylder of New York remains as Ranking Minority Member. Mike McCormack of Washington has become the Chairman of our new Energy Research and Production Subcommittee, which has jurisdiction over all fission and fusion programs, that is, all nuclear activities under the auspices of the Science and Technology Committee. I don't think I need to tell you where Mike stands on nuclear issues. In addition to the Chairman, however, there is quite a variety of Democrats on this Subcommittee, ranging from those who look favorably upon the nuclear option and those who do not. Other Democrats in addition to Mike McCormack are Bob Roe of New Jersey, Marilyn Lloyd Bouquard of Tennessee, and Dick Ottinger of New York. We have a total of 11 Democrats on that Subcommittee. On the Minority side Jack Wylder of New York has been selected as Ranking Minority Member. This, of course, is the Subcommittee that will consider the Clinch River Breeder Reactor issue in the 96th Congress, and I know its going to be a busy year.

As to our Senate counterpart, namely the Energy Research and Development Subcommittee of the Senate Energy Committee, Frank Church of Idaho remains the Chairman, and Senator James McClure, also of Idaho, now becomes Ranking Minority Member, replacing Senator Hatfield. While I think you are all familiar with the favorable position of both Senators Church and McClure on the breeder situation, you should recognize that the Committee as a whole is less conservative than last year. Among the new Democrats appointed to this Subcommittee are Senators Tsongas and Bradley.

As far as jurisdiction over the Nuclear Regulatory Commission is concerned, in the House that still resides with the Interior Committee, which is chaired by Congressman Udall. In the Senate, NRC jurisdiction remains with the Nuclear Regulatory Subcommittee of the Committee on Environment and Public Works. This Subcommittee is under Gary Hart of Colorado and has a new Ranking Minority Member, Senator Simpson of Wyoming. Along with Senator Simpson on the Minority side of that Subcommittee are Senators Domenici and Baker. Senator Simpson replaces Senator McClure, who, while remaining on the Energy Committee in the Senate, also moves to the Appropriations Committee.

By now you are all aware that nuclear jurisdiction has shifted substantially from what it was several years ago, when it resided with the Joint Committee on Atomic Energy. In the House, the Science and Technology Committee now has jurisdiction over civilian nuclear power research and development, but several other Committees have part or feel they have part of that turf. Both the Interior and Commerce Committees, for example, are quite interested in the subject of radioactive waste disposal, and Interior has already held hearings on that subject this year. The Armed Services Committee is concerned about the disposal of those radioactive wastes generated in military programs. The International Relations Committee monitors nuclear exports and nonproliferation matters, and the Appropriations Committee is concerned with funding for all of the Federal Government's nuclear activities. The Government Operations Committee is concerned about how the various Federal agencies organize their nuclear responsibilities. I hope I didn't leave anybody out.

In the Senate, again several Committees are involved in nuclear matters, primarily Environment and Public Works, the Energy Committee and Government Affairs. What we have in both Houses of Congress is a classic situation where an issue has generated broad public interest and controversy, but the Congress has not adequately defined the jurisdictional boundaries as to how this subject should be handled. I wish I could say

that the matter will soon be resolved, but in the House, unless the Speaker, the Rules Committee or a Committee on Committees steps in, I do not anticipate a quick or easy resolution of this matter.

One factor that has made the whole situation somewhat difficult and confused has been the late passage, indeed this year the lack of passage, of an authorization bill for the Department of Energy. The House passed one, but the Senate did not. As a result, it has been the Appropriations Committees that have provided the funds and the direction for the nuclear programs.

As many of you know, the usual role of the Appropriations Committees is to decide the actual funding levels for energy programs, after following the policy directions set by the authorizing committees. However, because the appropriations committees have moved ahead of authorizations in energy legislation in recent years, they sometimes take an independent course in areas where their members have strong views. The recent situation with fiscal year 1979 funding for the Clinch River Breeder, for example, while probably one that this audience would not oppose, is a case in point.

It is probably too soon to say whether this year will prove different. I know the authorizing committees are aware of the weakening of their roles, and will do what they can to arrest this shift in authority. However, at this time it is questionable that we will see a fiscal year 1979 authorization bill become law, as the Senate Energy Committee appears inclined to skip that over and wage the Clinch River battle on the 1980 bill. As a first step, however, a fiscal year 1979 bill has been introduced jointly in the House by the Science, Commerce and Interior Committees. Just what priority and action this bill will receive remains to be seen.

As to the nuclear issues that will come up this session, the list is a long one, and I suspect very familiar to most of you. Another one laying over from the previous year is the licensing bill. We don't know yet whether the Administration will resubmit this bill, the purpose of which is to cut the present 12 year lead time for building a new nuclear plant in half. At the moment, bills are being prepared by both the Administration and the Nuclear Regulatory Commission, the latter at the request of the House Interior Committee. The situation is uncertain as the Administration has not decided whether it wants to send its own bill up or not. Experience shows that when a situation gets this murky, little gets done. I have serious doubts that we will see a licensing bill enacted into law.

One area where, unfortunately, I think we will see some interest if not legislative action is in the Price Anderson Act. As you know, the Nuclear Regulatory Commission's repudiation of some of the conclusions of the Rasmussen Report have opened the door, in the minds of some people, to reexamination of the link between the Rasmussen Report and the Price Anderson Act. If consideration of this insurance program is reopened, as it might be, the most likely result would be a retention of the Price Anderson system itself, but removal of the limits on liability. When one considers that some of the other provisions of the Act are meritorious only when connected to a limit on liability, the prospect of reopening the Price Anderson matter is not encouraging.

It is somewhat encouraging, however, to see that the Administration has finally recognized the seriousness of the spent fuel problem and that a bill will soon be sent up to provide away-from-reactor storage capacity. On the other hand, I am concerned by the reported statement of a DOE official that the fees for storing spent fuel will be structured so as to give utilities an "overwhelming" financial incentive to store their spent fuel at reactor sites. I hope this bill helps

more than it hinders. I also hope that those opposed to the nuclear option will act responsibly towards this legislation, as the forced shutdown of any nuclear plants, should it come to that, due to lack of fuel storage space would not be in anybody's best interests.

This whole problem could be solved, of course, by recognition of the need for reprocessing. I believe we will see that recognition in the final results of the International Nuclear Fuel Cycle Evaluation, to be completed next year, but whether the current Administration will accept these results is anybody's guess.

The major nuclear issue this year, as last year and the year before, will be the Clinch River Breeder Reactor. I don't think any of us have been convinced by the Administration's arguments concerning the lack of need for this plant, despite the fact that they talk about obsolescence, high cost, reduced energy demand, possible availability of alternative fuel cycles, and other smoke screen issues. Their concern is and always has been that of proliferation. Those of you who were at the last meeting of this section and heard Kitty Schirner speak can draw your own conclusions about the validity of the Administration's concern over proliferation. I, for one, think it is a misplaced concern and that the Nation will suffer if we deny ourselves breeder technology. We already see other countries moving ahead of us in breeder development, and we will soon be relegated to second class status among the nuclear power nations.

The Clinch River debate has been at somewhat of a standstill over the last few months with Capitol Hill attention focused partly on the McClure compromise. The President's budget for fiscal year 1980 contains no funds for Clinch River, and it is still his intention that the project be terminated. There is some confusion over the meaning of the word "discontinue" as used in the compromise, but I understand that Secretary Schlesinger has recently said that the Administration will still go along with a discontinuation of the project, as opposed to its absolute termination. For the moment, we see a breeder base program at around the \$500 million level, which is sufficient to maintain at least part of our technical capability, but far short of the effort needed if we're really serious about developing the breeder.

I believe we have to be serious about breeder development. Nothing has changed in the last year or two that provides any further support for the Administration's arguments. This Nation needs the breeder program and it needs a plant, a real plant, as the focal point of that program. As is the situation with nuclear waste management, we must not go back and restudy our options. The time to build a plant is now. We already have fabricated a number of Clinch River components, and it would be an irresponsible waste of taxpayer's money not to get the maximum benefit from the work that has been put into that plant.

The ball is now in Congress's court, and despite the fact that we have an inflation-minded Congress that fully intends to maintain a tight budget, we need to do something to keep the Clinch River project going. Authorization hearings start this week with mark-up sessions likely to be held toward the end of this month or in early March. As an industry, you need to maintain the same presence and vigorous support of this project that you have displayed over the last two years.

Saving the best for last, I would now like to talk about the subject of nuclear waste management. We had hoped to see the final Interagency Review Group report completed by the President's deadline of February 1st, but it looks as if it will now be delayed for at least a month. In the absence of Administration action on this subject, I introduced

yesterday the Nuclear Waste Management Research, Development and Demonstration Act of 1979. This bill provides for the construction of a permanent Federal repository for nuclear wastes and spent nuclear fuel assemblies generated in the operation of civilian nuclear power plants. It requires the Secretary of Energy to construct a repository to be in operation no later than September 30, 1988.

The bill will help us avoid the frightening prospect of an energy shortage, which a nuclear slowdown would surely entail. While the problems surrounding the construction and operation of nuclear waste facilities are substantial, recent evidence leads me to conclude that the technology has reached the stage where we should proceed with a demonstration facility. This bill directs the Secretary of Energy to construct and operate a permanent repository for the disposal of nuclear wastes and the storage of spent fuel assemblies, and its key element is that it sets a strict timetable for the completion of this job, recognizing the urgency of the problem. Site selection is to be based on the many studies conducted to date on nuclear waste disposal, as well as on specific site evaluations yet to be completed. The demonstration facility must become operational, as I have indicated, by September 30, 1988.

The issue of nuclear wastes is of considerable importance to the Nation and is a problem which has been neglected for too long a period of time. We have already been forced to limit construction of the new nuclear plants in some areas of the country due to the public's perception of the nuclear waste problem. We must act now to insure that this situation gets better, not worse.

My motivation for introducing this bill was in part the realization that we have studied the subject of nuclear wastes and studied it again. As I stated in a letter to the Secretary of Energy on this matter last year, I cannot help but note that we have seen a seemingly unending series of studies, reviews and evaluation of this subject within the last several years, each ending with several laudible recommendations or goals that somehow get sidetracked before they are achieved. Endless paper studies do not seem to me to be the solution to the nuclear waste disposal problem. What we need instead is to establish a research, development and demonstration program that will get this job done, and to my mind that includes construction and operation of a repository in a timely manner. The bill does exactly that, and for this reason, it is imperative that we act on this legislation during this session of Congress.

When I was out at Hanford this past summer, it was impressed upon me that during World War II, we built our first plutonium production reactors in a period of about 13 months, but now I find that we cannot dig a hole in the ground to handle the waste from those reactors for 13 years. That is an intolerable situation, and my bill proposes to correct it. In addition to mandating the construction of a repository, the bill requires this facility to go through a licensing process and designates both the Department of Energy and the Nuclear Regulatory Commission as joint lead agencies for preparing the necessary environmental impact statements. The bill also provides for a meaningful State role in commenting on the construction and operation of the repository and encourages public participation in the project. Finally, the bill establishes a nuclear waste advisory committee and extends the licensing authority of the Nuclear Regulatory Commission to cover spent fuel assemblies and transuranic elements.

One thing the bill does not do is establish a new Federal agency to regulate nuclear wastes. We don't need a new agency, as some of my colleagues in the Congress have sug-

gested. We have the necessary mechanisms in place. What we really need is the initiative to get on with the job and get it done.

The bill also does not provide a legislative veto for the States. I don't believe this is necessary, as there are ample mechanisms under the bill for the many industrial, scientific and environmental organizations interested in this project and the public at large to provide their views for consideration during the siting, design, and construction of the repository. States and other parties must play a significant role in the formulation of any effective nuclear waste disposal program. My legislation formally recognizes the role of the states and give them an opportunity to comment on and influence any action taken by the Secretary under this bill. It specifically provides for state input at early stages of the decision-making process for the facility, thereby protecting the rights of the states involved while providing for the construction and operation of a facility that is in the Nation's best interests.

Strong congressional action must be taken in the 96th Congress to focus on the need for a permanent, operational nuclear waste facility. The Congress must recognize that the principal national issue of concern with nuclear energy is waste disposal. I believe that this legislation provides the tools to allow us to adequately address this concern, and I therefore will be pressing for its enactment.

I could go on further but I think that by now you've got the message. Nuclear power faces problems, but other energy technologies do as well. In fact, if there is one thing we have learned from nuclear power it is the difficulty of bringing any new energy source from the laboratory, through several development and demonstration stages, and into the marketplace. There is no reason to believe that the road will be easier for solar or geothermal energy, or for any other energy source.

The government's role must be one of encouragement, moral support, and funding of needed research, development and demonstration activities that the private sector alone will not accomplish. We see this approach being employed for the politically popular energy sources, but only the third item applies to nuclear power these days. It would be extremely beneficial, and cost very little, if the Administration would come out with a statement of support for the nuclear option. If they were to do so, a number of the current uncertainties facing the industry would disappear, and it may not be beyond the bounds of reason, somebody, to see the solar lobby and a "nuclear caucus" working in Congress for a common goal—a narrowing of the energy supply-demand gap, and a reduction in oil imports. Thank you! ●

HOUSE COMMITTEE ON STANDARDS
OF OFFICIAL CONDUCT WEL-
COMES COMMENTS ON A NEW
RULE ENACTED BY THE HOUSE

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. BENNETT. Mr. Speaker, on January 15, 1979, the House of Representatives added a new clause to the Code of Official Conduct, clause 11 of rule XLIII, which provides as follows:

A Member of the House of Representatives shall not authorize or otherwise allow a non-House individual, group, or organization to use the words "Congress of the United States", "House of Representatives", or "offi-

cial business", or any combination of words thereof, on any letterhead or envelope.

This clause took effect upon adoption. The primary purpose of clause 11 is to prohibit a private organization from using a facsimile of congressional stationery for a direct mail fundraising appeal. However, the Committee on Standards of Official Conduct has received a number of inquiries concerning the application of this rule to other factual situations.

The Committee on Standards of Official Conduct will soon be issuing a formal advisory opinion interpreting clause 11. The committee would welcome comments from Members on the general interpretation of this clause. Any Member wishing to submit written views to the committee should do so as soon as possible. ●

CONSERVING ENERGY

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. SCHEUER. Mr. Speaker, as this body is well aware, a great deal of time and effort has been devoted in Congress to seek ways to assist the American people in understanding the need to conserve energy and ways in which this critical task can effectively be accomplished.

Not enough is now being done to conserve energy which is particularly tragic as the international situation becomes more unstable.

I have been following the development of a model Conference on Community Housing and Energy Conservation, which is being cosponsored by the Department of Housing and Urban Development and Council of Jewish Federations in association with the Department of Energy and dozens of religious groups of all faiths and neighborhood organizations. This conference is the only one I am aware of which has actually sought to teach leaders of community groups how to help ordinary citizens conserve energy.

I want to congratulate Father Geno Baroni, assistant secretary for Neighborhoods, Voluntary Associations and Consumer Protection, and his office staff which labored hard and long to assist the Council of Jewish Federations which designed the conference program under the direction of William Rice, a consultant on energy conservation.

What is most interesting about this innovative grassroots endeavor is the very diverse number of community-based groups that actually took advantage of this unique opportunity, spent all of George Washington's Birthday holiday, from 8:30 in the morning until well into the evening. That so many people were willing to take this time indicated to me clearly the high level of interest existing among ordinary citizens to learn how to conserve energy.

The Department of Housing and Urban Development and the Department of Energy and other relevant Federal agencies would do well to increase their community-level contacts to replicate efforts like

the one created by the Council of Jewish Federations.●

WESTERN NEW YORK NUCLEAR FUEL SERVICE CENTER, WEST VALLEY, N.Y.

HON. STANLEY N. LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. LUNDINE. Mr. Speaker, the only commercial nuclear reprocessing plant ever to have operated in the United States is located in my congressional district at West Valley, N.Y. The facility began operations in 1966 on a 3,350-acre site near Ashford, N.Y., following the granting of a license by the Nuclear Regulatory Commission to the State of New York and Nuclear Fuel Services, Inc., as colicensees to operate the plant. Plant operation has been closed since 1972 and will never reopen. Located on the site are a nuclear reprocessing plant, nearly 600,000 gallons of high-level liquid nuclear waste, and 2 solid nuclear waste burial grounds.

This was a federally encouraged commercial venture, with the Federal Government actually having provided most of the spent fuel rods for processing at the site over the 6-year operation of the plant. The Department of Energy will soon complete a 1-year study regarding future disposition of the site in response to a congressional mandate under Public Law 95-238. Their final report will be submitted to the Congress for review and further action on February 25.

Since coming to Congress, I have studied this complex issue carefully. Its resolution must be a top legislative priority of this Congress. It is essential that we demonstrate an ability to safely dispose of nuclear wastes in this country and a resolution of the problems at the West Valley site must be an integral part of this process.

I recently undertook a public opinion survey of the residents of the West Valley Central School District in my congressional district. The survey was undertaken to assess public attitudes about the Western New York Nuclear Service Center from residents within the community most directly affected by the 1972 plant closing and decisions regarding the future of the facility.

The survey was analyzed by a public opinion research consultant. Following is a summary of the results of this analysis. I have available in my office files a more detailed statistical breakdown and analysis. I would like to acknowledge the assistance of Mr. Charles Couture, president of the West Valley Chamber of Commerce, and Mr. Robert Niver, principal of the West Valley Central School, in encouraging citizen participation in the survey:

THE SURVEY

The questionnaire was mailed to all 543 households in the West Valley Central School District. The district is comprised of 430 households in the town of Ashford and 113 households in the surrounding community. No attempt was made to randomly

sample households in the School District because of the small size of the community.

The questionnaire provided space for responses from two members of each household. Questionnaires were returned by 175 persons from 108 separate households between January 4 and January 22, 1979, providing a household return rate of 20%.

Survey research experience indicates that responses from a mailed questionnaire are not necessarily an accurate reflection of the make-up of the population. Individuals who return mailed questionnaires tend to have higher incomes and are more highly educated, more politically attentive, and more highly motivated on the subject matter of the questionnaire than the population as a whole.

For this reason, readers of this report should be aware that the analysis is based solely on the opinions of individuals who returned the questionnaire. Because respondents were not randomly selected, their opinions are not necessarily an accurate reflection of the opinions of all citizens residing in the West Valley Central School District. Although we cannot assess the accuracy with which the profile of respondents reflects the demography of the area, we can conclude that the results of the survey accurately represent the opinions of those residents who cared enough about the problem to register their attitudes with their representative in Congress.

A profile of respondents who returned the questionnaire is presented in the Appendix. The profile presents the answers to the demographic variables included in the questionnaire.

GENERAL ATTITUDES ABOUT THE DEVELOPMENT OF NUCLEAR ENERGY

Three questions were included in the survey to determine general attitudes about the future development of nuclear energy. Total sample results of these questions are provided below:

"The Congress should approve legislation to speed up licensing of nuclear power plants in the U.S."

Agree	32
Disagree	56
Not Sure	12

"The federal government should spend more money on the further development of solar energy than on the development of nuclear energy."

Agree	63
Disagree	26
Not Sure	11

"Nuclear energy can significantly decrease U.S. reliance on foreign energy sources."

Agree	47
Disagree	33
Not Sure	20

ATTITUDES ABOUT OPERATIONS AT THE WEST VALLEY SITE

Two questions were included in the survey to determine public attitudes about the closing of the West Valley site, and the roles of Nuclear Fuel Services and the Nuclear Regulatory Commission in the closing, as follows:

"Nuclear Fuel Services has lived up to its contractual agreements."

Agree	37
Disagree	34
Not Sure	29

"The Nuclear Regulatory Commission has acted properly in upgrading its criteria for nuclear operations in the West Valley area."

Agree	39
Disagree	42
Not Sure	19

At the time this survey was taken, respondents to the questionnaire who have an opinion on these issues are almost evenly

divided in their attitudes on the performance of both NFS and NRC.

By only a three percent margin (37% to 34%), respondents agree that Nuclear Fuel Services kept its contractual agreements for operation of the plant. There is, however, a significant level of indecision on this issue. Twenty-nine percent of the respondents have no opinion on this question. This is the highest level of indecision on any question included in the survey, and probably indicates an absence of public awareness of the specific legal relationships between New York State, Nuclear Fuel Services, and the Nuclear Regulatory Commission at the West Valley site.

Respondents are also almost evenly split in their evaluations of the Nuclear Regulatory Commission's performance. By a three percent margin (42% to 39%), respondents disagree that the NRC acted properly in upgrading its criteria for operation of the site. Nineteen percent of the respondents are undecided on the issue.

Differences in attitudes toward the NRC's actions are particularly interesting in terms of employees of NFS and their families. By a 48 to 34 percent margin respondents who have a family member employed by NFS agree that the NRC acted properly in upgrading the standards. Respondents with no family employment by NFS have different attitudes. By a similar margin (47% to 53%) they disagree that the NRC acted properly in its West Valley rulings.

RESPONDENT CONCERNS ABOUT FIVE ASPECTS OF THE WEST VALLEY SITE

Respondents were asked to rank order five aspects of problem areas connected with the West Valley site in terms of their degree of concern about each aspect. Respondents were asked to rank the problem areas from one to five, with one indicating the aspect about which they are most concerned, and five indicating the problem area of least concern. The problem areas and the average ranking assigned to each of them are as follows:

	Average ranking
Respondent concerns:	
Technical ability to deal with the existing (nuclear) wastes on site.....	2.5
Impact on health and safety of workers and population.....	1.7
Revenue to replace lost taxes from current NFS facilities.....	2.8
Who will ultimately own and manage the site.....	3.8
Stimulation of jobs for the local economy	3.9

Respondents to the questionnaire are most concerned about health and safety, followed by the technical ability to deal with existing wastes, revenue to replace taxes lost as a result of the plant closing, the ultimate ownership and management of the site, and jobs for the local community.

The ranking actually assigned by respondents to each of those areas are presented below:

	Rank of concern				
	Most concern.....				Least concern
	1	2	3	4	5
Health and safety..	62	20	8	7	3
Existing wastes....	21	42	16	13	8
Lost taxes.....	15	22	35	19	9
Ownership of site..	3	5	25	34	33
Local employment..	8	8	13	25	46

ATTITUDES ABOUT FUTURE DISPOSITION OF THE WEST VALLEY SITE

Respondents were asked which of the following three options they would prefer for the future disposition of the West Valley site: (1) increased nuclear activity on the site, (2) a gradual phase-out of current ac-

tivity on the site, or (3) return of the site to non-nuclear use as soon as technically possible. Total sample results of this question are provided below:

Increased nuclear activity on the site.....	26
Gradual phase-out of current activity on the site.....	17
Return of the site to non-nuclear use as soon as technically possible.....	52
Not Sure.....	5

Respondents were also asked who they feel should make the ultimate decision regarding the future disposition of the West Valley site, with the following result:

New York State.....	13
Nuclear Fuel Services.....	3
Nuclear Regulatory Commission.....	9
Congress.....	15
Department of Energy.....	5
All of the above.....	51
Not Sure.....	4

A majority of respondents feel that a collaboration of the various entities noted above should determine the future disposition of the NFS site. Respondents cite Congress and New York State more frequently than other single entities as their choice for making the ultimate decision about the future disposition of the site.

Only nine percent of the respondents feel the NRC alone should determine the future of the West Valley site, and only three percent feel that NFS alone should make that decision.

ATTITUDES ABOUT ALTERNATIVE FUTURES OF THE SITE

Respondents were asked to indicate their preference for alternative future conditions at the West Valley site 20 years from today by rank ordering four hypothetical descriptions of possible activity on the site from most advantageous (1) to least advantageous (4). The hypothetical description and the average ranking assigned to each option are presented below:

	Average ranking
1. "The site has been completely decontaminated and decommissioned. Alternate land use is unrestricted.".....	1.9
2. "Nuclear activity continues on the site. High-level liquid wastes have been solidified and shipped to a federal repository . . . Burial grounds remain closed to additional waste . . . Spent fuel capability has not been expanded.".....	2.1
3. "There is a high degree of nuclear activity on the site. The plant is being used as part of a nuclear research and development program. Spent fuel storage capacity has been expanded, and the burial grounds have been reopened for receipt of low-level nuclear wastes. High-level waste has been solidified.".....	2.8
4. "The site remains as it is today except for modifications required by the Nuclear Regulatory Commission. High-level liquid waste remains in liquid form, the plant without substantial modifications, and the waste burial grounds intact.".....	3.5

Respondents feel the first option—complete decontamination of the site—is the most advantageous, while the fourth option—allowing the site to remain essentially as it is today—is the least advantageous.

The actual rankings assigned by respondents to each option are presented below:

Option:	Most advantageous.....		Least advantageous	
	1	2	3	4
1.....	56	13	15	16
2.....	27	52	6	15
3.....	19	13	35	33
4.....	1	12	26	61

Fifty-six percent of the respondents to the questionnaire rank option 1—complete decontamination of the site—as the most advantageous option for the future of the site. Sixteen percent of the respondents feel this option is the least advantageous, indicating the level of strong pro-nuclear attitude among respondents as a whole.

Sixty-one percent of the respondents feel option 4—maintaining the site essentially as it is today—is the least advantageous option, while only one percent of the respondents feel this is the most advantageous option. These results indicate that a solid majority of respondents oppose the continuation of current activities on the site.

SUMMARY AND CONCLUSIONS

A majority of respondents to the questionnaire express attitudes which could be termed anti-nuclear development. A majority of the respondents (56%) do not feel that the licensing of nuclear power plants in the U.S. should be speeded up. By a larger margin (63%), respondents think the federal government should spend more money on the development of solar energy than on the development of nuclear energy.

On specific aspects of the Western New York Nuclear Service Center, respondent attitudes are similarly straightforward. The aspect of the problems connected with the West Valley site with which respondents are most concerned is the health and safety of workers and the residents of the community. Sixty-two percent of the respondents rank that issue as the one on which they are most concerned. In addition, they are more concerned about the technical ability to deal with existing wastes at the site than they are with any of the economic concerns included in the questionnaire.

Given options on future disposition of the site, a majority of the respondents (52%) choose a return of the site to non-nuclear use as soon as it is technically possible. When asked to rank alternatives for the site twenty years from now, 56 percent also choose complete decontamination and decommissioning of the site as most advantageous.

In terms of future decision-making on the disposition of the site, a majority of respondents feel a coalition of several entities should make the decisions. They see roles in the decision-making for Congress, the State of New York and the Nuclear Regulatory Commission, and lesser roles for the Department of Energy and Nuclear Fuel Services, Inc.

The only question included in the survey on which a clear majority of respondents does not exist is on the performance of Nuclear Fuel Services and the Nuclear Regulatory Commission in the closing of the West Valley site.

Some generalizations can also be made about the demographic profiles of the above attitudes. There is generally a split in attitudes along age, length of residence and sex lines. Younger respondents, shorter-term residents and females are more likely to hold the views outlined above than are older respondents, long-term residents and males. It should be pointed out, however, that significant proportions of each of the latter groups of respondents hold views similar to, and help comprise, the majority opinions cited above.

Familiarity with the operations of the West Valley site do tend to influence attitudes in the survey. Respondents who have visited the site and respondents with family-member employment by NFS are less likely to hold the majority views outlined above, with one interesting difference—they tend to agree that the Nuclear Regulatory Commission acted properly in upgrading criteria for operation of the site in greater proportions than do other respondents in the survey.

PROFILE OF RESPONDENTS

LENGTH OF RESIDENCE

0-2 years.....	4.
2-5 years.....	9.
5-10 years.....	13.
Over 10 years.....	34.
All of life.....	40.

AGE

20-30.....	21.
30-40.....	32.
40-60.....	28.
Over 60.....	18.

OCCUPATION

Farmer.....	6.
Businessperson.....	15.
Housewife.....	29.
Laborer.....	11.
Science Professional.....	7.
Other.....	32.

SEX

Male.....	56.
Female.....	44.
Females under 40.....	26.

EVER VISITED SITE

Yes.....	56.
No.....	44.

FAMILY MEMBER EMPLOYED BY NFS

Yes.....	33.
No.....	60.●

A NEW VISION OF OLDER AMERICANS

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. WAXMAN. Mr. Speaker, the legislative record of the 95th Congress reflects a recognition of the importance of older Americans to the life of this country. In the past 2 years, Congress has become aware that older Americans represent a potent political force which cannot be ignored.

This force has dramatically changed both public and congressional perceptions of older Americans. In addition to insuring the passage of needed health and support service programs, older Americans have rewritten the definition of aging and individual competence. No longer are the elderly viewed solely as individuals in need of support services. Increasingly they are viewed as contributors to society who demand their right to pursue their lives as they choose.

In the past, Congress has tended to view the older American as someone needing money and services. Legislation has generally embraced income supports, health benefits and a variety of social programs. Indeed, many seniors have greatly benefited from these varied initiatives. However, while remaining supportive of these service-oriented programs, the 95th Congress has departed from this traditional framework in a dramatic way.

For the first time, the Congress now views older people not only as needy, but also as having potential for continued productivity and usefulness. Two laws stand out as hallmarks breaking new ground for seniors. These bills view older people as contributors rightfully demanding both equality of opportunity and the provision of relevant support services.

These laws significantly broaden work opportunities for people in their later years and assure them that they may continue to work for as long as they can do the job. This right—to be productive—has in the past been severely limited by the barrier of age.

The Age Discrimination in Employment Act Amendments of 1978 are a revolutionary departure from traditional employment practices. The law redefines the concept of a working life and stands to have a major impact on employment practices for people of all ages. The amendments abolish forced retirement in the Federal sector and raise the mandatory retirement age in the private sector from 65 to 70. The legislation recognizes that many people are living longer, more active lives and do not wish to be arbitrarily forced into statutory idleness. The law views retirement as a right and not an obligation.

Further, the legislation is a first step toward acknowledging the increasing strain the retired population is placing on the social security system. It is a little known fact that the fastest growing age group in this country embraces people over 75. By the year 2000, it will embrace those over 65. Clearly the demography of our population is changing. Increasingly the taxpayer is being called upon to finance payments to many people who desire to work and do not wish to retire. Such social policy makes neither economic nor moral sense; abolishing mandatory retirement is a beginning toward realigning proper priorities.

A second significant provision, which parallels this view of older people as productive workers, is contained in the recently passed Comprehensive Employment and Training Act Amendments of 1978. The act now requires the Secretary of Labor to sponsor programs to meet the unique employment needs of unemployed persons over age 55. Although much attention in employment policy is properly focused on the needs of younger unemployed Americans, thousands of individuals over 55 are unemployed and actively seeking jobs. An employment policy which favors one age group at the expense of another is both shortsighted and cruel. Both groups deserve support.

Traditionally, CETA programs have been regarded as youth programs and have generally ignored the needs of older workers. In fact, last December the U.S. Commission on Civil Rights confirmed this imbalance by charging CETA programs with age discrimination against older workers seeking employment.

This new section of CETA corrects a major deficiency in the Nation's principal employment and training program. It is an important beginning toward altering past CETA biases and integrating older people into positions of productive employment.

Despite these advances, a clear challenge remains for the 96th Congress. While we must continue to support programs for those in need, we must also respond to the older American's increasing desire for self-support, self-sufficiency, and independent living. Our society must offer each citizen the oppor-

tunity to make his or her contribution regardless of age.

In the coming years, Congress will be faced with the prospect of an increasingly aging population with fewer younger workers to staff the economy and fund the social security and pension systems. In addition to steps already taken, a radical shift in national manpower policy is in order. Just as increased attention is now being focused on the employment needs of younger workers, the future health of our economy requires that greater steps be taken to provide older workers the opportunity to pursue new careers under imaginative schedules and working arrangements.

The full consequences of the 95th Congress actions in changing employment patterns are as yet unclear. However, it is certain that society will no longer easily accept age as a standard for judging competence.●

LETTER OF THE MONTH

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. MARLENEE. Mr. Speaker, sometimes the response to a letter is so inappropriate that it is worth sharing. That is why I wanted to show my colleagues the Carter administration's reply to both a Montana and a Colorado agency's letter that called for the removal of an administration official.

In letters to President Carter, the Montana and Colorado Boards of Crime Control asked that he remove John Rector, Administrator of the Office of Juvenile Justice and Delinquency Prevention.

They charged that Rector arbitrarily diverted funds from programs, infringed upon State's rights, and ignored the Western States.

The White House's response?

Thank you for your recent message to President Carter.

Your comments have been noted and the President appreciates your interest in sharing your views. He finds it helpful to have the benefit of the thinking of as many fellow citizens as possible.

Regrettably, however, in view of the great variety and number of concerns which are brought to our attention each day, it is impossible for us to undertake to comment on them individually. We hope you will understand.

With best wishes,

Sincerely,

LANDON KITE,
Staff Assistant.

Well, Montanans did not "understand." Asking for a resignation is serious and this was no exception.

However, the seriousness in which the administration took the Montana and Colorado proposal is best gaged by the staff assistant assigned the responses, Landon Kite. According to an article in the Sunday supplement Parade magazine, January 28, 1979, Landon Kite handles "birthday, wedding, graduation and condolence messages."

In Montana, and I am sure Colorado, we do not think that resolutions passed

by our crime control board fall into Mr. Kite's areas of specialty.

I think it is time the administration considers crime control in a different light.●

NICARAGUA—VICTIM OF VENDETTA

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. HANSEN. Mr. Speaker, the behavior of the United States with regard to our old friend, Nicaragua, is shameful, indeed.

Bullying, intimidation, and coercion have become the tools of an immature foreign policy and an inept State Department.

We behave like the spoiled child who takes a tantrum and hogs his toys whenever we can not impose our will on others. This is especially sad when many of the conditions we demand of our friends are not even possible or desirable in the United States.

The reduction of U.S. assistance programs and cutback of American officials and personnel in Nicaragua may seem like a penalty to the disoriented masterminds of our current foreign policy, but it must have been a breath of fresh air for President Somoza and his people when those pushy gringos left.

The trouble with Nicaragua, Taiwan, Rhodesia, and many other devoted friends of the United States is that they remain loyal and anti-Communist in a day when it is stylish to play the kangaroo version of Russian roulette called "jump in bed with a Red, Fred."

Following please find my news release upon returning from Nicaragua and Panama and a letter to House Banking Committee Chairman HENRY REUSS regarding the financial atrocities being committed by our State Department:

HANSEN CHARGES U.S. POLICY ENCOURAGES BLOODSHED IN NICARAGUA

WASHINGTON, D.C., January 9, 1979.—"This Administration might well have blood on its hands if Wednesday's threatened violence occurs in Nicaragua," warned Congressman George Hansen (R-Idaho) in Washington today.

Hansen, a Senior Member of the House Banking Committee, returned Sunday night from a weekend conference with President Aristides Royo of Panama and Anastasio Somoza of Nicaragua and other key U.S. and Latin officials regarding American foreign policy problems.

The Idaho lawmaker reported, "My investigations and observations reveal shockingly exaggerated and grossly distorted picture of the situation in Central America, particularly in reference to Nicaragua."

"The criminal threats of the Sandanista revolutionaries coupled with our gullible and paranoid State Department have given me and most other people a picture that is very unfair and harmful to the interests of the people of that Nation.

"I was led to believe by the State Department and some elements of the media that Nicaragua is a land of suppression and violence under the heels of a dictator who owns everything, but I found it to be a peaceful and pastoral private enterprise nation.

"Advertising and articles in the U.S. press have too often viciously portrayed a mild-

mannered U.S. educated president as a bloody tyrant with grossly distorted comparisons to 'King Herod' and 'Idi Amin'.

"Fear is placed in the hearts of would-be travelers to Nicaragua by distorted reports of violence in the press and by an incompetent State Department which failed to cope with Jonestown and now continues to make the same mistakes with Nicaragua by encouraging revolutionary and criminal activities in the name of human rights.

"Intimidation is the name of the game of our foreign policy in Nicaragua which sees us applying political pressure through denial of bank loans and military assistance programs to overthrow the government in Nicaragua which is being violently assaulted, while continuing such aid to neighboring countries who provide sanctuary to the terrorists."

"And Nicaragua is not the only base of Sandanista operations, the Castro-backed revolutionaries are a composition of communists, yankee-haters and disgruntled local citizens in the various countries of their operations. A vivid illustration of this is an article by Hugo Spadafora in the December 28, 1978 Panama City *Critica* which stated, 'On the day that the U.S. Senate was voting on the ratification of the Torrijos-Carter treaty a group of 20 experienced young guerrillas belonging to the Sandinist National Liberation Front (FSLN) was in Panama prepared to go into battle alongside a large and properly organized and trained Panamanian contingent, ready to initiate an armed struggle in the Canal Zone on that very day in the event the treaty was rejected.'

"The false climate created has placed the people of Nicaragua under needless assault, jeopardizing their markets, their jobs and their very lives. Great mischief is being done by misguided activists who are so blinded by their idealistic hate of an imperfect political system that they give encouragement to an even more imperfect revolutionary effort with the unconscionable, violence and oppression it promises.

"I am today calling on the Administration and U.S. State Department for an immediate end to our bullying of Nicaragua—and a denunciation of any support of violent acts the revolutionaries may be planning for Wednesday, or be prepared to take responsibilities for having the blood of the people of this small friendly nation on their hands."

FEBRUARY 14, 1979.

HON. HENRY S. REUSS,
Chairman of the Committee on Banking, Finance and Urban Affairs.

DEAR MR. CHAIRMAN: Herewith please find a report on my recent visit to the nations of Panama and Nicaragua. At the invitation of President Aristides Royo, I traveled to the Republic of Panama on January 5, 1979, and met at length with Sr. Royo and Vice President Ricardo de la Esprella, as well as officials of the United States government, Military Command and the Panama Canal Company.

You may be aware that the Panama Canal Company last October requested of Congressman John McFall, Chairman of the Appropriations Subcommittee on Transportation, approval to expend funds to prepare for the implementation of the Panama Canal Treaty. This clearance was denied pursuant to House legislative history and the Brooke Amendment to the treaty which specifically prohibits any such actions before March 1, 1979. I found that this prohibition has been observed by the Canal Company.

Similar permission was sought of Congressman Gunn McKay, Chairman of the Appropriations Subcommittee on military construction, by the Department of Defense. This request was also denied. However, the Department has gone ahead anyway with a "military alignment" program in defiance of

Congress and in apparent violation of law in release of unauthorized funds and illegal contracting procedure.

Further, I found that the Federal Aviation Administration this month has turned over air control facilities and other assets amounting to some \$5 million to Panamanian authorities effective in October without authorization of implementation legislation by Congress. I have also discovered that the World Bank made a loan to the Republic of Panama to build their modern airport when there was a general policy against such loans to the nations of Central and South America.

Of further significance, I found that commercial bank loans to Panama for hundreds of millions of dollars, which were known to be in difficulty before conclusion of the Treaty, have now been rolled over and extended for as long as ten years. I feel constrained to point out that during Treaty consideration last year I was strongly questioning whether the proposed treaty primarily constituted a "bail-out" for large commercial bank loans to the Republic of Panama and whether, if that were so, the Treaty might be reflecting too strongly the narrow interest of the banks involved—a matter all too obvious with Marine-Midland Bank officials Sol Linowitz acting as primary negotiator for the United States.

I remember being told by big banks involved that their loans were certainly not in trouble, that their status had nothing to do with the Canal or the Treaty, that the loans would not impact on any banks, and that the entire subject had nothing in it worthy of oversight hearings. But isn't it interesting to see that the banks are sufficiently reassured to extend their loans from practically a call basis to ten-year terms and that such reassurance coincided with the Treaty, which in short has operated to collateralize the canal in the Wall Street pawn shops.

What all of this comes to, Mr. Chairman, is confirmation of my contention that the proposed Treaty and the financial realities in the Republic of Panama could not conceivably be dealt with separately. While it is not the business of the House of Representatives to ratify treaties, it is certainly our place to monitor and, if necessary, publicize the dealings of United States banks and international financial agencies of which the United States is a member when these dealings may stray from secure and appropriate financial operations.

I have argued that it is wrong for financial special interest groups to outweigh the just political interests of the citizens of the United States. Likewise, it is wrong for partisan political interests to dictate international financial affairs. My recent investigations confirm that the respective domains of finance and politics have not been preserved, and the interests of the United States have been subordinated to narrow financial concerns.

Upon concluding my stay in Panama, I visited the Republic of Nicaragua at the express invitation of President Anastasio Somoza. I met with him and other Nicaraguan officials including Dr. Roberto Incer, who is head of the Central Bank of Nicaragua.

Contrary to widespread reports, the country is calm and there is little danger to travelers. It was most disturbing to discover that our State Department has been engaging in a campaign of deliberate and systematic deception to portray the government of Nicaragua as well as the whole country being at the point of collapse, a fact which can be confirmed by Merchant Marine and Fisheries Committee Chairman John Murphy and Appropriations Committee member Charles Wilson of Texas, both of whom have

made recent visits to Nicaragua. Of most interest to you, Mr. Chairman, I found that this campaign extended to political interference in the work of the International Monetary Fund.

You are no doubt aware that the IMF has a specific prohibition in its first Article against political criteria being used in deciding whether a member country should be able to use its borrowing privileges. Early in 1978, Nicaragua had started consultation with the IMF for a stand-by agreement. The IMF demanded, as preconditions to any drawing, a number of steps including, among other things, increased taxes, decreased spending by government, liberation of interest rates, and the like. These steps were accordingly duly adopted by the Nicaraguan Congress.

Without going into great detail here, I shall simply point out that the staff and Managing Director of the IMF, informed that the government of Nicaragua had complied with the preconditions, advised Nicaragua to make a request for use of financing from the Fund. This request was properly submitted, was recommended for adoption by the staff and Managing Director, and was scheduled for action at the meeting of the Board of Directors on September 15, 1978.

The evening before that meeting, Nicaragua was informed that the United States would take the unprecedented step of asking for deferral of the request on political grounds. This was done. Officials of the Nicaraguan government and Central Bank discussed the situation thoroughly with the staff of the Fund, representatives of the U.S. Treasury, and European representatives to the IMF at the annual meeting of the IMF in Washington late in September. In consequence, Nicaragua was promised that when the matter next came up at a meeting of the Directors, it would be dealt with on its merits. The IMF staff took the opportunity to revise and update its consideration of the matter and again made a favorable recommendation.

The request was then placed on the agenda for the meeting of November 1, 1978. In the last week of October, Nicaragua was informed by all members of the Board that a decision would be taken on the merits of the request.

Late on October 30, Nicaragua was told that the United States would again ask for a deferral of the request. At the same time, the government of Nicaragua was told by other members of the Fund that the U.S. State Department had addressed through diplomatic channels a request to other governments to support the deferral.

The President of Nicaragua and the head of the Central Bank told me that our Ambassador informed them that the State Department's request was based on a desire to put pressure on the government of Nicaragua in reference to the "mediation" then going on through an O.A.S. commission—clearly a political consideration alone. I understand that the State Department unfortunately made this political criterion evident in its request addressed to other governments.

There is strong evidence to suggest that the United States has breached the Articles of the International Monetary Fund and thus set a most unfortunate precedent, a precedent I might add, which has apparently caused considerable concern among those persons of other nations who witnessed this shocking behavior. Upon returning to the United States, I immediately made private inquiries to try to establish whether there was truth to the Nicaraguan allegations.

I regret to report, Mr. Chairman, that the facts are indeed true as alleged. I invite you, if you have doubts about it, to make your own inquiries to, for example, Mr. Sam Cross, our representative on the Board of Directors of the IMF, or perhaps Mr. Henry Owens of

the Department of State. It is Mr. Owens, by the way, who seems to have confirmed the State Department's role by asking one of our colleagues—not a Member of this Committee—to assure the government of Nicaragua that the request, if renewed, will not only be decided on its merits according to the Articles of the IMF, but will be favorably decided. State clearly doesn't know enough not to put the second foot in it.

The Nicaraguan situation vis-a-vis the IMF seems to show a simple continuation of the inability of the State Department to get its priorities straight, and set those priorities in accordance with law and the legitimate interests of the United States.

The relations of the United States with the IMF are within the sole jurisdiction of this Committee. It would seem most appropriate that we hold hearings to fully deal with this erratic financial situation or, at the least, that every Member of the Committee should address a letter to Secretary Blumenthal, Secretary Vance, and Mr. Cross, asking for a full explanation of their conduct, and stressing our insistence that U.S. representatives to the Fund abide by the Articles of the IMF.

I note also, Mr. Chairman, that the Treasury Department will be coming to us with a request to authorize participation in a further "quota increase" in the IMF later this year. In light of the evidence now available, it would seem necessary that we be able to assure our colleagues in the House that such authorization will not be exceeded, and that in the future representatives to the IMF will abide strictly by the articles which govern disposition of United States tax monies committed to the Fund.

In this regard, I would hope that oversight hearings, previously suggested, would be held by the relevant subcommittee on this specific topic and the principals in the affair be asked to testify on the subject. These persons again are Secretary Blumenthal, Secretary Vance, Mr. Sam Cross and Mr. Henry Owens. It would be of particular interest to explore the division of responsibility on Board votes and decisions and, in particular, just what part the State Department thinks it has in dictating such votes.

In summary, Mr. Chairman, my trip on behalf of the Committee brings confirmation of the view that the State Department has, in a most inept and improper manner, commingled financial and political considerations in IMF, World Bank and Treaty Considerations to the point of scandal and embarrassment. This has now spilled into our Committee's jurisdiction in a way which cannot and should not be ignored. Surely our firm commitment to prevention of citizen exploitation by special financial interests and the political independence of entities such as the IMF must be maintained. Unfortunately, such a commitment was reiterated by Secretary Blumenthal at the meetings in September even while the State Department was maneuvering to violate it which surely requires our forceful protest of this illicit bungling in dealing with the request of the government of Nicaragua.

I ask you, in view of what has been discovered by my investigations, to lead vigorous action by the Committee to prevent future recurrences of this unfortunate situation.

Thank you, Mr. Chairman, for making it possible for me to undertake this investigation on behalf of the Committee. I look forward to hearing from you soon on the subjects outlined and stand ready to provide additional information as you may require.

Sincerely,

GEORGE HANSEN,
Member of Congress. ●

CXXV—187—Part 3

KHOMEINI LINES UP WITH THE PLO TERRORISTS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. McDONALD. Mr. Speaker, on Saturday, February 17, as 1,000 Americans assembled at Teheran's airport to await evacuation to safety from the revolutionary violence and mob rule that has gripped Iran, the first foreign guest arrived for meetings with the leader of the Islamic revolutionary forces, Ayatollah Ruhollah Khomeini. That very first guest of the Khomeini regime was Yasir Arafat, head of the terrorist Palestine Liberation Organization (PLO).

During December and January, Khomeini openly allied his revolutionary forces with the PLO and other terrorist so-called liberation movements. Now with the visit of Arafat to Teheran, the specter of Khomeini-controlled Iran, which may come to rival even Col. Muammar Qaddafi's Libya in extremism, engaging in support of a "jihad" against Egypt as well as Israel is now within the borders of possibility.

It will be recalled that for several years the PLO—both the Al Fatah-led majority and the "rejectionists" faction—has been providing terrorist training to Iranian revolutionaries representing a variety of political tendencies including the National Front's Islamic fundamentalist sectors and its Islamic Marxist terrorists of the Organization of Mujaheddin of the People of Iran (OMPI) through the descendants of the Tudeh party Communists in the Marxist-Leninist Organization of Iranian People's Fedayee Guerrillas (OIFPG). The Iranian revolutionaries were trained in PLO camps in Lebanon, Libya, Iraq, the People Democratic Republic of Yemen (Aden); and more recently in Cuba.

Yasir Arafat, whose strategies in the world political arena come from Moscow, began cultivating extreme sectors of the Islamic religious community last fall. In November 1978, Arafat met with the top officials of the Islamic World League. Arafat joined with the league's leaders and with the President of Pakistan, Mohammad Ziaul Haq, who had accompanied him to the league's offices, in calling for, as reported by the Saudi Riyadh radio, "all Moslems throughout the world to join in holy jihad to liberate Palestine * * *." Arafat said "that the Zionists pose a threat not only to the Palestinian people, but also to the entire Islamic world," and that the existence of Israel was—

a major plot directed against the entire Islamic world. "Hence," he said, "I call upon you and all Moslems to join in holy jihad to liberate this holy land."

Arafat's new tactic of "playing the Islamic card" has been part of an effort by the PLO and radical Soviet-aligned states like Libya and the PDRY to export the unhappiness of Saudi Arabia and Jordan to the Egyptian-Israeli peace talks and bring them into full

support for the PLO despite the fact that those governments are as much a target for overthrow by the PLO and its Communist Arab allies as is Israel.

As for Khomeini's relations with the PLO, 2 months ago Arafat sent a letter and emissaries to see the Iranian Shi'ite leader at his headquarters in the suburbs of Paris expressing his "full support" for Khomeini's movement and offering "all possible assistance" in the struggle to overthrow the Iranian Government. Khomeini's reported response was a statement of his "backing and support for the Palestinian revolution in all fields."

Khomeini is the most prominent of the radical Iranian Shi'ite clergy, but it is supported by other Iranian ayatollahs. One of these, Ayatollah Montazari, who has been a leading member of the National Front, the party of the former pro-Soviet Prime Minister Mossadegh who was deposed by the Shah in 1953. Ayatollah Montazari, who is a close aide to Khomeini, gave an interview to the Libyan Jamahiriyyah News Agency (JANA) on January 8. JANA said:

In answer to a question about the stand of the National Front towards the Palestinian cause, Ayatollah Montazari reaffirmed the support of the Front for the Palestinian revolution as well as that of the Iranian people. He also stressed the National Front's support for all Moslems in the Philippines and for liberation movements not only in Africa but all over the world.

The Libyan regime has been backing the Moro National Liberation Front in the southern Philippines which has a tactical alliance with the Maoist Communist terrorists of the New People's Army. Libya has also been funneling support to the Soviet-controlled terrorist movements in southern Africa; and it is certainly "diplomatic" of the Ayatollah Montazari to compliment Libya's favorite terrorist "liberation movements." The JANA report of the interview continued:

(Montazari) described Zionism as a fascist racist movement and voiced his opposition to usurpation of land, to those who make peace with Zionism, and to the enemies of Islam.

In other words, Montazari attacked Egypt for trying to obtain a peace agreement with Israel. It should be noted that the phrase "the enemies of Islam" is applied by the Shi'ite ayatollahs to the Baha'i sect, a 19th century outgrowth of Shi'ite Islam and the mystical Sufi philosophy. The Baha'i emphasis on education for both sexes has resulted in a large proportion of the members of this small sect attaining prominence. Envy of Baha'i members influence and opposition by Islamic extremists of Baha'i toleration for non-Islamic religions makes them a particular target of the Khomeini forces.

The similarities of the PLO's revolutionary efforts with the Khomeini forces in Iran were emphasized by PLO chief Arafat in a Damascus speech on January 8 marking the PLO's 15th anniversary. In a speech at the Al Yarmuk camp, Arafat pointed out that the Khomeini supporters "raised the slogan of 'a revolution, revolution until victory'

* * * (which) is the slogan raised by the Palestinian revolution."

As for collaboration between the Khomeini forces and the Communists and Marxist terrorist organizations, the recent reports from correspondents in Teheran show that the street fighting in Teheran and other cities was led by the OIPFG and OMPI. And as for the political collaboration between the Marxists and Islamic revolutionaries, the Teheran correspondent for the Paris newspaper, *Le Figaro*, Thierry Desjardins, had a report in January on maneuverings in Teheran of National Front leaders Karim Sanjabi and Ayatollah Talebani, the Shi'ite leader of Teheran. According to Desjardins:

After a lot of fine words, this religious leader surprised me. When I asked, "What are your relations with the Communists?" the holy man replied, "On the philosophical level no agreement is possible between us and the atheist Marxists, but on the political and social level we agree with them."

Additional aspects of the alliance between the Palestine Liberation Organization and Khomeini have been explored in an article published in the February 12, 1979, edition of the *Daily Telegraph* (London), by Robert Moss. The article follows:

[Excerpt]

UK JOURNALIST NOTES PLO LINKS TO
KHOMEINI MOVEMENT
(By Robert Moss)

While the mostly Sunni Arab world is divided on how to deal with Iran's Shi'ite leader, the Ayatollah Khomeini, the major Palestinian groups seem to have no doubt that his assumption of power in Tehran would be a powerful boost for their ambitions.

Western intelligence sources say that there was an exchange of letters between Khomeini and the Palestine Liberation Organisation (PLO) leader Yasir 'Arafat before the ayatollah left France. Khomeini has pledged to give the PLO an office in Tehran and to provide full Iranian backing for an independent Palestinian state if he succeeds in establishing his "Islamic republic."

This is obviously in keeping with Khomeini's vehement anti-Zionism. Cooperation between some of his aides—namely Dr. Ibrahim Yazdi—and the main Palestinian movements appears to go rather deeper.

Nayif Hawatimah, the Marxist chief of the Democratic Popular Front for the Liberation of Palestine (DPFLP), which enjoys considerable Soviet backing, has maintained close ties with the ayatollah's entourage. Together with Muhsin Ibrahim, the leader of the Lebanese Communist Action Organization, Hawatimah is said to have played an important part in pulling Khomeini's Shi'ite movement and the communist Tudeh Party more closely together.

Mainly thanks to Hawatimah, the more radical elements in the PLO have long-standing associations with Tudeh Party leaders. During Iran's upheavals a number of Tudeh Party publications have actually been produced on PLO printing presses in Beirut.

SUPPORT FROM AL-QADHDIFI

The most intriguing aspects of this emerging Khomeini-PLO axis are: (A) its military potential; and (B) the Palestinians' ability to help raise cash for Iran's leftists. Libya's Colonel al-Qadhafi who, although a Sunnite, backs Khomeini as a standard-bearer in the Islamic revival—is reported to

have set aside a budget to enable Palestinian groups to provide guerrilla training for Iranians in Lebanon and some of the gulf emirates.

At the same time, Palestinian organisations (including the DPFLP) are said to have been mobilised to collect money in Khomeini's name from the large Shi'ite communities of migrant workers on the Arab side of the Persian Gulf.

Such developments are not regarded with much relish by other Arab states in the region. Even the Iraqis, although close to Moscow are nervous about the psychological effect of the Shi'ite revolt in Iran, since the Ba'thist regime in Baghdad represents Sunni domination over a Shi'ite majority.

Meanwhile, Western observers report a marked increase in the number of Russians in Iran—from the KGB and the International Department (ID) of the Central Committee of the Communist Party of the Soviet Union—in the past two months. Boris Ponomarev, chief of the influential ID, has been entrusted with overall responsibility for liaison between Moscow and Iran's Tudeh Party. ●

THE "VOICE OF THE PEOPLE"—
ROBERT CODY BROWN—IS STILL

HON. L. A. (SKIP) BAFALIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. BAFALIS. Mr. Speaker, earlier this month, Lee County, Fla. and indeed the entire State of Florida, lost a strong voice, that of Robert Cody Brown, a journalist of note, an historian, a politician, a soldier, and a great American.

Born in 1894, Robert Cody Brown watched this world move from the horse-and-buggy era to man's landing on the Moon. A soldier in World War I, then a newspaperman in Chicago and New York, Robert Cody Brown moved to Fort Myers in 1939 after retiring as assistant publisher of the *New York Journal*. And he quickly became the conscience of the community.

A tribute follows:

HOUSE OF REPRESENTATIVES,

Washington, D.C., February 21, 1979.

To the Family and Friends of Robert Cody Brown:

Only rarely in an entire lifetime are we blessed to have in our midst a man of the stature, character and integrity of Robert Cody Brown.

In his 84 years Bob Brown had not only witnessed but participated in the making of much history. He learned from each experience and each encounter throughout his life and, with wisdom, candor, and wit, shared his vast knowledge and philosophy with us like a teacher or father.

To me—and to the members of my staff who also came to know and love him—Bob Brown was more than just a friend. He had become my counselor, my confidant, my political conscience. However, Bob was not selfish or parochial in sharing his wisdom and foresightedness. National figures from all walks of life sought him out for counsel and advice.

A dedicated and outspoken patriot, Bob Brown's love of his country was unbounded though sometimes concealed by his doomsday predictions if governments and elected officials didn't take his advice and straighten out. In truth, his only real motivation was to insure that this great nation was left to

his survivors in better shape than he found it.

Let this time of mourning also be a time of thanksgiving—for each of us should be deeply grateful for having known and enjoyed this great American.

L. A. "SKIP" BAFALIS,
Member of Congress. ●

WHICH HALF UNDERSTANDS FACTS

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

Mr. COLLINS of Texas. Mr. Speaker, the other day the Gallup poll said half the people were in favor of wage and price controls to end inflation. Obviously, the other half have studied history and know that price controls have never worked in peace times. Controls make things worse, because when pressure removes them, the prices skyrocket.

People with limited education will say they want no limit on wages; just limit prices. If everyone in the plant gets a salary boost, how can the business continue to operate, unless it raises prices.

Where are the half of the people who do not understand the facts:

Inflation is primarily caused by Congress overspending. We spend more than our income. Then when the government prints money or increases unfunded Federal bank reserves, this results in the value of the dollar falling.

Balanced budget in Congress would be the answer to inflation. Price control will only make a bad problem worse.

Ralph K. Bennett had an excellent analysis in January's *Readers Digest* of "What Really Causes Inflation." Bennett talks in facts and answers myths that have been suggested as an easy answer.

Let me quote from Bennett on wage and price controls. *Readers Digest* tells it as it is.

Wage and price controls will "cure" inflation. This popular delusion feeds on the first myth. "Price controls have been imposed repeatedly for more than 2,000 years," notes Nobel Prize-winning economist Milton Friedman. "They have always failed." Roman emperor Diocletian used capital punishment in a futile effort to enforce controls in A.D. 301. Thousands died, and the economy was nearly wrecked.

In 1775, the Continental Congress sought to finance our infant government's debt by authorizing the issue of an almost worthless paper money. A disastrous inflation followed. The Pennsylvania legislature sought to stem it with price controls. Many farmers and businessmen refused to sell at the controlled prices. Shortages developed. The army wintering at Valley Forge in 1777-78 could not get badly needed supplies. The army's misery, wrote John Adams, was due largely to "that improvident Act for limiting prices . . . [which] if not repealed will ruin the state and introduce a civil war."

Historical experiences like these underscore the well-known deficiencies of wage and price controls. Such controls * * *

Create shortages. Many businesses cannot or will not produce at the artificially set prices.

Result in a lowering of quality. Former "standard" features on a product become costly extras.

Are consistently circumvented. Black markets spring up.

Require a large and expensive bureaucracy to administer them. During World War II—our longest flirtation with controls—the Office of Price Administration (OPA) employed 65,000 bureaucrats who directed an additional 325,000 "price-control volunteers."

But, worst of all, while controls may create an illusion of being effective, they only temporarily hold down wages and prices, while the tremendous pressure of inflation continues to build up. Once the controls are lifted, the market spurts to find its natural level, and a more pronounced and damaging inflation is usually the result.

This country's most recent attempt at controls—the Nixon Administration's "Phase I, II, III and IV" program begun in August 1971—built up pressure for one of the worst inflationary explosions in U.S. history. The rate of growth of consumer prices had been in decline at the time the controls were instituted. This was the result of a cutback in money supply in the waning days of the Johnson Administration. But during the period of controls the Consumer Price Index began a steep climb, reaching almost 13 percent by mid-1974. The disaster was compounded by a harrowing confluence of events—a worldwide crop failure and the Arab oil embargo. Some people still entertain the idea that these factors caused the inflation of 1973-74. The fact is that the Nixon controls were a facade behind which government spending increased sharply.

Why then do governments return to wage and price controls, frequently with popular support? (A recent Gallup poll showed about half the respondents in favor of some form of controls.) The outcry for controls, contends Friedman, "is based on neither experience nor analysis but simply on the for 'God's sake let's do something' syndrome." However, controls are not the answer when they are imposed by a government that at the same time goes deeper into debt while printing more money to pay the bills.

LITHUANIAN ANNIVERSARY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 15, 1979

● Mr. FLORIO. Mr. Speaker, February 16, 1979, marked the 61st anniversary of the reestablishment of the independent state of Lithuania.

On this date, in the year 1918, the resurgence of an independent Lithuanian people was realized. What a remarkable feat this was. Since its first historical recognition as a nation in the year 1009, much of the history of Lithuania has been dominated by the conquests and seizure of control of the nation by foreign powers.

Russian domination began in 1795 and continued until 1915. During Russia's long occupation, attempts were made to replace Lithuanian language and culture with Russian. But the Lithuanian people, strong in their faith in their God and their nation, refused to accept the dismantling of their national ways and traditions.

While Lithuanian faith remained impenetrable, their nation was ravaged in the destruction of the First World War. But the close of the conflict found Lith-

uania in a most favorable political position. Negotiations with the German state resulted in the birth of a sovereign, wholly independent state of Lithuania, with its centrally formed government based on strong democratic principles. February 16, 1918, Lithuania Independence Day, will forever be celebrated by Lithuanians and freedom-loving peoples throughout the world.

The following years found Lithuania accepted as a sovereign state in the League of Nations, and a permanent constitution was adopted which accorded a republican form of government and preserved the freedoms of speech, assembly, and religious expression.

And, finally, before the eyes of the world, Russia in 1920 signed a peace treaty with Lithuania, recognizing it as an independent nation and dissolving forever any rights of sovereignty over it.

A free and independent Lithuania flourished. Land reform programs allowed a vast number of Lithuanians to own and farm the countryside. Industrial enterprises increased a thousandfold and educational opportunities were expanded.

World War II quickly dissipated the momentum of progress the nation was on. Once again Lithuania was engulfed by invading armies. Soviet occupation prevailed and in 1940 Lithuania was illegally declared a constituent Republic of the U.S.S.R. by the Supreme Soviet in Moscow.

The protests of the Lithuania people were strong. It is estimated that more than 30,000 freedom-fighting Lithuanians were deported to Siberia, and many more thousands were executed. Finally the close of the war found Lithuania firmly behind the Iron Curtain.

News from Lithuania is now censored as controlling bureaucracies from Moscow now dictate that nation's course. In their struggle for self-determination, the Lithuanian people have been joined by the desires of other non-Russian nationals for self-independence from Moscow's controlling policies. This new-found "union" has strengthened the fight for basic freedom and rights in the U.S.S.R.

Soviet dissident trials this past year brought to the world's attention the hypocrisy that exists under Soviet "justice" for those who would dare contradict state policy. Sadly those who suffer most severely from this travesty are the national non-Russian dissidents, Lithuanians, Estonians, Latvians, Georgians, and others. Their "crimes" of conscience are more quickly brought to review and sentence more harshly handed out.

While the Soviet State apparently has no intention of giving up efforts to strip from each Lithuanian his pride in his culture and national heritage, Lithuanian fortitude remains stronger today than ever before. While Lithuania does not exist today as a politically sovereign nation, the freedom-loving traditions of its people continue. We who have freedom have the responsibility to assist those whose human, political, and national rights are oppressed. I would like to urge my colleagues to join with me in this continuous effort.●

LEARN TO EARN

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. BOB WILSON. Mr. Speaker, at a time when America's leadership seems to have lost the confidence of our citizens, it is interesting to note the observations of our unofficial House of Representatives philosopher, Joe Machugh. His latest essay, entitled "Learn To Earn—Confidence That Endures" deserves the attention of opinion makers everywhere.

It is remarkable that this essay, which emphasizes the need of earning confidence, was written in October 1978, before the current wave of no confidence was so apparent.

I include Machugh's essay as a part of my remarks:

LEARN TO EARN—CONFIDENCE THAT ENDURES

Few realists would challenge validity of the concept that—restoration of confidence in the United States, its government and its people—is our current top priority! The word is of Latin derivation, meaning trust and respect; and is intangible like the word personality. Both readily are recognized; but, for each there is no central ingredient. Rather it is a compendium of specifics that make up personality and inspire confidence. The analogy recalls a cleavage of view on governmental restraint during World War II. The National Administration urged a piecemeal approach whereas that perennial Presidential Advisor, Bernard M. Baruch consistently advocated overall control.

Precisely how is confidence established among individuals, groups or nations? Early in this Writer's career a loan was needed but collateral was not available. Bank offered a "character loan" insisting on repayment by monthly installments. Confidence prompted the loan and repayment confirmed respect. Achievements (significant jobs—well done) fire the fuels of confidence. They constitute firm foundation for respect. Confidence never is born full-grown nor is it won instantaneously. It takes time (perhaps much time) and testing for its consummation. Foundation and tests are building-blocks for "the house of confidence" proceeding under aegis of that implicit law of gradualness. Who ever saw evening shadows lengthen, springtime buds sprout on tree-branches or watched piquant, human adolescence in actual process of development?

Shortly after World War Two, the media reported Baruch as saying: "America was so strong militarily, industrially and psychologically—as to be able to repel attack by any single enemy or from any conceivable combination of hostile opponents." What hardy soul today would venture a similar assertion? So, what was basis for the original assertion? America had been preponderant supplier of men, money and material throughout that War—which ended abruptly with American atomic bombing of Hiroshima and Nagasaki! The Manhattan Project—development of the A-Bomb was a superb achievement in secrecy. Reconstruction aid for war-torn Europe under the Marshall Plan was unprecedented. Finally, with exclusive atomic monopoly, United States offered unilaterally (though never accepted) to give a proposed International Authority all secrets and administration for that powerful weapon. Such foursome of dynamic leadership—is the figurative diet on which confidence both feeds and thrives.

That earlier confidence can be revived but probably only by stages of transition, coupled with a truly spiritual approach—using talents bestowed on a select few qualified to lead a march of progress in ultimate best interest of the human species. Its acid test: Will formidable challenges be resisted and will confidence endure? Spectaculars, like their sparked euphoria, often substantially subside. In Arthurian legendry the sword-Excalibur, magically fixed in stone to be withdrawn by rightful King of England; and only Arthur did so. When mortally wounded, Arthur ordered Sir Bevidere to cast it in the lake—from whose water an arm clothed in white samite appeared to receive it.

Holy Writ says humility is the touchstone for lasting success, implying avid desire to place one's own interest at the bottom and those of others at the summit. There is an infallible guideline to success, achievement and happiness. Since durability is the evaluant of confidence—could any admonition be more salutary for the welfare of all mankind than this trenchant and cogent counsel: Learn to Earn the pearl of Great Price—Confidence that Endures.

JOSEPH V. McHUGH. ●

REFORM OF THE NCAA

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. VENTO. Mr. Speaker, during the 95th Congress I had the opportunity to participate in the hearings of the Interstate and Foreign Commerce Subcommittee on Oversight and Investigations regarding the National Collegiate Athletic Association's investigation, enforcement, and penalty policies.

Initiated by a request from 67 of my colleagues and myself to subcommittee Chairman John Moss, the purpose of these hearings was to investigate the widespread allegations on NCAA abuses in its investigative and enforcement processes.

In the style that so well characterizes the operations of the Oversight Subcommittee, the review of the NCAA was conducted in a conscientious, thorough, and unbiased manner. Even before the hearings on this issue had begun, members of the subcommittee and their staff had examined thousands of documents and had interviewed hundreds of individuals. I would like to commend my colleagues, particularly former Chairman Moss, and the staff for their dedication and hard work on this issue. The hundreds of hours spent in preparation were rewarded by an excellent series of hearings and the development of a solid foundation of documentation upon which the subcommittee based its report's findings and recommendations. I strongly urge my colleagues to review this report on the NCAA for the authority of that organization is wide ranging and affects hundreds of thousands of American student-athletes.

The hearings and subsequent subcommittee report clearly have demonstrated that the policies and practices of the NCAA are basically unfair and that an organization that is, at least in part, de-

signed to protect the student athlete has, through its practices, ignored the rights and needs of the athlete. The NCAA is the classic example of a bureaucracy run amok—a bureaucracy composed of rules and regs whose purposes are to perpetuate the organization and to strangle the membership in a never ending deluge of Orwellian redtape; a bureaucracy ruled by the letter of the law rather than the spirit of the law; a bureaucracy that callously casts aside the rights of the individual in the name of the greater good.

The findings of the subcommittee uncovered a wide area of problems within the NCAA ranging from that organization's lack of cooperation with member institutions during investigations to rules that are vague, confusing, unenforceable, and do not distinguish between serious and minor misconduct. Each of these findings contribute to the overall picture of NCAA abuses.

By bringing to light these practices, the subcommittee has independently substantiated the numerous complaints leveled against the NCAA and has provided the opportunity for initiating a public debate by the member institutions and others of NCAA policies, practices, and needed reforms. The subcommittee offers a focal point for this discussion by recommending a series of reforms for the NCAA. These recommendations are not intended to hamper the proper functions of that organization. Indeed, by adopting these proposals, the NCAA will be able to dispel the aura of unfairness that currently permeates its investigations and will thereby enhance cooperation with member institutions and improve its investigative function.

The subcommittee presented its findings to the NCAA national convention in a sincere effort to establish a forum to discuss NCAA practices and the needed reforms. It is my hope that the NCAA and its member institutions will utilize this report as a vehicle to initiate their own review of the organization and will make an honest effort to eliminate NCAA abuses. I am heartened to see that some of our recommendations have been adopted. However, many more basic reforms are still required. While Congress is, in effect, throwing the ball back to the member institutions to move forward with reforms, we will continue to monitor the activities of the NCAA. The current arrogant disregard of that organization toward the rights of the individual is offensive to the American concepts of justice and fairness. This practice cannot continue. If the NCAA continues to trample upon the rights of the individuals, Congress must and will act to correct that situation. For now, the onus is on the NCAA and its membership. I am confident that they will move quickly to remedy any and all abuses.

In order to further the discussion of NCAA reforms, I would like to present today and tomorrow an excellent commentary on this issue for my colleagues' attention. In a letter to Chairman Moss, two individuals closely involved with the NCAA investigation of the University of Minnesota detailed many of the problems that they encountered from the NCAA and their recommended reforms.

At the time of the investigation, John Nichols was the assistant to the supervisor of the university's investigation of the NCAA allegations. Dr. Stanley Kessler. In this position, Mr. Nichols observed first hand the practices of the NCAA and experienced the frustrations that resulted in dealing with that organization. Joseph Dixon is a lawyer who was hired by the University of Minnesota to conduct an independent investigation of the allegations. This investigation went far beyond the parameters of the NCAA allegations and uncovered additional charges that were presented to the NCAA by the university. In fact, Messrs. Nichols and Dixon were involved in an investigation that the NCAA testified was a model of cooperation. I want to thank Messrs. Nichols and Dixon for their excellent analysis of the NCAA abuses and their suggested reforms. Throughout the entire investigation of the NCAA, they have been most helpful and their recommendations were carefully considered by the subcommittee in the preparation of the committee report. It should be noted that neither is now associated with the University of Minnesota. Their actions stem not from a desire to embarrass the NCAA nor to exonerate the university. They acted in a sincere desire to see the adoption of the reforms needed to improve intercollegiate athletics and the organization that oversees it.

The material follows:

WASHINGTON, D.C.,
August 8, 1978.

JOSEPH T. DIXON, Jr., Esq.
Title Insurance Building,
Minneapolis, Minn.

DEAR MR. DIXON: I would like to express my most sincere appreciation to you and Mr. Nichols for your letter of July 18, 1978, transmitting your recommendations for reform of the enforcement procedures of the National Collegiate Athletic Association. Additionally, you have the Subcommittee's thanks for your efforts in assisting the Subcommittee's staff with the preparation and conduct of the hearings which we have held to date.

It is obvious from your letter that both of you have spent considerable time in analysis of this area and have great dedication in seeing that substantial change take place within the NCAA. You may be assured that at the time of the Committee's consideration of our recommendations in this area, those you have offered will receive the most thorough consideration.

Thank you once again for your concern and your consideration.

Sincerely,

JOHN E. MOSS,
Chairman, Subcommittee on Oversight
and Investigations.

JULY 18, 1978.

Hon. JOHN MOSS,
Chairman, Oversight and Investigation Subcommittee,
U.S. House of Representatives,
Rayburn House Office Building,
Washington, D.C.

DEAR CHAIRMAN MOSS: Your staff has encouraged us to write with our recommendations for reform of the enforcement procedures of the National Collegiate Athletic Association which is now under investigation by your subcommittee, and we welcome that opportunity.

For a period of about two years, we were retained by a major state university to conduct its internal investigation of serious

violations of NCAA rules and to represent the university in its complex and controversial dispute with the association. During that period, we interviewed scores of principals involved in the violations, produced thousands of pages of written reports regarding the investigation, represented the university in numerous hearings before NCAA committees, and in the process, developed a detailed familiarity with the procedures of the NCAA, in specific, and the state of intercollegiate athletics in the nation, in general.

It is important to note that neither of us are currently employed by that university, thus, we are in the rather rare situation of having inside understanding of the NCAA enforcement procedures yet having no direct allegiance to any of the parties represented at the congressional hearings. Further, we have no vested interest in the outcome of your hearings other than to see the adoption of basic reforms needed to improve intercollegiate athletics.

During the course of our work it became clear that violations of NCAA rules were committed not only by the university we represented, but by universities throughout the nation. Not just minor violations of petty association rules but flagrant infractions alien to any reasonable person's concept of amateur athletics. It was exactly for this reason that the NCAA was originally empowered to establish standards of conduct in intercollegiate athletics, investigate violations and punish the wrongdoers.

However, in recent years, the NCAA like many large bureaucracies, has become entangled in its own procedures and authority and seems to have lost sight of its primary mission. We observed the NCAA consistently employ methods and procedures directly contrary to our—and we believe most other people's—fundamental concepts of fairness. We saw procedures used which seemed diametrically opposed to the openness and equality needed in a fact finding process aimed at fair treatment and correct decisions.

Despite its ills, the NCAA still serves a necessary function of policing intercollegiate athletics. Without the association, the professionalism and corruption surrounding amateur sports would undoubtedly increase. But reforms are needed to ensure that the means it uses to enforce this end are honorable and fundamentally fair; that the institutions and individuals involved are fairly treated and that correct determinations are reached. It is with this goal that we offer our suggestions for internal reform of the NCAA enforcement procedures in the hopes that they might be useful in the continuing dialogue before your subcommittee.

I. Recognition of Differing Interest Between the Institution and the Individual:

Present NCAA infractions procedures dictate that universities are responsible for the investigation and defense of not only institutional wrongdoing but also allegations against all individuals related to the universities, i.e. student-athletes, coaches, staff and representatives of athletic interests. The NCAA allows an infraction hearing only for the university, and all other individuals affected by the outcome of those hearings must funnel their defense through the university. And the penalties meted out by the NCAA are directed only at the university with the implication that the university, in turn, must levy appropriate penalties against the individuals found guilty in the investigation. In the case of student-athletes, the university must declare the rules violators ineligible to compete for the remainder of their college careers. The university may then appeal on behalf of the student-athlete to have a portion of the eligibility restored.

Such a system fails to recognize that the best interests of the institution and the individual athlete can, and often do, differ. For example, a university might adopt a certain defense tactic that might be best for the

overall athletic program but at the same time might not be the most vigorous defense of allegations regarding an individual athlete. And the individual athlete would have no direct recourse to the NCAA decisionmakers. Therefore, to protect the sometimes divergent interests of both the accused university and the individuals affected by the outcome of the NCAA infractions hearings, the following reforms are proposed:

(1) All those charged with violations of NCAA rules or who are affected by the outcome of the hearings should be allowed direct access to the hearings. The individual student-athlete should have equal standing before the NCAA in all matters such as right to counsel, evidence, appeals, etc. Conversely, the NCAA should deal with student-athletes directly with respect to findings, penalties and declaration of ineligibility. If the Infractions Committee decision is to be determinative, which it probably should, then it should make the declaration of ineligibility. This would prevent the conflict situations in which a university responds for the individual athlete maintaining his innocence, but then, based on findings of NCAA hearings, being forced to declare the athlete ineligible from competition.

(2) The NCAA should clearly segregate institutional violations from individual punishment. In the event that individual athletes have neither committed violations of NCAA rules nor are members of a team found in violation of rules, they should not be prevented from competing in post season events or otherwise punished because their university has been found guilty of wrongdoing. In sum, individual athletes not involved in wrongdoing should not be held accountable for institutional actions over which they had no control. The NCAA has sufficient means to punish institutions, especially the power of the purse string, without withholding innocent athletes from competition. Indeed, it is ironic that the NCAA, a body formed to encourage uncorrupted amateur competition among young athletes, is occasionally responsible for preventing it.

II. Increased Openness in Enforcement Process:

As a basic principle, we believe that administrative corruption and abuse of power breed under conditions of secrecy. Yet all of the NCAA's hearings are conducted behind closed doors and the use of its investigative materials are severely restricted even for those whose athletic careers or good names will be substantially affected by the outcome of the investigation. Even if secret hearings and closed association files could provide for fair treatment for those accused of violations, these conditions would still be undesirable. The result of the NCAA's secrecy is a declining credibility of its enforcement process and thus minimizes its power to effectively deal with actual cases of wrongdoing.

The NCAA argues that it does not wish to release investigative information because it would make it too easy for institutions to avoid punishment for their violations. Although it is true that releasing investigative materials to the accused parties might result in fewer "convictions" in marginal cases, there are so many flagrant violations committed in intercollegiate athletics that, regardless of any concession given to the accused, the NCAA would have more airtight cases than it could possibly handle with many times its current staff.

The following specific reforms for making the NCAA enforcement process more open and accessible, in our opinion, would be fairer to the accused parties while not substantially reducing the effectiveness of the enforcement staff—and perhaps, in the long run, improve their credibility and their commensurate ability to keep the lid on corruption in amateur sports:

(1) There should be a period of discovery prior to all infraction Committee hearings

in which all documentary evidence, staff memos, tapes, transcripts and the like should be made available to those substantially affected by the outcome of the hearings—including institutions, student-athletes, and perhaps even representatives of athletic interests. Further, they should be allowed to transcribe those hearings or the NCAA's tapes of those hearings.

(2) If an individual charged with violation of NCAA rules, especially a student-athlete, requests a public hearing of those allegations requests a public hearing of those allegations, the NCAA should be prohibited from conducting closed door hearings.

(3) The NCAA enforcement staff should be prohibited from using testimony from witnesses who will not also consent to be interviewed by representatives of the party accused of NCAA violation. Currently, all student-athletes, coaches and institutional officers (this group constitutes the majority of witnesses used in most infractions cases) must submit to interviews by the NCAA enforcement staff. However, they are not obligated to discuss the allegations with representatives of the accused. Thus, there arises instances in which the NCAA staff presents damaging testimony without the defense having an opportunity to test the veracity of the testimony.

(4) The NCAA manual, including the constitution, by-laws and rules, should be rewritten in a direct, clear and understandable manner. These rules should be easily understandable by the institutions and individuals who are expected to abide by them. As matters currently stand the NCAA rules are a hodgepodge of its constitution, by-laws, rules and opinions most of which are found in the NCAA manual, but some of which can be found only by a weekly reading of the NCAA News. Further, the rules as written are inconsistent, unclear and misleading. For example, NCAA rules currently make it clear that "regular or periodic use of an automobile without (or at a reduced) charge" is a forbidden extra benefit which may not be provided a student-athlete. However, the Committee on Infractions and staff interpret the more general extra benefits rules to prohibit any use of an automobile, even on a single occasion. If that is to be the case, the rule should be written to expressly forbid "any" use of an automobile, not merely the "regular or periodic use." While this is admittedly a minor point, it does serve to demonstrate the difficulty in attempting to follow the rules as written. Further, various interpretations of the NCAA constitution and by-laws made by the Council, and binding upon the membership, often fail to find their way into print in the NCAA manual. In the case of one student-athlete, the NCAA enforced an interpretation of rules first made four years prior to the conduct there involved, but not included in the NCAA manual until nearly a year after the conduct.

The current failure of the NCAA to provide clear and understandable direction with respect to the obligations of institutions and student-athletes serves to heighten the secrecy of the NCAA and its enforcement process. Unless the rules are known and understood by all participants, there can be no equality or fairness for the participants.

(5) Further, and in addition to a rewritten rulebook, the NCAA should make accessible all past decisions, interpretations, penalties, etc. so that those accused of violations have a clear idea as to how previous such cases have been dealt with. Currently a smattering of this material is published in the NCAA News and distributed in a helter-skelter manner. All such findings should be regularly collected, indexed, published and distributed among the membership as a standardized reference of infractions policy.

Some NCAA policies are so vague or confusing that even members of the Committee on Infractions are occasionally unclear on

certain nuances and have to ask the staff for its position. Further, the staff's answers to questions concerning meanings, definitions and interpretations of the rules is all too frequently "well, we have always . . ." But yet, the institution or its investigator have no way of determining how the NCAA staff construed a particular rule, especially since many of the answers run contrary to established principles of construction.

Even an entirely open enforcement process is not fair if the accused institutions and individuals don't have equal access to the precedents in policy and equal understanding of the complexities of the application of that policy.

(6) The NCAA constitution and rules should be amended to specifically preclude their use in stifling public discussion of NCAA enforcement policy and practices. In the past, the NCAA staff have charged with violation of the sportsmanship clause [NCAA constitution 3-6-(a)] those who dared to publicly criticize (whether justly or unjustly) the NCAA policies and procedures. Open and unrestricted debate of important issues is basic in American society and tends to improve the quality of governance by public institutions and private associations alike. In the case we are most familiar with, the NCAA charged university administrators with violations of the NCAA rules for criticizing in the press certain aspects of the NCAA's investigation of the university despite the fact that some of the university's points were eventually adopted as reforms of NCAA rules. Thus, as a matter of policy, the NCAA should not only avoid discouraging public and internal criticism of the association by its member but should take steps to encourage discussion of controversial issues affecting the organization.●

FEDERAL CONSTITUTIONAL CONVENTION PROCEDURES ACT

HON. L. H. FOUNTAIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. FOUNTAIN. Mr. Speaker, on January 31, I introduced H.R. 1664, the Federal Constitutional Convention Procedures Act. The purpose of this legislation is to provide procedures for calling Constitutional Conventions for proposing amendments to the Constitution, on application of two-thirds of the State legislatures, pursuant to article V of the Constitution.

We are faced with the real possibility that in the very near future 34 States will have petitioned the Congress to call a convention for the purpose of proposing a balanced budget amendment to the Constitution.

Yet the Nation is completely unprepared for such an eventuality, because the Congress has never taken action to spell out in detail the terms of the Convention alternative set forth in article V.

H.R. 1664 provides an authoritative basis for resolving many of the sensitive questions posed in connection with the article V Convention provision—all of which are matters of fundamental constitutional concern. My bill would establish the basic ground rules for a Convention, thereby reducing the chances

of chaos and constitutional crisis which might well ensue from a runaway convention.

For example, the legislation would achieve this objective by specifying the details of the application process, including an application's effective period and the question of rescissions; by spelling out the congressional role once the requisite number of applications has been received, including determining the validity of applications and issuing a convention call; by providing for the selection of delegates to the Convention, the selection of officers and other routine business, the Convention's scope of deliberations, its duration, and the limits to be placed on the subject matter of any proposed amendments it might adopt; and by prescribing congressional responsibilities after a proposed amendment has been approved by the convention.

This legislation reflects the constructive efforts of the distinguished former senior Senator from North Carolina, Sam J. Ervin, Jr., who guided it to passage by the Senate in 1971 (S. 215 of the 92d Congress) and, in identical form, again in 1973 (S. 1272 of the 93d Congress).

In fact, H.R. 1664 technically differs from the Ervin legislation in only two respects. Sections 2 and 3(b) have been slightly altered so as to make clear that the Congress would have the power to determine the validity not only of applications transmitted to the Congress after the enactment of the bill but also of applications transmitted before enactment. The Ervin version would appear to be applicable only to resolutions submitted after enactment.

Mr. Speaker, I might also point out that section 10(a) of H.R. 1664 provides that a convention may propose amendments by a two-thirds vote of the total number of delegates. When the Senate passed S. 215 in 1971, much debate, and a floor vote, occurred on the question of whether it should take a two-thirds majority, or only a simple majority, to propose an amendment—Senator Ervin adhered to the latter point of view although the Senate adopted the two-thirds standard. While I am not unalterably wedded to the two-thirds figure, I do at this time believe it to be preferable since a two-thirds majority in each House is required under article V for the Congress itself to propose an amendment directly—an integral part of our system of checks and balances with regard to the amendatory process.

While I personally prefer the Congress proposing an amendment to balance the budget rather than a convention doing so, and have sponsored separate legislation to that effect, I want to emphasize that the primary purpose of H.R. 1664 is to put into statutory form the processes governing a convention should a congressional call become mandatory under article V. This bill's purpose is wholly procedural, though basic questions of powers and prerogatives are obviously involved. And, with respect to those questions, I believe that a sensible and salutary balance is struck in this legislation between the interests of the States and those of the Congress—all

with a view toward preserving constitutional integrity.

The framers of the Constitution unquestionably intended the convention method of proposing amendments to be an attainable means of constitutional change. Moreover, the Congress has the obligation to legislate on this subject now, without the sort of emergency fever pitch which might well be prevailing later, and try to prevent ahead of time the procedural quagmire which could transform a convention into a constitutional nightmare.

Mr. Speaker, the Advisory Commission on Intergovernmental Relations, on which I am privileged to represent the House, urged in 1971 the enactment of legislation of this type. Two years later, a special study committee of the American Bar Association also reached the conclusion that such legislation is needed to remove unintended obstacles in the way of legitimate use of the convention approach to amending the Constitution.

For these reasons, I believe that early action on this legislation is crucial. Further delay could well place the Nation in a regrettable situation—perhaps even this year. I, therefore, urge the Judiciary Committee to give serious and timely consideration to this pressing matter so that the Congress might satisfy a long-neglected constitutional responsibility.●

EIGHTY-NINE COSPONSORS TO ANDERSON CRIME-CONTROL BILL

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. ANDERSON of California. Mr. Speaker, I want to call our colleagues' attention to a bill I have introduced, H.R. 1495, imposing a mandatory minimum 5-year prison sentence on those convicted of committing Federal felonies with a gun.

During the 95th Congress, a similar proposal attracted 108 cosponsors. With the additional Members whose names are being added to H.R. 1495 today, we already have 89 cosignatories this year, just 1 month into the 96th Congress.

COSPONSORS OF H.R. 1495—MANDATORY SENTENCING

Anderson, Glenn; Andrews, Mark; AuCoin, Les; Barnard, Doug; Benjamin, Adam; Blanchard, James; Bonior, David; Bouquard, Marilyn Lloyd; Brown, Clarence; Broyhill, James; Buchanan, John; Burgener, Clair; Cleveland, James; Coelho, Tony; Coleman, E. Thomas; Corcoran, Tom; Corrada, Baltasar; Dannemeyer, William.

Davis, Mendel; Davis, Robert; Derwinski, Edward; Dornan, Robert; Downey, Thomas; Duncan, John; Edgar, Robert; English, Glenn; Ertel, Allen; Fazio, Vic; Fithian, Floyd; Fountain, L. H.; Gephardt, Richard; Gibbons, Sam; Glickman, Dan.

Gore, Albert, Jr.; Green, S. William; Guyer, Tennyson; Hagedorn, Tom; Hefner, W. G. (Bill); Heftel, Cecil; Hollenbeck, Harold; Huckaby, Jerry; Ichord, Richard; Jones, Ed; Jones, James; Kindness, Thomas.

Lagomarsino, Robert; Leach, Jim; Lederer, Raymond; Levitas, Elliott; Long, Gillis; Lott, Trent; McCloskey, Paul, Jr.; McHugh, Mat-

thew; McKinney, Stewart; Madigan, Edward; Martin, James; Matsui, Robert; Mazzoli, Romano; Miller, George; Mineta, Norman; Mitchell, Donald.

Moakley, Joe; Mollohan, Robert; Motti, Ronald; Panetta, Leon; Pashayan, Charles, Jr.; Patterson, Jerry; Pepper, Claude; Rahall, Nick Joe, II; Rangel, Charles; Robinson, J. Kenneth; Roe, Robert; Rose, Charles.

Sebelius, Kelth; Sensenbrenner, F. James, Jr.; Simon, Paul; Skelton, Ike; Solomon, Gerald; Spence, Floyd; Staggers, Harley; Tribble, Paul, Jr.; Wampler, William; Whitehurst, G. William; Wilson, Charles (Texas); Wilson, Charles H. (California); Wolff, Lester; Won Pat, Antonio Borja; Young, Robert; Zeferetti, Leo.

As you can see, the cosponsors of this bill represent every viewpoint on the political spectrum. They have joined together in this effort because they know that H.R. 1495 is a sound bill, and one that, if enacted, will reduce crime. And, like all of us, they receive letters from their constituents asking that we do something to make the streets of this country secure places to walk, and the homes of this Nation safe places to live.

People want the potential criminal to know that if he uses a gun in the commission of a crime, he will go to jail. They believe, as do I, that this will deter some potential criminals before they act. And those that go ahead and commit a crime, and are convicted, will surely not have the opportunity to repeat their offense for at least 5 years. They will be in prison.

During these past few years that I have been advocating this measure, mail has poured into my office from all parts of the country offering support. And in a districtwide survey I conducted last year in California's 32d District, which I represent, 93 percent of those responding expressed their favor of this approach. Only 3 percent opposed it, and 4 percent were undecided. Of all the questions asked, on many important issues of the day, this one elicited the most uniform response.

And a study conducted in 1977 by an independent national marketing and opinion research firm found that well over 90 percent of all chiefs of police, sheriffs, and rank-and-file police officers believe that mandatory prison sentences for all persons convicted of committing a felony with a firearm would reduce crime. About 80 percent said that it would serve this purpose more effectively than does current law, or would Federal registration, Federal licensing, or a prohibition on private ownership of firearms.

I would stress here that this bill does not restrict a person's ability to own guns. It is not a gun-control bill, but is rather an effective approach to crime control. Those who favor traditional gun-control legislation will be free to work for that, regardless of the status of my bill. And in the meantime, should H.R. 1495 be enacted, it will assure that those convicted of misusing firearms in the commission of a Federal felony will be punished.

Mr. Speaker, I hope that more of our colleagues will join in sponsoring legislation that is directed at the criminal who abuses the gun; the individual who, through his own actions, jeopardizes the rights and lives of honest, law-abiding citizens. H.R. 1495 does just that. ●

CONGRESSIONAL IRISH PEACE FORUM GAINS IMPORTANT BACKING

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. BIAGGI. Mr. Speaker, as I have advised my colleagues on earlier occasions, on February 1, the executive committee of the Ad Hoc Congressional Committee for Irish Affairs voted unanimously to support my recommendation that we sponsor a Congressional Irish Peace Forum later in 1979. As chairman of the ad hoc committee I have been extremely gratified at the many indications of support I have received concerning the forum.

The February 17 edition of the Irish Echo featured as its only editorial an endorsement of the peace forum. In addition, its Dublin correspondent, John Kelly donated his entire column to a discussion about the peace forum, also indicating support. The Irish Echo is the leading Irish American newspaper and its support is most important as they reflect the views of many Irish Americans. I am proud to have their support and hope my colleagues will review the articles and lend their support to this initiative whose sole objective is to advance the cause of peace and justice in Ireland.

In the coming week, I expect to announce the official date for the peace forum. I am confident that the type of forum we intend to conduct—where all shades of political thought as well as the Irish and British governments will be invited to serve as a catalyst to peace and restoration of human rights. We enter this undertaking as totally neutral sponsors and will remain so throughout. The Irish Echo articles follow:

PEACE FORUM CALL

The call by the executive committee of the Ad Hoc Congressional Committee on Irish Affairs for a "peace forum" on Northern Ireland seems to us to be a wise and sensible move during the current impasse.

Bringing together people to talk about their differences is always a laudable aim. When it can be done at a distant place—Washington in this instance—it often leads vying factions to face the facts they cannot face at home.

Urging all parties to participate, Representative Mario Biaggi, chairman of the Irish Affairs Committee said:

"I am proposing that we sponsor a peace forum at which all parties to the dispute in Ireland would be invited for the sole purpose of presenting and listening to peace proposals. I further propose that the forum be conducted as a series to insure that all shades of political thought be heard and made part of the process which leads to a solution—if there is to be a lasting solution. Throughout the forum we would actively encourage the participation of both the London and Dublin Governments whose roles are critical as well."

"I emphasize that the Ad Hoc Committee as the sponsor will remain totally neutral—supporting no solution nor any group but instead providing equal access to the forum by all those who share a role in Ireland's future—a future we want to be of peace. It is also my hope that the forum could play a major role in helping to restore lost human and civil rights in Ireland."

This seems to us a very reasonable outlook and a most realistic one. It is difficult to understand how anyone could oppose it.

ASSESSING THE PEACE FORUM

(By John A. Kelly)

DUBLIN.—The news from Washington that the Ad Hoc Congressional Committee on Irish Affairs is to hold a forum on the North's problems in the U.S. sometime in the near future is good. That much can be said immediately. Some Irish commentators are already attacking the suggestion on the grounds that Americans are incapable of understanding the complexities of the Irish tangle. Allowing even for the possible truth of such a wide assumption then all that I can say at this stage is, welcome to the club.

Very few seem to "understand" the Northern situation as some self-appointed or media appointed intellectual gurus seem to believe it should be understood.

Perhaps it is even true that Americans like Congressman Mario Biaggi don't have all the answers but they are surely no farther from the horizon than the blundering Roy Mason and the lame-duck Labor administration in London who have managed to offend everybody without pleasing anybody.

As this is written, the Social Democratic and Labor Party leader, Gerry Fitt, has publicly proclaimed that he will refuse to discuss absolutely anything with Roy Mason again. Difficult to blame him when you consider that Mason during a television interview referred to an EEC poll which is reported to show a swing of opinion towards official Unionists and the Alliance party.

GREENER

This Mason claimed, shows a considerable drift towards "moderation." He went even further. He described the SDLP as having become a little "greener" and implicitly criticized it for favoring a united Ireland. Like others in his party, he seems to be leaning over backwards to prove to Unionists that there will be no change in the status quo while the government rules—and Unionists get more seats at Westminster.

The priority in Britain, of course, is not to "understand" the problem in the North at all. British Premier, Jim Callaghan, has already shown that he understands it only too well, when he is out of office, that is. In a book, then he expressed the opinion clearly that the only real solution for Ireland is reunification.

The British Labor Party will pay any price in Ireland to retain its grip on office. If the Unionists want more seats at Westminster the Government will ensure that they get them. If the Unionists want no new initiative in the North, they will not get it.

BALANCE

And if in the future, the balance of political power remains as indefinite as it now is in Britain, the greater number of Unionist representatives will be avidly courted by whichever party needs them most to stay in power. Quite often they will be wooed even more fervently by the opposition party. Either way it seems as though the Unionists must continue to be pleased. They will remain firmly in the drivers seat which is where they've always believed they rightly belonged.

* * * stand the problems perfectly well. They just don't want to attempt to solve them. They are avoiding any such moves because it does not suit them politically on the domestic front.

In the meantime, they are charitably attempting to ensure that the people of the North are forced to live with what they regard as an "acceptable level of violence" to paraphrase a former British Minister of State. They are also continuing to attempt to hide their misdeeds beneath a formidable cloak of propaganda.

TRIAL

Two British soldiers, members of the SAS have finally been sent for trial for the mur-

der of a 16-year-old youth some considerable time ago. The youth was shot in the back after he excitedly went to investigate an arms dump which had, ironically, been reported to the police by his family.

I have commented on this incident already in the Irish Echo. There is no point in dredging up its tragedy again, except to underline that the British troops reported at the time that the youth had been pointing a rifle at them when they shot him.

The British administration in the North propagated that story and men experienced in the media, men like Peter Jay, the British Premier's son-in-law, and the resident British Ambassador in the United States, did all that they could to ensure that this was the message the media got.

RUC investigations quickly established that the British Army version was a lie. Yet it took months before any prosecutions were brought—and I am prepared to guarantee from afar that the incident received hardly any mention in the American media.

VICIOUS

British propaganda is vicious and lying. It was always so when it was applied to Ireland. Put quite simply, the less any foreigner understands about Ireland, the more the British like it.

And that is why I welcome this forthcoming forum on the North. Anything that can be done to expose the cynical attitude of the British towards the North must be welcomed by all who have the interests of this island at heart.

It is no secret that the organizers of the Washington forum have been meeting with spokesmen for parties, political and paramilitary, on both sides of the divide in the North.

Neither is it any secret that many in the Six Counties are prepared, even eager, to consider the feasibility of establishing an independent state, free of the British Army. It is just as true that the Provisional Republican movement has repeatedly made it clear that it would not favor an independent North and its opposition must be regarded as a major stumbling block to any initiative that might possibly emanate from the forum.

If the leaders of that movement are not now prepared to rethink their position, perhaps they may be less reluctant after the forum is held and other opinions become clearer. ●

AMERICANS HOPE FOR LITHUANIAN FREEDOM

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. RUDD. Mr. Speaker, this month marks the 61st anniversary of Lithuania's initial and all too short-lived independence.

Hopefully, some day in the not too distant future, Lithuanians everywhere will be able to celebrate this occasion in an atmosphere of freedom in contrast to the oppression which they have courageously endured for the past 39 years under Soviet imperialist domination.

It is my fervent hope, and that of countless other Americans, that the indomitable spirit of freedom is being kept alive in Lithuania, and that the spirits of the people there will remain optimistic about eventual liberation from tyranny.

Lithuanians should know that many

Americans in my State of Arizona and throughout this country are vitally concerned about their future. We are especially troubled by the lack of once hoped for improvement in their condition, which followed the signing of the so-called Helsinki Agreement. This agreement was supposed to guarantee basic human rights, but in practice seems to have guaranteed only the continued oppression of East European people by the Soviets.

It has become abundantly clear to those who follow the activities in Lithuania and other nations which have been forcibly annexed by the Soviets that basic human rights are not tolerated, even though rhetorical statements by Soviet officials may indicate otherwise.

Indeed, it is perhaps most disappointing that our President and State Department do not practice their much heralded "human rights" policy with regard to the troubled people in Lithuania. For in actuality, Lithuania is one of the most oppressed countries in the world, and is likely to remain so as long as Soviet troops and Communist dictatorship are imposed on that beleaguered country.

There is no doubt, Mr. Speaker, that Lithuanians long for the day when freedom will triumph, and they will be governed by true principles of freedom and equality. Perhaps some day soon, freedoms of speech, religion, press, assembly, movement, and countless other liberties which we take for granted will be restored to the freedom-loving people in Lithuania.

I would reiterate my hope that somehow the message from the American people will penetrate behind the Iron Curtain. We here in the United States are most concerned about the Lithuanian plight, and urge the continued struggle of all peoples oppressed by the Soviet Union to throw off the shackles of slavery in exchange for freedom. ●

ANDREW YOUNG AND THE AYATOLLAH KHOMEINI: A MEETING OF MINDS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. McDONALD. Mr. Speaker, my colleagues will recall that in the 95th Congress nine Members joined with me to introduce a resolution to impeach the U.S. Ambassador to the United Nations, Andrew Young. That resolution unfortunately was not acted upon by the House. As a result we have been treated in the past few weeks to a number of new outlandish pronouncements by Mr. Young which have had to be contradicted by the President.

On January 9, 1979, Ambassador Young told the Interdependent, the newspaper of the United Nations Association, that the terrorist Palestine Liberation Organization (PLO) had "captivated the imagination of the Palestine

people" and that the PLO's United Nations observers "are very skilled politicians and very intelligent decent human beings" with whom this country must deal. His statement is, of course, in direct contradiction of official U.S. policy which is to take no action that would encourage terrorism in the world.

Two weeks ago, in the midst of the volatile situation in Iran, Mr. Young chose to interject himself into the situation by stating that the Ayatollah Ruhollah Khomeini, leader of the Islamic revolutionary forces, "would eventually be hailed as 'a saint.'" The New York Times of February 8 further reported on this matter:

Although he acknowledged that Ayatollah Khomeini had been accused of anti-Christian and anti-Semitic remarks, Mr. Young, who is an ordained minister in the United Church of Christ, predicted that "Khomeini will be somewhat of a saint when we get over the panic."

One must assume that Ambassador Young has made such statements because he has not bothered to acquaint himself with any of the Ayatollah's writings which are available in English translations. As one example, let me quote from Khomeini's collection of lectures on "Islamic Government," in which he told his students the following:

Christian, Jewish and Baha'i missionary centers are spread in Teheran to deceive people and to lead them away from the teachings and principles of religion. Isn't it a duty to destroy these centers?

Help and rescue Islam because Islam is crying for your help. Save the Moslems from the dangers engulfing them. Here they (Christians and Jews) are killing Islam in the name of religion and in the name of the Prophet. Their missionaries, who are the lackeys of colonialism, have spread throughout the country, have invaded villages, rural areas and subdistricts and have aimed their efforts at children, juveniles, and youths who are the hope of Islam, and have misled them. Rise to help these misled people.

A 1977 collection of positions papers and interviews with Khomeini published in Arabic contained the following question and answer which are certainly significant when considering Khomeini's qualifications for "sainthood.":

Question. After infiltration of the Zionist fingers into all the vital establishments in the Moslem Iran, what is your eminence's opinion on the most successful means that you advise our Moslem people there to follow in order to cut off all the secret Zionist hands in Iran so that our brothers may be able to offer all their resources to the struggling fighters?

Answer. In the name of God, the merciful and the compassionate:

The most successful means lies in having the Moslem Iranian people try with all their capabilities to sever every dealing with the Zionists residing in Iran and other Zionists, to uproot them spiritually and materially, harass them in all domains and fight them economically in all spheres so that they may sever all relations with Iran and its people and so that the people may be able to offer all their spiritual and material resources to the free strugglers. These bitter Islamic conditions require every Moslem to exert utmost efforts to liberate our occupied lands and to take vengeance on the occupiers and God is the giver of success. There is no doubt that the Moslem Palestinian people's duty is the duty of every Moslem in every

part of the world. The Moslem should be united against whoever tries to harm and undermine them.

Mr. Young has made untrue, distorted statements because Khomeini is not being merely "accused" of anti-Semitism; the man's own words show he actually is a rabid anti-Semite and also a bigot against Christians and members of the Baha'i faith, which is actually a sect of Islam. Furthermore, our U.N. Ambassador has provided fodder for the Soviet Union's propaganda mills. On February 12, 1979, the Moscow Domestic Service in Russian broadcast the following statement:

UPI reports from Washington that U.S. Ambassador to the U.N. Andrew Young again provoked President Carter's anger. Commenting on events in Iran, he said that the religious and political leader Khomeini might achieve the popularity of a saint, thereby admitting that Khomeini has enormous prestige among Iranians.

As you know, official Washington supports someone else altogether in Iran, the Shah's appointee, Prime Minister Bakhtiar. Young's frank admission has put U.S. diplomacy in an awkward position.

Last week, Ambassador Young chose to continue making irresponsible statements, this time about the gangs of armed thugs who are now roaming the streets of Iranian cities. An Associated Press report published in the Baltimore Sun on February 13, 1979, stated:

WASHINGTON.—United Nations Ambassador Andrew Young said yesterday the Iranian revolution was largely brought about by thousands of Iranians who learned the lessons of American democracy as students here, then applied them at home.

Despite the Carter administration's longstanding support for the Iranian monarchy and that nation's constitutional processes, Mr. Young spoke of the emergence of a new order in Iran:

"This is not something that we should necessarily feel threatened by. We should not be afraid when people begin to feel a sense of their own power."

Mr. Young, a former civil rights activist in the South, said he felt a close sense of identification with Iranian demonstrators.

"Whether we like it or not, the change has come from us," he said. "The most powerful force loose in the world is not Communist ideology, the most powerful force loose in the world is the idea that all people are somebody."

He added that upheavals in many countries are an outgrowth of foreign students "having shared in the American experience and then going back to their homes and saying 'Why should I, after having had this kind of experience, let somebody else run my country?'"

Ambassador Young must have eschewed the simple task of reading the daily newspapers who have reported how in Chicago, Houston, Los Angeles, and other American cities the Iranian revolutionary students have been applying the principles not of the American system of representative government under law but of mob violence organized by Marxist totalitarians from the Iranian Students Association.

We must ask yet again how much longer President Carter will allow Ambassador Young's irresponsibility to embarrass our country.●

THE PANAMA CANAL TREATY

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. PAUL. Mr. Speaker, last week the Subcommittee on Panama Canal of the House Committee on Merchant Marine and Fisheries conducted hearings on two bills implementing the Panama Canal Treaty signed in 1977 and ratified by the Senate in 1978. Since I have had an enduring interest in the Panama Canal, I prepared a statement for those hearings presenting my views on the treaty and the constitutional questions surrounding it. I request that my statement be entered into the RECORD as an extension of my remarks.

STATEMENT BY REPRESENTATIVE RONALD E. PAUL

Mr. Chairman, I thank you for the opportunity to submit a statement during these hearings on implementation of the Panama Canal treaties.

While in Congress in 1976, I introduced H. Res. 1410 for the purpose of expressing the sense of the House of Representatives that:

(1) the Government of the United States should maintain and protect its sovereign rights and jurisdiction over the canal and zone, and should in no way cede, dilute, forfeit, negotiate, or transfer any of these sovereign rights, power authority, jurisdiction, territory or property that are indispensably necessary for the protection and security of the United States and the entire Western Hemisphere; and

(2) there be no relinquishment or surrender of any presently vested United States sovereign right, power, or authority or property, tangible or intangible, except by treaty authorized by the Congress and duly ratified by the United States; and

(3) there be no recession to Panama, or other divestiture of any United States-owned property, tangible or intangible, without prior authorization by the Congress (House and Senate), as provided in article IV, section 3, clause 2, of the United States Constitution.

Since July of 1976 when that Resolution was introduced, many things have happened. The Resolution was not acted upon by the House. The President, after appointing a negotiator not confirmed by the Senate, signed a treaty with Omar Torrijos, dictator of Panama. The Senate ratified the treaty signed earlier by President Carter, and today we are discussing implementation of that treaty. The difficulty with such a discussion is that the treaty we are proposing to implement is not valid, and there is, in fact and in law, no treaty to implement.

In his testimony before the Subcommittee on Separation of Powers of the Senate Judiciary Committee on November 3, 1977, Professor Raoul Berger of the Harvard Law School made the following comments:

"Although I am in favor of the Panama Canal Treaty, I share your solicitude for the preservation of constitutional boundaries and your concern lest the function committed to Congress be diminished. I have long held the conviction that all agents of the United States, be they Justices, Members of Congress, or the President, must respect these boundaries. No agent of the people may overleap the bounds of delegated power. That is the essence of constitutional government and of our democratic system."

The Constitution explicitly provides in Article IV, Section 3, Clause 2 that Congress, not the Senate alone, or the President alone,

or the Senate and the President together, has the sole power to dispose of property of the United States. To discuss implementation of a treaty which is blatantly unconstitutional is to acquiesce in a usurpation of power by the Executive. Professor Berger included in his testimony in 1977 some remarks about the hearings in which he was participating. Those remarks apply equally well to these hearings here today.

"The effect of these hearings ranges beyond the Panama Treaty. The Panama cession will constitute a landmark which, should the State Department prevail, will be cited down the years for 'concurrent jurisdiction' of the President in the disposition of United States property. Acquiescence in such claims spells progressive attrition of Congressional powers; it emboldens the Executive to make ever more extravagant claims. I would remind you that Congressional acquiescence encourages solo Presidential adventures such as plunged us into the Korean and Vietnam wars. Congressional apathy fostered the expansion of executive secrecy. Then as now the State Department invoked flimsy 'precedents,' for example the pursuit of cattle rustlers across the Mexican border to justify Presidential launching of a full-scale war. If Congress slumbers in the face of such claims it may awaken the Samson shorn of his locks."

Professor Berger was quite forceful in expressing his view that no property belonging to the United States in Panama can be transferred to Panama by treaty alone. The Professor did not hesitate to draw the logical conclusion of this idea, that any treaty purporting to transfer United States property, even if ratified by the Senate, is void.

We need not, of course, rely on expert opinion to reach this conclusion. The Constitution is perspicuous. It could not speak more clearly on the issue. The oaths that each Member of Congress has taken to uphold the Constitution requires that each Member reject any attempt to implement this treaty, unless, of course, the Member wishes to commit perjury and face the consequences of that action. If one wishes to maintain that the Constitutional requirements have been met for the disposition of United States property in Panama, let him present the evidence of any action taken by the House of Representatives in disposing of that property. Until such evidence is presented, discussion of implementation of the treaty signals one more instance of Congressional obsequiousness in the face of Presidential usurpation.●

ASKING MORE AND GIVING LESS

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. TREEN. Mr. Speaker, I believe that Joseph Kraft, the noted political journalist, has put his finger on the basic problem in America today in an essay which appeared in the February 18 edition of the Washington Post entitled "A Weakening of National Fiber."

I was particularly interested in Mr. Kraft's statement that the "combination of asking more and giving less is a sure recipe for trouble." That unhappy American obsession is the root of our economic problems. Until this is recognized and overcome, we are headed for even greater difficulties down the line.

I am inserting Mr. Kraft's article in

the hope that it will help create additional interest in the subject:

A WEAKENING OF NATIONAL FIBER

(By Joseph Kraft)

Once upon a time ago, Washington's birthday denoted the long, drawn-out, uphill struggle for national independence. Lincoln's birthday commemorated an agony of battle for unity and equality.

But what message does Presidents' Day—the amalgam of the two—deliver? To me, anyway, it announces a weakening of national fiber, a decline in the atmosphere of American life.

By itself, the fusion of the two holidays expresses a changed attitude toward work. Two dates traditional to the national heritage have been virtually scrubbed from the calendar to make way for a long weekend—more time off.

Taking it easy has been legitimized by most of the "enlightened" movements developed in the 1960s. The heroes and heroines of the "greening of America"—the hippies and druggies and beatniks of the counterculture—had as their common bond a disdain for productive activity.

Minority groups have joined in that sentiment. Despite the pressing need of their followers for employment, the leaders are constantly condemning "dead-end jobs." Hence the widespread demand for bringing in illegal workers from Mexico and other parts of Latin America to do stoop labor on the farms, work in restaurants and domestic service.

Along with "dead-end jobs" goes the epithet "workaholic." It is a term of abuse dear to middle-class women who use it partly to attract attention from men absorbed in productive enterprises and partly as a ticket of entry to lush jobs. Either way it cuts down the effectiveness of American society.

Inevitably, those views have spilled over into the mainstream of national culture. The Fonz, one of the most popular characters on television, had until recently no visible means of support. In the highly successful film, "The Graduate," suggestions by various well-meaning elders that the main character, a kid fresh out of college, go into business evoked from practically everybody paroxysms of helpless laughter.

More generalized expressions of this negative outlook emerge from the latest figures on productivity—or output per hour. An average growth of about 3 percent for the immediate postwar years slipped to about 2.5 percent in the mid-'60s, and fell below 2 percent in the present decade. The country now faces a productivity disaster. That means growth at a very slow rate for years to come—relatively hard times.

But no commensurate disposition to make sacrifice shows itself. On the contrary, practically everybody—professionals, businessmen, workers and farmers—are asking for more and more and more.

This surge of the acquisitive instinct is not surprising. For no other lead comes from persons in the higher ranges of the government service—persons who ought to pace the way to sacrifice. It is typical that the career naval officer serving—and not very well, by all accounts—as director of central intelligence is a double dipper.

The combination of asking more and giving less is a sure recipe for trouble. It explains not a few of our national difficulties. Inflation springs from that source, and the inability to compete in foreign markets, and the decline of the dollar, and a feeling, among both friendly and hostile countries, that the United States has lost its way, and is a patsy.

Still, in the absence of catastrophe, Americans avert their eyes from the signs of trouble. The energy shortage is dismissed as a company conspiracy. Statistics pointing to more and more inflation get written off as

special cases, not likely to repeat themselves. Even when an undoubted crisis like that in Iran supervenes, there develops a national debate about whether the United States has the right to protect its own interests—especially in the Third World.

Which brings me back to Presidents' Day, Inflation, upheaval in Iran and now the Chinese invasion of North Vietnam—all these troubles have deep roots. They are not the fault of Jimmy Carter. But it is his fault—it is indeed the supreme weakness of his administration—that he generates no sense of urgency.

It is no accident that Carter has recently been getting lumps from the Russians, from the Chinese, from the Mexicans and from practically everybody else. He comes on weak, and whatever the merits of this or that policy, it seems beyond dispute that under his stewardship the country is very poorly prepared to meet a challenge as difficult as any we have faced since World War II.●

SALUTE TO HELEN, GA.

HON. ED JENKINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. JENKINS. Mr. Speaker, this month Helen, Ga., is celebrating its 10th anniversary as a No. 1 tourist attraction in north Georgia and, in fact, the entire State. This White County town of less than 300 people has realized its dream of providing employment opportunities for its citizens while offering entertainment and relaxation for vacationers from all over our country and the world.

Through an innovative community spirit, cooperation, and hard work, Helen, out of the remains of an old lumber village, was transformed in 1969 into a small alpine village. The natural beauty of the mountains in which the town is nestled forms a background for the themed exterior design recreating the atmosphere of a small Bavarian community.

The quaintness of the cobblestone streets and old style buildings, the beauty of the flowers and plantings, the relaxed atmosphere with benches for sitting and visiting while the children play in the river which runs right through town—these are the elements that have made Helen a place to visit and love. Beyond the shopfronts one steps into a world of surprises. Here are gift shops from around the world, and craftsmen working in many styles and materials. The eating places are equally varied, from American to Vietnamese.

As seasons of the year come and go, there are many activities that take place in the town. Canoe races, trout fishing contests, bike races, Saint Bernard shows, arts and crafts exhibits, and live summer theater are only some of the events. Golf, tennis, and other sports are available all year long. In the fall, Octoberfest is a feast of music, singing, dancing, and good German food, set in the splendor of our Ninth District mountains ablaze with color.

Whatever the season, Helen is ready to offer an escape from the hurried world, a chance to relax and be entertained, and

perhaps an opportunity to become among those who feel that Helen belongs to us, too.

Helen, Ga., is indeed, an amazing success story. I salute its residents on their imagination and dedication to a dream which has become a unique reality of wonder, opportunity, and accomplishment. I wish them continued progress and prosperity; they deserve it and I am confident that they are the kind of people who will continue to achieve it.●

THE GROUNDWORK IS LAID FOR UNITED STATES-MEXICO RELATIONS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. BROWN of California. Mr. Speaker, I would like to insert into the RECORD the joint communique issued by the Presidents of Mexico and the United States at the conclusion of the visit of President Carter to Mexico.

I would like to call to the attention of my colleagues the number of issues discussed and the future for negotiation to create a more cooperative and harmonious relationship with Mexico. The border between the United States and Mexico is like no other in the world with the potential for a relationship equally enriching to each neighboring country. I believe we should be working toward this goal and, particularly, Congress should be prepared to adequately oversee the building of this relationship through ongoing discussion and a broad perception of the overall picture. Congress presently has a mechanism for exchange with Mexico, the interparliamentary group, which I would like to see expanded to encompass both interparliamentary and intraparlimentary interaction.

I would also like to call to the attention of my colleagues two agreements reached by the Presidents on the issue of technological exchange. One agreement would facilitate greater research and development between the two nations and the other, in which I am particularly interested, would facilitate arid land management.

Now that the Presidents have met it is important to keep the momentum going. Our history of exchange with Mexico is one of cordial meetings with little substance flowing and no solutions forthcoming. The potential for a bilateral commission and other mechanisms for exchange has never been greater. We cannot let this time pass by.

The material follows:

JOINT COMMUNIQUE ISSUED

MEXICO CITY, February 16—Following are excerpts from the joint communiqué issued today by the United States and Mexico upon conclusion of the visit of President Carter to Mexico:

At the invitation of the President of the United Mexican States Licenciado José López Portillo, the President of the United States of America, Jimmy Carter, made a visit to Mexico from the 14th to the 16th of February, 1979.

Both Presidents held extensive discussions in an atmosphere of sincerity, friendship, and mutual understanding. They reviewed international issues, hemispheric problems and bilateral matters, from the time when President López Portillo made a state visit to Washington, D.C.—the first visit by a foreign head of state to the United States after the inauguration of President Carter.

Both Presidents reviewed the operation of the U.S.-Mexican consultative mechanism, which was established during that visit to review issues facing the two countries within the context of an overall bilateral relationship.

In this regard, they decided to strengthen the mechanism and provide it with more dynamism, cohesion and flexibility for its more effective operation. To this end, they agreed that, in the light of the guidelines spelled out in this joint communiqué, concrete recommendations would be made within a period of four months on ways the mechanism can more effectively solve problems, taking into consideration the close relationship among these problems.

PRINCIPLES OF RELATIONS

They also expressed support for the important work of the Organization of American States and the need to strengthen and modernize this regional organization.

They emphasized that a new international system should be guided by accepted principles of international conduct, particularly the following: non-intervention in the internal affairs of other states; the prohibition of the use of threat or force; respect for the self-determination of peoples; the peaceful solution of conflicts; and the sovereign right of each nation to take full advantage of its natural resources for the economic and social development of its people.

Both Presidents expressed their agreement that peace is more than just the absence of hostilities, peace also includes the elimination of hunger, disease, illiteracy, poverty, ignorance and injustice—tasks in which all countries of the international community share responsibility.

The Presidents examined the development of their economies within a global context. They agreed that major efforts should be made to adjust and improve the international economic system to take into account the interests and concerns of developing countries. They expressed their concern over the worldwide problems of inflation, unemployment, protectionism and monetary and financial difficulties.

They recognized that it is important to assure the adequate transfer of real resources to developing countries and to promote stable economic and social development throughout the world.

ON HUMAN RIGHTS

The Presidents expressed their particular interest in strengthening international organizations engaged in the protection of guarantees of individual rights. They especially commended the work of the Inter-American Commission on Human Rights and urged other nations in the hemisphere to give it their full support.

Both leaders expressed their deep concern over the crisis that continues to affect the people of Nicaragua, violating their most fundamental human rights, reaffirming their decision to continue working through the United Nations and the Organization of American States, in the search for a democratic and fair solution to the conflict.

Upon reviewing trade relations between their countries, both Presidents expressed their satisfaction with the continuous growth of this exchange.

REDUCING TRADE BARRIERS

President López Portillo noted the historic trade deficit of Mexico with the United

States, particularly if recent sales of Mexican oil are excluded, making known the convenience of taking all measures necessary to reduce it.

President Carter emphasized the need to reduce trade barriers on a broad basis.

President Carter expressed his strong support for expanding world trade and reducing trade barriers, and expressed his hope that Mexico would play a greater role in the shaping and the management of an improved world-trading system.

The two Presidents agreed that the rapid and satisfactory conclusion of the multilateral trade negotiations will represent an important step toward the improvement of the world's economy, particularly with regard to differential treatment for developing countries.

They also agreed to try to conclude successfully and within the shortest period of time, their bilateral trade negotiations within the framework of the multilateral trade negotiations.

SCIENCE AND TECHNOLOGY

The Presidents also agreed that the future expansion of trade between the two countries will require a continuous liberalization of both countries' trade policies, in accordance with the trade, financial and development needs of each nation. They also committed themselves to renew their efforts to this end and to carry out close consultations on trade and financial matters.

President López Portillo expressed hope that the new rules of international trade would give due consideration to the interests of developing countries, and would not institutionalize the increasing protectionist actions by developed nations.

The Presidents emphasized the importance of cooperation in the field of science and technology as a means for dealing with many economic and social problems. They also agree on the mutual advantages of intensifying this cooperation.

To signal their commitment, the two Presidents took note of the two agreements signed during the visit—on arid lands management and urban planning, and a memorandum of understanding on scientific and technical cooperation, also signed during the visit.

They also discussed plans for the Institute for Technological Cooperation, which they agreed would facilitate cooperative research and development between the two countries.

Both Presidents exchanged views on fishery matters because they considered this a priority interest for both nations, and agreed to carry on discussions in this important field.

ENERGY DISCUSSION

The leaders had a wide-ranging discussion on energy, which included both its bilateral and global aspects. They agreed that it is not possible to separate energy resources from economic development, not only for countries who have them, but for countries that do not have them, and because of this, an economic order should be sensitive to the necessity to provide for the needs of the poor, and investment should be directed so as to encourage their industrialization.

Taking into consideration Mexico's potential as an energy-producing country, President López Portillo reiterated that energy resources must be considered as the patrimony of mankind, so that the production, distribution and consumption of these resources may be made in orderly and rational fashion, and so that all alternative sources of energy be developed, including the financing and transfer of technologies that are accessible to all developing countries.

President Carter expressed interest in this idea and willingness to explore these subjects further.

The two Presidents decided to start immediately the design of plans to collaborate

in the field of energy, with a strict observance of their respective national policies, and to initiate or expand, whatever might be the case, trade in hydrocarbon products, electricity and other energy resources.

MIGRANT WORKERS

With regard to the eventual sale of surpluses of Mexican natural gas to the United States, the Presidents discussed the future possibility of such transactions.

The two Presidents agreed to examine jointly the prospects of future sales of crude oil and petroleum products from Mexico to the United States.

The phenomenon of the Mexican migrant workers was discussed within the overall context of social and economic relations between both countries. The two Presidents committed themselves to carry out a close bilateral cooperation in order to find an integral, realistic, and long-term solution which would respect the dignity and the human rights of these workers, and which would also respect the many social, economic and development problems that are involved in this matter.

President López Portillo reiterated that Mexico does not wish to export workers but goods. He added, however, that is necessary to take into consideration that this is a matter of bilateral nature, of long history, that it is stimulated by a real demand, and that, in any event, it deserves respect with regard to its human aspect and required a clear and objective analysis, taking into consideration that restrictive measures in other areas slow down the solution that both countries wish for this problem.

President Carter expressed concern about the problem of unlawful immigration into the United States and its impact on the United States. He took note of the responsibility of the United States Government to enforce the laws respecting immigration and the need to bring to justice those who traffic in undocumented migrants.

DRUG TRAFFIC

The Presidents discussed the status of border relations, reaffirming their goals to promote an adequate flow of goods and people, to fight all kinds of contraband which adversely affect the economies of both countries, and to strengthen cooperation between the authorities of both countries.

They noted with satisfaction the success of current programs in sharply reducing the traffic in dangerous drugs and pledged to continue to strengthen and expand their efforts to suppress the production and trafficking of illicit narcotics.

The Presidents agreed to continue their consultations over a wide range of international political and economic matters, and reaffirmed their intention to maintain close contact and to give their personal and continuous attention to the reinforcement and broadening of the numerous areas of cooperation existing between their nations.

President Carter suggested that both Presidents meet again in the summer to examine the report of the consultative mechanism and to assess progress on the issues discussed in Mexico City. President López Portillo gladly accepted this suggestion.●

NOBEL PRIZE FOR ARCHBISHOP ROMERO

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 15, 1979

● Mr. SOLARZ. Mr. Speaker, I would like to take this opportunity to join with

my colleagues in support of the nomination of Archbishop Oscar Arnulfo Romero y Galdames, the Archbishop of El Salvador, for the Nobel Peace Prize.

Archbishop Romero has been a strong supporter in the fight for a more just, free, and more peaceful society ever since he was appointed as archbishop of this sorely troubled nation early last year. He has been an outspoken critic of the many alleged human rights abuses committed by the Government of El Salvador and has attempted to stand up for the right of his country's peasant workers to organize and protest the widespread economic injustices being practiced in the name of national stability.

It seems to me that the archbishop's efforts to meet the social and very human needs of the members of his congregation, as well as providing their spiritual leadership, have shown him to be worthy of the honor of the Nobel Prize. He has fearlessly refused to be intimidated, at a time when many other religious leaders have died in brutal and seemingly senseless ways.

Our own Nation was founded on the principles of life, liberty, and the pursuit of happiness and our Government and our people have long and often spoken out in support of these rights and freedoms for all people, the world over. Let us join together once again in recognition of this outstanding humanitarian and spokesman for human rights.●

IN SUPPORT OF ARCHBISHOP ROMERO

HON. S. WILLIAM GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 15, 1979

● Mr. GREEN. Mr. Speaker, as a co-signer along with 22 of my House colleagues of a letter nominating Archbishop Oscar Arnulfo Romero y Galdames of San Salvador for the Nobel Peace Prize, I would like to express to the remainder of my colleagues my support for the archbishop in his role as spokesman for the 3½ million Roman Catholics of El Salvador suffering religious persecution by that country's military government.

Often news of tragic events in distant countries comes to us in the United States in the form of a story about an extraordinary individual whose role in the event symbolizes the bravery and courage of the victims. Archbishop Romero's outspoken criticism of the tyrannical Salvadorian Government at tremendous personal risk has helped to bring to our attention the religious persecution being practiced in El Salvador.

Too often the cries of people all over the world who find themselves the victims of human rights violations go unheard. For every leader willing to take a stand as Archbishop Romero has done there are countless others who are unwilling, unable, or afraid to speak out. Through the encouragement and sup-

port we can lend to Archbishop Romero and his followers, we can inspire new hope in those who suffer.

The oppressed and the oppressors everywhere should know that the United States is firm in its commitment to human rights.●

THE GREAT DEPRESSION

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. PAUL. Mr. Speaker, unless we can bring Federal spending and government-caused inflation under control, some sober economists believe that we may be in for a repeat of the Great Depression.

Dr. Hans Sennholz, the distinguished chairman of the economics department at Grove City College in Grove City, Pa., has been an especially eloquent and persistent voice in favor of freedom. His warning of the disaster that may lie ahead unless we mend our free-spending ways, is important for all of us.

[From the Freeman, April 1975]

THE GREAT DEPRESSION

(By Hans F. Sennholz)

Although the Great Depression engulfed the world economy some 40 years ago, it lives on as a nightmare for individuals old enough to remember and as a frightening specter in the text books of our youth. Some 13 million Americans were unemployed, "not wanted" in the production process. One worker out of every four was walking the streets in want and despair. Thousands of banks, hundreds of thousands of businesses, and millions of farmers fell into bankruptcy or ceased operations entirely. Nearly everyone suffered painful losses of wealth and income.

Many Americans are convinced that the Great Depression reflected the breakdown of an old economic order built on unhampered markets, unbridled competition, speculation, property rights, and the profit motive. According to them, the Great Depression proved the inevitability of a new order built on government intervention, political and bureaucratic control, human rights, and government welfare. Such persons, under the influence of Keynes, blame businessmen for precipitating depressions by their selfish refusal to spend enough money to maintain or improve the people's purchasing power. This is why they advocate vast governmental expenditures and deficit spending—resulting in an age of money inflation and credit expansion.

Classical economists learned a different lesson. In their view, the Great Depression consisted of four consecutive depressions rolled into one. The causes of each phase differed, but the consequences were all the same: business stagnation and unemployment.

THE BUSINESS CYCLE

The first phase was a period of boom and bust; like the business cycles that had plagued the American economy in 1819-20, 1839-43, 1857-60, 1873-78, 1893-97, and 1920-21. In each case, government had generated a boom through easy money and credit, which was soon followed by the inevitable bust.

The spectacular crash of 1929 followed five years of reckless credit expansion by the Federal Reserve System under the Coolidge Ad-

ministration. In 1924, after a sharp decline in business, the Reserve banks suddenly created some \$500 million in new credit, which led to a bank credit expansion of over \$4 billion in less than one year. While the immediate effects of this new powerful expansion of the nation's money and credit were seemingly beneficial, initiating a new economic boom and effacing the 1924 decline, the ultimate outcome was most disastrous. It was the beginning of a monetary policy that led to the stock market crash in 1929 and the following depression. In fact, the expansion of Federal Reserve credit in 1924 constituted what Benjamin Anderson in his great treatise on recent economic history (*Economics and the Public Welfare*, D. Van Nostrand, 1949) called "the beginning of the New Deal."

The Federal Reserve credit expansion in 1924 also was designed to assist the Bank of England in its professed desire to maintain prewar exchange rates. The strong U.S. dollar and the weak British pound were to be readjusted to prewar conditions through a policy of inflation in the U.S. and deflation in Great Britain.

The Federal Reserve System launched a further burst of inflation in 1927, the result being that total currency outside banks plus demand and time deposits in the United States increased from \$44.51 billion at the end of June, 1924, to \$55.17 billion in 1929. The volume of farm and urban mortgages expanded from \$16.8 billion in 1921 to \$27.1 billion in 1929. Similar increases occurred in industrial, financial, and state and local government indebtedness. This expansion of money and credit was accompanied by rapidly rising real estate and stock prices. Prices for industrial securities, according to Standard & Poor's common stock index, rose from 59.4 in June of 1922 to 195.2 in September of 1929. Railroad stock climbed from 189.2 to 446.0, while public utilities rose from 82.0 to 375.1.

A SERIES OF FALSE SIGNALS

The vast money and credit expansion by the Coolidge Administration made 1929 inevitable. Inflation and credit expansion always precipitate business maladjustments and malinvestments that must later be liquidated. The expansion artificially reduces and thus falsifies interest rates, and thereby misguides businessmen in their investment decisions. In the belief that declining rates indicate growing supplies of capital savings, they embark upon new production projects. The creation of money gives rise to an economic boom. It causes prices to rise, especially prices of capital goods used for business expansion. But these prices constitute business costs. They soar until business is no longer profitable, at which time the decline begins. In order to prolong the boom, the monetary authorities may continue to inject new money until finally frightened by the prospects of a run-away inflation. The boom that was built on the quicksand of inflation then comes to a sudden end.

The ensuing recession is a period of repair and readjustment. Prices and costs adjust anew to consumer choices and preferences.

And above all, interest rates readjust to reflect once more the actual supply of and demand for genuine savings. Poor business investments are abandoned or written down. Business costs, especially labor costs, are reduced through greater labor productivity and managerial efficiency, until business can once more be profitably conducted, capital investments earn interest, and the market economy function smoothly again.

After an abortive attempt at stabilization in the first half of 1928, the Federal Reserve System finally abandoned its easy money policy at the beginning of 1929. It sold gov-

ernment securities and thereby halted the bank credit expansion. It raised its discount rate to 6 percent in August, 1929. Time-money rates rose to 8 percent, commercial paper rates to 6 percent, and call rates to the panic figures of 15 percent and 20 percent. The American economy was beginning to readjust. In June, 1929, business activity began to recede. Commodity prices began their retreat in July.

The security market reached its high on September 19 and then, under the pressure of early selling, slowly began to decline. For five more weeks the public nevertheless bought heavily on the way down. More than 100 million shares were traded at the New York Stock Exchange in September. Finally it dawned upon more and more stockholders that the trend had changed. Beginning with October 24, 1929, thousands stampeded to sell their holdings immediately and at any price. Avalanches of selling by the public swamped the ticker tape. Prices broke spectacularly.

LIQUIDATION AND ADJUSTMENT

The stock market break signaled the beginning of a readjustment long overdue. It should have been an orderly liquidation and adjustment followed by a normal revival. After all, the financial structure of business was very strong. Fixed costs were low as business had refunded a good many bond issues and had reduced debts to banks with the proceeds of the sale of stock. In the following months, most business earnings made a reasonable showing. Unemployment in 1930 averaged under 4 million, or 7.8 percent of labor force.

In modern terminology, the American economy of 1930 had fallen into a mild recession. In the absence of any new causes for depression, the following year should have brought recovery as in previous depressions. In 1921-22 the American economy recovered fully in less than a year. What, then, precipitated the abysmal collapse after 1929? What prevented the price and cost adjustments and thus led to the second phase of the Great Depression?

DISINTEGRATION OF THE WORLD ECONOMY

The Hoover Administration opposed any readjustment. Under the influence of "the new economics" of government planning, the President urged businessmen not to cut prices and reduce wages, but rather to increase capital outlay, wages, and other spending in order to maintain purchasing power. He embarked upon deficit spending and called upon municipalities to increase their borrowing for more public works. Through the Farm Board which Hoover had organized in the autumn of 1929, the Federal government tried strenuously to uphold the prices of wheat, cotton, and other farm products. The GOP tradition was further invoked to curtail foreign imports.

The Hawley-Smoot Tariff Act of June, 1930, raised American tariffs to unprecedented levels, which practically closed our borders to foreign goods. According to most economic historians, this was the crowning folly of the whole period from 1920 to 1933 and the beginning of the real depression. "Once we raised our tariffs," wrote Benjamin Anderson, "an irresistible movement all over the world to raise tariffs and to erect other trade barriers, including quotas, began. Protectionism ran wild over the world. Markets were cut off. Trade lines were narrowed. Unemployment in the export industries all over the world grew with great rapidity. Farm prices in the United States dropped sharply through the whole of 1930, but the most rapid rate of decline came following the passage of the tariff bill." When President Hoover announced he would sign the bill into law, industrial stocks broke 20 points in one day. The stock market correctly anticipated the depression.

The protectionists have never learned that curtailment of imports inevitably hampers exports. Even if foreign countries do not immediately retaliate for trade restrictions injuring them, their foreign purchases are circumscribed by their ability to sell abroad. This is why the Hawley-Smoot Tariff Act which closed our borders to foreign products also closed foreign markets to our products. American exports fell from \$5.5 billion in 1929 to \$1.7 billion in 1932. American agriculture customarily had exported over 20 percent of its wheat, 55 percent of its cotton, 40 percent of its tobacco and lard, and many other products. When international trade and commerce were disrupted, American farming collapsed. In fact, the rapidly growing trade restrictions, including tariffs, quotas, foreign exchange controls, and other devices were generating a world-wide depression.

Agricultural commodity prices, which had been well above the 1926 base before the crisis, dropped to a low of 47 in the summer of 1932. Such prices as \$2.50 a hundred-weight for hogs, \$3.28 for beef cattle, and 32¢ a bushel for wheat, plunged hundreds of thousands of farmers into bankruptcy. Farm mortgages were foreclosed until various states passed moratoria laws, thus shifting the bankruptcy to countless creditors.

RURAL BANKS IN TROUBLE

The main creditors of American farmers were, of course, the rural banks. When agriculture collapsed, the banks closed their doors. Some 2,000 banks, with deposit liabilities of over \$1.5 billion, suspended between August, 1931, and February, 1932. Those banks that remained open were forced to curtail their operations sharply. They liquidated customers' loans on securities, contracted real estate loans, pressed for the payment of old loans, and refused to make new ones. Finally, they dumped their most marketable bond holdings on an already depressed market. The panic that had engulfed American agriculture also gripped the banking system and its millions of customers.

The American banking crisis was aggravated by a series of events involving Europe. When the world economy began to disintegrate and economic nationalism ran rampant, European debtor countries were cast in precarious payment situations. Austria and Germany ceased to make foreign payments and froze large English and American credits; when England finally suspended gold payments in September, 1931, the crisis spread to the U.S. The fall in foreign bond values set off a collapse of the general bond market, which hit American banks at their weakest point—their investment portfolios.

DEPRESSION COMPOUNDED

1931 was a tragic year. The whole nation, in fact, the whole world, fell into the cataclysm of despair and depression. American unemployment jumped to more than 8 million and continued to rise. The Hoover Administration, summarily rejecting the thought that it had caused the disaster, labored diligently to place the blame on American businessmen and speculators. President Hoover called together the nation's industrial leaders and pledged them to adopt his program to maintain wage rates and expand construction. He sent a telegram to all the governors, urging cooperative expansion of all public works programs. He expanded Federal public works and granted subsidies to ship construction. And for the benefit of the suffering farmers, a host of Federal agencies embarked upon price stabilization policies that generated ever larger crops and surpluses which in turn depressed product prices even further. Economic conditions went from bad to worse and unemployment in 1932 averaged 12.4 million.

In this dark hour of human want and suffering, the Federal government struck a final

blow. The Revenue Act of 1932 doubled the income tax, the sharpest increase in the Federal tax burden in American history. Exemptions were lowered, "earned income credit" was eliminated. Normal tax rates were raised from a range of 1½ to 5 per cent to a range of 4 to 8 per cent, surtax rates from 20 per cent to a maximum of 55 per cent. Corporation tax rates were boosted from 12 per cent to 13¾ and 14½ per cent. Estate taxes were raised. Gift taxes were imposed with rates from ¾ to 33½ per cent. A 1¢ gasoline tax was imposed, a 3 per cent automobile tax, a telegraph and telephone tax, a 2¢ check tax, and many other excise taxes. And finally, postal rates were increased substantially.

When state and local governments faced shrinking revenues, they, too, joined the Federal government in imposing new levies. The rate schedules of existing taxes on income and business were increased and new taxes imposed on business income, property, sales, tobacco, liquor, and other products.

Murray Rothbard, in his authoritative work on *America's Great Depression* (Van Nostrand, 1963), estimates that the fiscal burden of Federal, state, and local governments nearly doubled during the period, rising from 16 per cent of net private product to 29 per cent. This blow, alone, would bring any economy to its knees, and shatters the silly contention that the Great Depression was a consequence of economic freedom.

THE NEW DEAL OF NRA AND AAA

One of the great attributes of the private-property market system is its inherent ability to overcome almost any obstacle. Through price and cost readjustment, managerial efficiency and labor productivity, new savings and investments, the market economy tends to regain its equilibrium and resume its service to consumers. It doubtless would have recovered in short order from the Hoover interventions had there been no further tampering.

However, when President Franklin Delano Roosevelt assumed the Presidency, he, too, fought the economy all the way. In his first 100 days, he swung hard at the profit order. Instead of clearing away the prosperity barriers erected by his predecessor, he built new ones of his own. He struck in every known way at the integrity of the U.S. dollar through quantitative increases and qualitative deterioration. He seized the people's gold holdings and subsequently devalued the dollar by 40 per cent.

With some third of industrial workers unemployed, President Roosevelt embarked upon sweeping industrial reorganization. He persuaded Congress to pass the National Industrial Recovery Act (NIRA), which set up the National Recovery Administration (NRA). Its purpose was to get business to regulate itself, ignoring the antitrust laws and developing fair codes of prices, wages, hours, and working conditions. The President's Reemployment Agreement called for a minimum wage of 40¢ an hour (\$12 to \$15 a week in smaller communities), a 35-hour work week for industrial workers and 40 hours for white collar workers, and a ban on all youth labor.

This was a naive attempt at "increasing purchasing power" by increasing payrolls. But, the immense increase in business costs through shorter hours and higher wage rates worked naturally as an *antirevival* measure. After passage of the Act, unemployment rose to nearly 13 million. The South, especially, suffered severely from the minimum wage provisions. The Act forced 500,000 Negroes out of work.

Nor did President Roosevelt ignore the disaster that had befallen American agriculture. He attacked the problem by passage of the Farm Relief and Inflation Act, popularly known as the First Agricultural Adjust-

ment Act. The objective was to raise farm income by cutting the acreages planted or destroying the crops in the field, paying the farmers not to plant anything, and organizing marketing agreements to improve distribution. The program soon covered not only cotton, but also all basic cereal and meat production as well as principal cash crops. The expenses of the program were to be covered by a new "processing tax" levied on an already depressed industry.

NRA codes and AAA processing taxes came in July and August of 1933. Again, economic production which had flurried briefly before the deadlines, sharply turned downward. The Federal Reserve Index dropped from 100 in July to 72 in November of 1933.

PUMP-PRIMING MEASURES

When the economic planners saw their plans go wrong, they simply prescribed additional doses of Federal pump priming. In his January 1934 Budget Message, Mr. Roosevelt promised expenditures of \$10 billion while revenues were at \$3 billion. Yet, the economy failed to revive; the business index rose to 86 in May of 1934, and then turned down again to 71 by September. Furthermore, the spending program caused a panic in the bond market which cast new doubts on American money and banking.

Revenue legislation in 1933 sharply raised income tax rates in the higher brackets and imposed a 5 per cent withholding tax on corporate dividends. Tax rates were raised again in 1934. Federal estate taxes were brought to the highest levels in the world. In 1935, Federal estate and income taxes were raised once more, although the additional revenue yield was insignificant. The rates seemed clearly aimed at the redistribution of wealth.

According to Benjamin Anderson, "the impact of all these multitudinous measures—industrial, agricultural, financial, monetary and other—upon a bewildered industrial and financial community was extraordinarily heavy. We must add the effect of continuing disquieting utterances by the President. He had castigated the bankers in his inaugural speech. He had made a slurring comparison of British and American bankers in a speech in the summer of 1934. . . . That private enterprise could survive and rally in the midst of so great a disorder is an amazing demonstration of the vitality of private enterprise."

Then came relief from unexpected quarters. The "nine old men" of the Supreme Court, by unanimous decision, outlawed NRA in 1935 and AAA in 1936. The Court maintained that the Federal legislative power had been unconstitutionally delegated and states' rights violated.

These two decisions removed some fearful handicaps under which the economy was laboring. NRA, in particular, was a nightmare with continuously changing rules and regulations by a host of government bureaus. Above all, avoidance of the act immediately reduced labor costs and raised productivity as it permitted labor markets to adjust. The death of AAA reduced the tax burden of agriculture and halted the shocking destruction of crops. Unemployment began to decline. In 1935 it dropped to 9.5 million, or 18.4 per cent of the labor force, and in 1936 to only 7.6 million, or 14.5 per cent.

A NEW DEAL FOR LABOR

The third phase of the Great Depression was thus drawing to a close. But there was little time to rejoice, for the scene was being set for another collapse in 1937 and a lingering depression that lasted until the day of Pearl Harbor. More than 10 million Americans were unemployed in 1938, and more than 9 million in 1939.

The relief granted by the Supreme Court

was merely temporary. The Washington planners could not leave the economy alone; they had to earn the support of organized labor, which was vital for re-election.

The Wagner Act of July 5, 1935, earned the lasting gratitude of labor. This law revolutionized American labor relations. It took labor disputes out of the courts of law and brought them under a newly created Federal agency, the National Labor Relations Board, which became prosecutor, judge, and jury, all in one. Labor union sympathizers on the Board further perverted the law that already afforded legal immunities and privileges to labor unions. The U. S. thereby abandoned a great achievement of Western civilization, equality under the law.

The Wagner Act, or National Labor Relations Act, was passed in reaction to the Supreme Court's voidance of NRA and its labor codes. It aimed at crushing all employer resistance to labor unions. Anything an employer might do in self-defense became an "unfair labor practice" punishable by the Board. The law not only obliged employers to deal and bargain with the unions designated as the employees' representative; later Board decisions also made it unlawful to resist the demands of labor union leaders.

Following the election of 1936, the labor unions began to make ample use of their new powers. Through threats, boycotts, strikes, seizures of plants, and outright violence committed in legal sanctity, they forced millions of workers into membership. Consequently, labor productivity declined and wages were forced upward. Labor strife and disturbance ran wild. Ugly sitdown strikes idled hundreds of plants. In the ensuing months economic activity began to decline and unemployment again rose above the ten million mark.

But the Wagner Act was not the only source of crisis in 1937. President Roosevelt's shocking attempt at packing the Supreme Court, had it been successful, would have subordinated the Judiciary to the Executive. In the U. S. Congress the President's power was unchallenged. Heavy Democratic majorities in both houses, perplexed and frightened by the Great Depression, blindly followed their leader. But when the President strove to assume control over the Judiciary, the American nation rallied against him, and he lost his first political fight in the halls of Congress.

There was also his attempt at controlling the stock market through an ever-increasing number of regulations and investigations by the Securities and Exchange Commission. "Insider" trading was barred, high and inflexible margin requirements imposed and short selling restricted, mainly to prevent repetition of the 1929 stock market crash. Nevertheless the market fell nearly 50 per cent from August of 1937 to March of 1938. The American economy again underwent dreadful punishment.

OTHER TAXES AND CONTROLS

Yet other factors contributed to this new and fastest slump in U. S. history. The Undistributed Profits Tax of 1936 struck a heavy blow at profits retained for use in business. Not content with destroying the wealth of the rich through confiscatory income and estate taxation, the administration meant to force the distribution of corporate savings as dividends subject to the high income tax rates. Though the top rate finally imposed on undistributed profits was "only" 27 per cent, the new tax succeeded in diverting corporate savings from employment and production to dividend income.

Amidst the new stagnation and unemployment, the President and Congress adopted yet another dangerous piece of New Deal legislation: the Wages and Hours Act or Fair Labor

Standards Act of 1938. The law raised the minimum wages and reduced the work week in stages to 44, 42, and 40 hours. It provided for time-and-a-half pay for all work over 40 hours per week and regulated other labor conditions. Again, the Federal government thus reduced labor productivity and increased labor costs—ample grounds for further depression and unemployment.

Throughout this period, the Federal government, through its monetary arm, the Federal Reserve System, endeavored to reflate the economy. Monetary expansion from 1934 to 1941 reached astonishing proportions. The monetary gold of Europe sought refuge from the gathering clouds of political upheaval, boosting American bank reserves to unaccustomed levels. Reserve balances rose from \$2.9 billion in January, 1934, to \$14.4 billion in January of 1941. And with this growth of member bank reserves, interest rates declined to fantastically low levels. Commercial paper often yielded less than 1 per cent, bankers' acceptances from 1/2 per cent to 3/4 per cent. The Treasury bill fell to 1/2 of 1 per cent and Treasury bonds to some 2 per cent. Call loans were pegged at 1 per cent and prime customers' loans at 1 1/2 per cent. The money market was flooded and interest rates could hardly go lower.

DEEP-ROOTED CAUSES

The American economy simply could not recover from these successive onslaughts by first the Republican and then the Democratic Administrations. Individual enterprise, the mainspring of unprecedented income and wealth, didn't have a chance.

The calamity of the Great Depression finally gave way to the holocaust of World War II. When more than 10 million able-bodied men had been drafted into the armed services, unemployment ceased to be an economic problem. And when the purchasing power of the dollar had been cut in half through vast budget deficits and currency inflation, American business managed to adjust to the oppressive costs of the Hoover-Roosevelt Deals. The radical inflation in fact reduced the real costs of labor and thus generated new employment in the postwar period.

Nothing would be more foolish than to single out the men who led us in those baleful years and condemn them for all the evil that befell us. The ultimate roots of the Great Depression were growing in the hearts and minds of the American people. It is true, they abhorred the painful symptoms of the great dilemma. But the large majority favored and voted for the very policies that made the disaster inevitable: inflation and credit expansion, protective tariffs, labor laws that raised wages and farm laws that raised prices, ever higher taxes on the rich and distribution of their wealth. The seeds for the Great Depression were sown by scholars and teachers during the 1920's and earlier when social and economic ideologies that were hostile toward our traditional order of private property and individual enterprise conquered our colleges and universities. The professors of earlier years were as gully as the political leaders of the 1930's.

Social and economic decline is facilitated by moral decay. Surely, the Great Depression would be inconceivable without the growth of covetousness and envy of great personal wealth and income, the mounting desire for public assistance and favors. It would be inconceivable without an ominous decline of individual independence and self-reliance, and above all, the burning desire to be free from man's bondage and to be responsible to God alone.

Can it happen again? Inexorable economic law ascertains that it must happen again

whenever we repeat the dreadful errors that generated the Great Depression.●

**NEW HEALTH GRANTS DEEMED
IRRESPONSIBLE AND FRAUDULENT**

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. HANSEN. Mr. Speaker, over the past several months, I have received a number of requests from individuals and groups within the State of Idaho asking that I look into grants made by the Department of Health, Education, and Welfare to an Idaho-based nonprofit organization known as SIFMES (Southeast Idaho Family Medical and Educational Services, Inc.). On the basis of these requests, I made several contacts with HEW offices at all levels with little more than token response at best and in many cases, no response at all.

Under these circumstances, I decided to assign a research-oriented staff member to investigate the matter fully and the results of his inquiries into these questionable operations are, indeed, shocking and demand your immediate attention and response. The investigation began in earnest on December 14, 1978, when this staff member was dispatched to region X headquarters in Seattle with a Freedom of Information Act letter requesting all of HEW's files relating to SIFMES operations and grants.

A sizable amount of information was received which included documents which clearly indicated that SIFMES had recently come under considerable HEW review and that the agency had in fact threatened to cut off funds from the organization, because of serious questions of "integrity," managerial incompetence, waste, and possibly fraud. A letter to SIFMES from HEW dated November 30, 1978, listed specific steps that SIFMES had to take in order to avoid having their grant moneys terminated at the end of 1978.

In a telephone conversation on January 16, 1979, my office was informed that SIFMES had still not met the guidelines set by HEW, but that the deadline had been extended in order to allow SIFMES time to draw up a new contract. Then in a letter to my office dated January 26, 1979, HEW claimed that problems identified in the areas of budget, contracts, verification of payment, and clarification of medical services rendered had been rectified by SIFMES and that all areas of concern are now considered acceptable by HEW.

It is obvious that HEW considers this case closed, but let me assure you that it is not. I find that HEW continues to dispense huge sums of the taxpayers' money into health programs which are identified by their own internal memorandums as "vague" and "loaded with unrealistically inflated costs."

A June 19, 1978, memorandum clearly

identifies the fact that HEW officials were aware of serious deficiencies which could justify an end to further funding followed by a four-page memorandum dated September 12, 1978, concluding—

That no further funds (should) be awarded to this grantee until its managerial and financial posture is understood and the previous condition explained thoroughly.

And yet, on August 4, 1978, during the period covered by these memorandums, I find HEW dispensing the largest grant yet (\$422,995) with no evidence that questioned conditions had been rectified or properly explained. How do we account to heavily burdened taxpayers of this Nation for such wasteful if not fraudulent handling of funds by HEW?

My investigations have further revealed that SIFMES is not providing the services stipulated in the grant applications. They have apparently deliberately misstated the amounts and types of services provided in order to continue receiving Federal grant moneys. They have misled local officials regarding the nature of their services. They have apparently received moneys for which they cannot give an account. And they have had a deleterious effect on the quality and quantity of medicine in their service area.

Numerous discrepancies have been identified in descriptions submitted to HEW regarding the services SIFMES claims are being provided as compared to these same services as reported by local doctors, health officials, hospitals, and HEW's own internal reports. I have every reason to believe that HEW officials are not only aware of these discrepancies, but are possibly trying to cover them up. Our research has shown that my office was not given the complete HEW file as was requested. As a matter of fact, information vital in proving that there are serious problems in the SIFMES organization was apparently deliberately withheld from me in order to protect the joint interests of HEW staff members and SIFMES. Just last week (February 8, 1979) I again requested that HEW furnish the missing files, but the Seattle office now claims that some of those records have been lost.

Along this same line, I have also learned that one HEW grant specialist, who challenged the integrity of the SIFMES operation, who discovered information seriously questioning whether the grantee was complying with the required conditions of regulations and law, and who found that SIFMES had possibly deliberately inflated cost projections, was taken off of the SIFMES case (and later left HEW) even though other reviews confirmed his findings.

Among the disquieting elements which require immediate explanation and answer are the following:

1. How does HEW justify continuing a grant program in which—

(a) HEW itself questions the integrity of the program or its operators.

(b) HEW cites substantial evidence of administrative incompetence.

(c) There exists substantial overpricing in elements of the grant applicant's operation.

2. When a newspaper in the concerned area of Southeast Idaho began a series of articles raising the issues of competence and effectiveness of SIFMES, HEW quickly glossed the situation over by reporting to the newspaper that the problems are being corrected. However, there is serious questions regarding how one corrects a problem of integrity, one of the concerns spelled out.

3. A substantial part of one of the most recent grants by HEW to SIFMES consisted of approximately \$95,000.00 to be used for an adolescent health program. The grant application states that the area schools were to be the base of the program. The application also strongly implies pre-existing agreement by the schools to participate in the adolescent health program. Eleven months later, when my office asked the very schools listed by SIFMES as participants in the program, every single school denied that any consent had been given by the schools as of the time of my inquiry on February 7, 1979.

4. When my office sought the same information from the operator of the proposed program who initiated the meeting, copies of alleged consent letters by two of the schools were offered. The initial offer of corroboration was later withdrawn in circumstances which make it doubtful that the consent ever existed. Why is \$95,000 in the possession of this grantee not only without a program for it, but with little chance of the affected schools ever approving such a program.

5. The program in item 4 above was advertised to the community shorn of any controversial aspects. The grant application, however, carries specifics of the more controversial aspects of the program. The question arises whether HEW, or the SIFMES group, or both, are seeking, not so much to serve the people of Southeast Idaho, but to force upon them concepts and values foreign to their own. Is the Department of Health, Education and Welfare embarked on making grants based on the social views of the grantees without reference to competence or integrity, or even for family trust and individual morality?

6. Several of the directors of SIFMES, including its founder, are in the business of medicine as a profit-making venture. Since SIFMES was founded, its founder organized a profit-making medical corporation. SIFMES has contracted virtually all of its medical services with that profit-making medical corporation. The close relationship between SIFMES as a tax exempt organization and a profit-making operation run by SIFMES directors raises serious questions as to possible misuse of exempt status under the Internal Revenue Code.

7. HEW recently granted funds to SIFMES to provide a physician and physician's attendant in the American Falls clinic which is presently operated by SIFMES under a Kellogg grant. The HEW grant was ostensibly made to SIFMES to provide adequate medical care for the community involved. The grant was made at about the same time that the privately funded HSRI clinic in American Falls dismissed a physician because of a lack of need, and a study of statistics will show SIFMES services have not been increasing to cause this reduction.

8. HEW, on September 12, 1978, states that "It is still not clear how many (health) providers are being purchased by this grantee." During the three years of HEW's grant program, it had granted more than \$700,000 to SIFMES. However, it does not know at the end of the three year period what its grants purchased. This single example raises important questions of how the taxpayers'

money is being used. In addition to the apparent waste of tax money, does HEW's grant program influence other giving? Are CETA funds also paid to SIFMES at least in part as a result of the assumption that HEW knows what it is doing? In this case, even a private foundation granted a substantial sum, approximately \$200,000 in one community alone. Would they have given their money had they known HEW's doubts about the integrity, competency and even truthfulness of the grantee organization?

9. SIFMES has received grants to provide a mental health "linkage" program in spite of the fact that SIFMES has no psychiatrist. The grant was made over the strenuous objections of area psychiatrists.

10. There are several academic PhD's associated with SIFMES. Some sources allege that SIFMES patients see a person who is called a "doctor", but in truth the attending person is a PhD or a paramedic and not a physician.

11. According to HEW reports a large percentage of SIFMES patients are served by mid-level practitioners (PA's or nurses) and do not see physicians.

The overriding questions are:

(A) How funding can be achieved over the objections of key elements concerned or without their knowledge, particularly when controversial and even unacceptable programs are involved. For instance, how is it possible for HEW funds to be dispensed in the face of unanimous rejection by the involved medical society and what is the relationship of the council of governments to this process?

(B) How can funds be granted for a program such as adolescent health care which involves highly controversial aspects (such as birth control, abortion and venereal disease counselling with this so-called adolescent right to exclude parents in such matters), probably not acceptable to the areas proposed for inclusion and with no apparent evidence that necessary authorities in local governments and schools will cooperate?

Three years into the SIFMES program, two facts are evident:

(1) HEW does not know what it should know about its grantee's activities.

(2) SIFMES has not performed in accordance with its own assessments of the deficiencies in the local medical community.

Unfortunately, the SIFMES problem is not an isolated one, it seems to be scandalously common in HEW operations. For instance, I recently learned that yet another HEW grant has been awarded to the Idaho Migrant Council in two other cities in my district. This award was made over the strenuous objections of local and State health officials who considered the grant of nearly \$400,000 a duplication of existing medical services.

And there is no question, but that such an uncoordinated and unresponsive operation as here demonstrated by HEW could be subject to even more severe exploitation in those large population centers where far greater funding potential is available.

Given the number of problems evident even from HEW's own evaluation of SIFMES, I have contacted Secretary Joseph Califano and his Inspector General to insist that this agency immediately conduct an investigation into HEW funding of SIFMES and other like programs in Idaho and across the Nation and proceed to identify the full

scope of the moneys being dispensed to the grantee(s) concerned. A full and early explanation of HEW's apparent irresponsible, if not fraudulent, handling of Government grants was demanded along with their plans for corrective action and recovery of funds improperly dispensed.

The matter has also been referred to the General Accounting Office and other appropriate offices for their review. I would suggest that other Members of Congress with similar complaints or concerns ask for simultaneous review.●

"SUPPOSE THEY SENT A BILL AND NOBODY PAID?": A RESPONSE TO CONSUMER DEBT

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. CONYERS. Mr. Speaker, all kinds of consumer problems are affecting citizens. These range from obtaining adequate home and auto insurance, especially if you happen to live in inner-city neighborhoods, to obtaining mortgage money and paying for the rising costs of energy. Consumer debt is currently estimated at \$1 trillion, which includes both installment and mortgage debt (this amounts to 23 cents of the average person's take-home dollar that goes to payment on the debt).

A recent article, "Suppose They Sent a Bill and Nobody Paid?" written by Mark Sufrin that appeared in *In These Times* (Feb. 7-13, 1979 issue), provides a very cogent view of the growing use of personal bankruptcy as a means for dealing with debt. I recommend the following article to my colleagues:

SUPPOSE THEY SENT A BILL AND NOBODY PAID?
(By Mark Sufrin)

Once upon a time in the U.S., debt was something you were supposed to honor, and bankruptcy was a mark of personal failure and disgrace. "Today," says one lawyer, "things have improved. Personal bankruptcy is something like contracting a venereal disease—socially acceptable but nothing to brag about."

But some of the stigma remains. "There's nothing worse than what bankruptcy does to your pride," says Henry Roberts of Dallas. "It's not the fact that you can't buy nice things. It's that you're going against the whole moral teachings of the last 200 years."

"It means admitting in public," says Paul Walker of Los Angeles, "that I couldn't handle myself financially—something my All-American upbringing had taught me to have pride in. It also meant abandoning 20 years of a perfect credit record. The choice was agonizing. But in the end, I chose to go bankrupt—and it was the wisest thing I ever did. At first I was in a state of shock. Then I started to live again, with a free slate. For the first time in years I wasn't afraid, and that feeling overcame my guilt."

More and more, debt-ridden Americans are using this legal escape to rip off their creditors. The message is becoming increasingly clear to the public:

Anybody—anyone at all who does not

wish to pay his debts—any individual who yearns to start a spanking-clean economic life without owing a dime has only to walk into the nearest federal court and declare himself a personal bankrupt. He doesn't even need a lawyer (though it's advised); just the proper legal forms filled out plus a \$50 filing fee (payable in installments) wash all creditors out of his hair and all garnishes from his paycheck. And no one can stop him.

The message, of course, shakes the business-credit establishment. The American consumer public is into credit people for over one trillion dollars (that's a thousand billion dollars) on home mortgages, charge accounts, personal loans, installment credit, etc. And 10 percent of that stupendous sum owed is in nonrecoverable consumer goods and cash loans. In short, the credit people have 100 million bucks working the street and not a leg-breaker on the payroll. Who wouldn't get nervous?

"Bankruptcy is as American as apple pie," says one consumer advocate. "Hell, big business, movie stars, rock musicians, society people, everybody does it all the time, everybody but the poor slob who really needs it."

"Business, banks, and credit card and loan companies try to keep the whole idea of bankruptcy a secret. They put out the propaganda that personal bankruptcy is something to be ashamed of. But they wouldn't hesitate 15 seconds to go bankrupt if it meant making a profit. They grab credit too freely, and they just about say that bankruptcy is good for everyone but the consumer. Besides bad debts losses are tax deductible. The trouble is, information about personal bankruptcy for the average man has been a well-kept secret for too long."

It might be said that behind this silence is the fear that mass use of bankruptcy could wreck the economy of our country. Fortune magazine recently lamented:

"The fact that bankruptcy is getting to have a good name may be bizarre, but it's very much in tune with the times. In an age that holds society responsible for the misfortune of individuals, the personal bankrupt is no longer a failure, but an innocent victim whom the rest of us have an obligation to help. . . . Some people do go broke through no fault of their own, and they deserve help. But if Americans blithely assume that every case of bankruptcy is like that, the nation will find itself—well, bankrupt."

"That's a lot of baloney," says a Chicago lawyer who pleaded to remain anonymous. "People have been brainwashed that it's wrong not to pay their debts no matter what. I want everybody to know that you don't have to. And the U.S. Supreme Court in 1973 backed that up."

"The Bankruptcy Act," said the court "relieves the honest debtor from the weight of oppressive and often unfair indebtedness and permits him to start afresh, free from obligations and responsibilities. It gives the debtor a new chance in life and a clear field for the future, unhampered by the pressure and discouragement of pre-existing debt."

"Who are the personal bankrupts?" says Harold Lavien, a federal bankruptcy judge in Massachusetts. "In my court I've had secretaries making \$8,000 to people earning \$35,000 or more. They're people who are charge-accounted and loaned and mortgaged to their full earnings and somewhat over. And almost every personal bankruptcy usually has something that touches it off. Something has happened in the bankrupt's life—divorce, death, an accident, extensive hospitalization, loss of a job—you name it."

"The truth is that too often it's people who are innocent victims," says federal bankruptcy judge Emil Goldhaber of Philadelphia. "I'm amazed at how many people wind up in

bankruptcy court with no assets and with \$10,000 to \$15,000 in debt to lending institutions. I sometimes feel that people who come before my court have had credit jammed down their throat—and I don't blame them for going bankrupt."

"I can't punish myself," says bankrupt Jeff Neinrich of Indianapolis, "for debts to Master Charge and organizations like that, which are always running ads saying something like, 'Charge your way across the country.' That makes it possible for anyone in this country to live beyond their means. Basically, I did wrong. But the credit companies made it all too easy. They make you feel you can have anything you want."

"When you lose your job," says another personal bankrupt, "have a crisis in the family, or just can't keep up, when you owe X thousands of dollars and in the time it takes to mumble some legal mumbo jumbo your debt is suddenly gone, that's a mighty positive thing. It eliminates that despair, that sense you'll never get out from under. The feeling of relief is incredible."

The demand for information on bankruptcy is swelling with the rise in unemployment and the rate of inflation. Federal bankruptcy courts are jammed with their biggest caseloads in history. In the six months ended July 1978, more than 175,000 people filed for personal bankruptcy—an increase of 70,000 over the same period in the previous year. Most officials expect the situation to get much worse.

The credit establishment says that this costs them more than \$2 billion a year. But with the \$100 billion "working the street," the gross profit is still \$18 billion, which makes the loss of \$2 billion a tolerable business expense. Also: The rate of consumer borrowing is rising much faster than the rate of bankruptcies. And there are businessmen who, if given the choice between a key to the back door of Fort Knox and the charter to open a loan company, would take the loan charter every time.

If you're in debt over your head, bankruptcy is often the best—sometimes the only—way of getting a new start. Of course, after you do so, you will have to pay cash for everything for a while. Not too long though.

There are several reasons why bankruptcy won't hurt your credit rating in the long run. One is that you can only go bankrupt every seventh year. That figure seems to have originated in the Bible:

"If thou buy a Hebrew servant, six years shall he serve and in the seventh he shall go free." (Exodus 21:2)

"At the end of every seven years thou shalt make a release . . . every creditor that lendeth ought unto his neighbor shall release it, he shall not exact it of his neighbor, or of his brother, for it is the Lord's release." (Deuteronomy 15:2)

So once you file for bankruptcy, your creditors know that you can't escape via that route for another six years. They also know that bankruptcy probably wiped out most of your debts. Some companies have been known to solicit business from recent bankrupts. "I wasn't going to get caught by those vultures again," says one man. "I had to shut myself up in a room with no phones. I had to fight myself to beat off their temptations."

All debts are not wiped out by bankruptcy, however. The main classes of debts that you will still be responsible for even after going bankrupt are:

State and federal taxes (due within the last three years)

Fines and penalties arising out of criminal violations and traffic offenses

Child support

Alimony

Debts arising from willful or malicious acts

Debts incurred by fraud or false pretenses
Secured debts—home mortgages or payments due on your car

The bankruptcy court can also use all your assets to pay debts, except for the property exempted under each state's laws, and these can vary tremendously. Generally, most states will allow you to keep clothing, some cash, the tools of your trade, even basic transportation (like a ten-year-old car).

Any money you get after going bankrupt is exempt. If your Aunt Matilda heard you were in a bad way and laid \$100,000 on you the day after you filed, your creditors can't touch it. In addition, the federal government exempts Social Security payments, veterans benefits, and railroad and federal pensions, among others.

A lawyer's fee for a simple bankruptcy may run as high as \$350 or more. Too many lawyers recommend bankruptcy because it's the simplest and most lucrative way for them to handle their client's immediate problems, say Jan Slavicek, co-author with Robert Burger of *The Simplest Guide to Personal Bankruptcy*. But many experts feel the lawyers fee is well worth it. A good lawyer provides you with psychological as well as legal security.

A simple bankruptcy involving only a few debts and no complications, however, can be done on your own. In addition to the Slaiček-Burger book, another good one is *Wipe Out Your Debts and Make a Fresh Start*, by Jerome Neyers, who says, "A person continually paying out more than 20 percent of his income for past debts is fighting a losing battle and only prolongs the misery and inevitable financial disaster." Some consumer groups offer do-it-yourself bankruptcy kits for prices ranging from \$10 to \$50, depending on your financial state.

The aftermath can be an explosion of joy and relief. "It made me feel reborn," says a Chicago woman. "It removed feelings of guilt and anxiety that had crippled me for years."

Before filing for bankruptcy, it's perfectly legal to convert non-exempt assets into exempt assets. For example, you can take cash out of the bank and buy an insurance policy that names a child, wife, or dependent relative as the beneficiary.

Steven Prindle of Miami Beach, who goes into bankruptcy as often as the law allows, says, "People have to be shown that money has no shame! You can even make money by going bankrupt. Just before I file, I replace my two old cars with new ones. Now the old cars will be worth something to the creditors, no matter how beat up, because they're paid for. The new cars, however, they won't touch. They'd have to make the payments, and as soon as I drive the car, it's second-hand and drops \$500 in value, at least, so they'd be losing money on the deal. Of course, I don't list the chattel mortgages on the cars on the bankruptcy form. I make an exception and keep up those payments. Nobody can touch my new cars.

"Then," he continues, "I do friends a favor. I list them as creditors, that I owe them maybe \$5000 or \$10,000. That way they have a nice legal income tax deduction, and they owe me a favor. Usually they're people who can help me get my credit back. You have to wait a while, maybe a few months, maybe a year, but it's not too hard. Houses are easy to save if you plan it right. Also, you know that going into bankruptcy doesn't wash out taxes. Owe them as long as you can because then the feds put a lien on everything and that stops your creditors from throwing you into involuntary bankruptcy—hitting you before you hit them."

Asked if many of his stratagems aren't illegal and lawyers would refuse to use such

tactics, Prindle says: "What the hell do you think they get paid for? To fill out forms? They have classes on sex in school now; maybe soon they'll have the guts to teach the kids about money!"

There is something less traumatic than bankruptcy. It is called Chapter 13 (a heading in the federal bankruptcy law), or the Wage-Earner Plan. Under the plan, a debtor pays his creditors over a period of three years—provided the majority of creditors agree—under court supervision. If the debtor gets behind in his payments, he can still file for outright bankruptcy.

Chapter 13 has some big pluses: you keep your property, your creditors are paid, and your pride and credit reputation take less of a beating. The filing fee is \$15.

It also has some drawbacks. The debtor "is subject to the complete control of the court regarding the disposition of his income," notes author Jerome Meyers.

"The lawyers and courts try to talk people into Chapter 13," says Anyce Hutchinson, a consumer adviser in Fresno, Calif. "So you get payments strung out for years. They do everything to protect the creditors because the creditors are the big-business people who give the lawyers all their work. What can a poor bankrupt give them after he goes bankrupt?"

There are many, of course, who withstand the pressure and salivating creditors and work their way back from the brink of bankruptcy.

"If you can do it, fine," says Arnold Howell, a bankrupt. "Your Boy Scout credentials will be unsullied and probably look even brighter than before. But for those of us who couldn't or wouldn't hack it, it's the only way. Credit makes us like sheep, and it's difficult for a person to get over the feeling that he's getting something for nothing. Creditors know it—and thrive on it. Once in a while—for kicks—I fill out one of those credit card applications you see everywhere and drop it in a mailbox. It would be hilarious if someone actually sent me one. I wouldn't know what to do with it. Or would I?"

THIRTIETH ANNIVERSARY OF THE SENTENCING OF CARDINAL MINDSZENTY

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. HORTON. Mr. Speaker, a little more than 30 years ago, the Rakosi regime of Prime Minister Rakosi sentenced Joseph Cardinal Mindszenty to life in prison. Cardinal Mindszenty's only crime was his struggle to preserve the independence and integrity of his church and faith in post-war Hungary. His struggle paralleled those in the political arena that sought to establish a free and Democratic society in Hungary. Both noble causes suffered essentially the same fate—suppression by Hungarian and Soviet Communist forces.

Now, barely more than 30 years since Cardinal Mindszenty's sentencing, and 5 years since his removal by Pope Paul VI as Primate of Hungary, the situation confronting the church in Hungary is the same as it was in 1949. Neither the church nor the people of Hungary are

free from the heavy-handed state intrusion in their affairs. In fact, according to Cardinal Mindszenty's statement in February of 1974, the dioceses of Hungary are governed by a church administration created and controlled by the Communist regime.

On this, the 13th anniversary, several Hungarian organizations in the United States, such as the Hungarian Freedom Fighters Federation and the President of the Hungarian Catholic Priests' Association, have issued statements in respect of the memory of Cardinal Mindszenty. At the head of those groups participating in the anniversary commemoration is the Coordinating Committee of Hungarian Organizations in North America, chaired by Jozsef Kovago. He and Executive Secretary Istvan B. Gereben, have prepared a statement which I would like to insert into the CONGRESSIONAL RECORD. I strongly commend it to my colleagues. The text follows:

STATEMENT OF THE COORDINATING COMMITTEE OF HUNGARIAN ORGANIZATIONS IN NORTH AMERICA ON THE OCCASION OF THE 30TH ANNIVERSARY OF THE SENTENCING OF CARDINAL MINDSZENTY

Thirty years ago, on February 8, 1949, a special court of the Rakosi-led Communist reign of terror delivered a lifelong sentence for Jozsef Cardinal Mindszenty. The Prince Primate of Hungary was arrested on trumped up, false charges. During the long interrogation he endured extraordinary physical and psychological torture. The sentencing of Cardinal Mindszenty concluded the most notorious show trial of the Communist authorities in East-Central Europe.

On the occasion of the 30th anniversary of this act of infamy the Coordinating Committee of Hungarian Organizations in North America—compelled by a sense of duty to preserve the Hungarian past—calls upon all decent citizens of the World to pay tribute to the life, the sacrifice and the memory of Jozsef Cardinal Mindszenty, the Primate, the Hungarian, the Man, who was victorious in his defeat.

The gates of prison were slammed behind the heroic Prince Primate thirty years ago. His defense was that he fought for the Church, for his country and for freedom. He became a mere number in the Hungarian Gulag in which tens of thousands of decent Hungarians were detained, tortured, executed, all of whom shared a common commitment to fight against the Russian directed Communist take-over of Hungary. They all were convinced that the forceful push for a Communist dictatorship violated the Agreement of Yalta signed solemnly by the leaders of the Allied Powers, and which declared that after the war the citizens of the European countries would enjoy the right to freely elect the form of government in which they want to live. The Agreement of Yalta also promised the renewed enjoyment of sovereign rights by all nations of Europe.

The ink was still wet on the signed Agreement of Yalta, when in 1945, in the shadow of the occupying Red Army, the Hungarian nation, through free nationwide elections and with an overwhelming majority, decided to establish a western-style, free, multiple party, parliamentary form of government. This unqualified manifestation of the Hungarian people electrified the whole Western World. At the same time, it alarmed the Soviet Union. The Kremlin gave the free hand to its Moscow trained vassals—who controlled the Secret Police—to undermine the budding democratic system of the Hungarian government.

Shortly after the election attacks were waged against the Smallholders' Party, which obtained an absolute majority of the votes. Many thousands of Hungarians who opposed the Communists were tried by mock trials and disappeared in political prisons full with the cries of men tortured to death. In the shadow of Soviet bayonettes, the intimidated nation moved towards the national tragedy from which only the Western World could have saved her.

In February, 1947, Bela Kovacs, the brave, undaunted Secretary-General of the Smallholders' Party was arrested and abducted to the Soviet Union by a Russian commando unit. The members of the Parliament representing the majority party were unnerved by the Communists, those who protested were liquidated by the Moscow controlled Secret Police. The leaders of the Smallholders' Party were forced in exile.

At the end of 1947, the thugs of the Kremlin, who by now felt the smell of success, thought that a new national election would result in the victory of the Communist Party because the nation lost her faith in the weakened Smallholders' Party. But courageous politicians formed new liberal parties which had the trust and support of the people.

In the 1947 election the Hungarian nation, despite the Communist threats, with overwhelming majority again expressed her wish not to live in a Communist system. Unfortunately by now real power was in the hands of the Moscow supported Communists who declared the Sulyok, Pfeiffer, Barankovics led liberal parties illegal.

After the forced fusion of the Social Democratic Party into the Communist Party in 1948 there was only one obstacle left in the way of the Rakosi led reign of terror: a fearless, immaculate and determined man, Jozsef Cardinal Mindszenty.

The Masses celebrated by the Hungarian Prelate were attended by tens of thousands. The nation prayed and asked the Lord to give the ability to the apostolic Prince Primate to stop the Communists. Millions hoped that the thugs of Moscow would not dare to treat the supreme leader of the Hungarian Catholic Church as they treated the politicians. It was strongly assumed that the Western World would not tolerate the mistreatment of the Prince Primate. But the harsh reality was that God was banished from society by Moscow a long time ago. According to the rulers of the Kremlin people should march without God on the tears and blood soaked road of dialectic materialism. During this time in Washington a new policy, the policy of "containment" was established. This policy accepted the fall of East-central Europe in the sphere of Soviet interest.

Thus as the result of the shifting scenery on the stage of history the only role which remained for the heroic Prince Primate of Hungary was the role of suffering. He was arrested on December 26, 1948. His deplorable and unjust sentencing on February 8, 1949 represents a dark nadir of Hungarian history.

On this 30th anniversary, the Coordinating Committee of Hungarian Organizations in North America represents that we, as the community of free men, bow our heads in respect of the memory of the Hungarian Prince Primate, who surely continues to pray for the withdrawal of the Soviet Union from Hungary, for the reestablishment of the sovereignty of his country, for the freedom of his nation.

Let's bear in mind that the true cause of the suffering of the Hungarian nation is Soviet domination over Hungary. ●

THE FUTURE OF AN AGING AMERICA

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. BIAGGI. Mr. Speaker, recently the New York Sunday Times ran an interesting article discussing perhaps the most important demographic fact for the present and future—America as a people is growing older.

The article written by Steven Roberts parallels much of what the Subcommittee on Human Services of the House Select Committee on Aging has been researching in its series of hearings on the future of aging. As chairman of the subcommittee I can assure my colleagues that future policy in this Nation will have to be more receptive to a growing elderly population.

My subcommittee in its work has held five hearings on all aspects of the political, social, and economic implication of an aging society with the last hearings conducted in California to assess the impact of proposition 13 on services to the elderly. Presently a report is being written which will not only summarize the main points of the hearings, but will offer a number of policy recommendations for the future.

The distinction between the young old and old old offered by Mr. Roberts is extremely important to understanding the future of aging. While the overall over 65 population is expected to increase dramatically during the balance of this century, the fastest growing group will be the 75 and over group, the so-called frail elderly who will demand a great deal of the future health and social service dollar. Therefore, it is essential that we begin to plan to develop more comprehensive services for this element. In addition we should provide for more realistic service programs for the remaining elderly population so we are not giving what is not needed.

The issues presented in this article are real and deserve very close attention. The House Select Committee on Aging will continue to focus its attention on this important phenomenon and the upcoming report on the future of aging will present additional consideration of this matter.

The article entitled the "Old Become Both Older and Younger" follows:

THE OLD BECOME BOTH OLDER AND YOUNGER
(By Steven V. Roberts)

WASHINGTON.—Just before the Carter budget was published last week, it still contained a surprising proposal. It suggested raising the minimum age for receiving Social Security from 62 to 65. At the last moment the idea was deleted for further study, but the President did propose reductions in Social Security benefits.

The changes reflect a growing debate over how long people should work, when they should retire and how they age. The possible answers to these social questions range widely, but the basic facts of life, and death, are incontrovertible.

Old people are no longer a small, homogeneous group. They can now be divided into

the "young old," who are between 65 and 75, and the "old old," who are over 75 and represent one of the faster-growing segments of the entire population.

"In effect, we are adding a whole new generation of living people," said Robert Benedict, the United States Commissioner on Aging. "It's a social achievement, not a deficit."

But as President Carter's budget indicates, this "social achievement" also involves sizable costs. While Americans are living longer, they are retiring earlier. A generation ago there were nine workers for every retired person; today there are six, and in 50 years there will be only three. This shift has caused a phenomenon known as "the graying of the Federal budget." Now, about one-quarter of all Federal expenditures go to the elderly, but in 2030 the share will rise to 40 percent. Who is going to pay the bill?

"Both 'young' and 'old' elderly may increase pressure on public and private sources of income," said Robert J. Samuelson, a writer on economics, in the National Journal, a Washington weekly that analyzes Government affairs. "More and more, the young elderly expect that their retirement income—mainly Social Security and private pensions—will keep them living at their preretirement standard of living. As for the old elderly, they require increasing public support."

When Social Security was adopted, average life expectancy at birth was 63 years, but today it is 69 for men and 77 for women. More importantly, life expectancy at age 65 has jumped sharply, to 18 years for women and 14 for men. For anyone who lives to retirement age, the post-working years are likely to last as long as childhood, if not longer. Some families already contain two generations of elderly persons, a great strain on any budget.

The differences between the young and old elderly are not just chronological. Chronic illnesses, debilitating injuries and loss of sensory perception rise steeply after age 75. Only 12 persons out of 1,000 in the 65-to-74 age group live in nursing homes, but the figure rises to 59 in the 75-to-84 range and to 237 above age 85.

These stages raise important questions of public policy. For example, how old is old? Or put another way, at what age does a person become dependent?

Ironically, while Americans are living longer, they are retiring earlier. More than 50 percent of Social Security recipients begin receiving benefits at age 62, and some private pension schemes allow retirement at 55 or earlier. Many experts agree with Robert M. Ball, a former Social Security commissioner, who called this trend "bad public policy." To these experts, 62 or even 65 is an arbitrary retirement age, based on medical assumptions that are no longer valid. Ways should be found, it is argued, to keep the "young old" in the work force.

One proposal is to raise the retirement age under Social Security, and President Carter's advisers were pushing him to back the idea this year. For political reasons, any change would probably apply only to new workers, so the rules of the game have to be changed now, goes the argument, to affect the budget 50 years from now. But it is sometimes objected that raising the age would hurt the sick and the unskilled, and that workers should be encouraged to put off retirement. One inducement is the legislation adopted last year giving workers a 3 percent bonus in Social Security payments for every year they stay on the job after 65.

Another idea is to end the sharp break between work and leisure, allowing workers to ease gradually into retirement. More flexible work hours, part-time work and second careers could keep senior citizens more productive for longer. Before this can happen, how-

ever, employers must rethink their stereotypes about the capacities of older workers. "As long as we continue to see old people as inept," warns Jack Ossofsky, executive director of the National Council of the Aging, "we won't open opportunities for them."

When it comes to social services, senior citizens are still usually considered a single group. But many "young" oldsters need only occasional help—a ride to the store, say, or legal advice about pension rights. There is often no middle ground between a private apartment or a nursing home. But experts say that many elderly could remain independent with group living arrangements or with the expansion of "day-care" services. Even many bedridden patients could be cared for in their own homes, yet medical insurance plans seldom pay for home-based care.

The demographic shift will affect almost every profession. In medicine, for example, more research is needed on the health troubles of the "old old," ranging from senility to hip fractures. Architects need to devise new ways to house the aged, while the legal problems of the elderly represent a growth industry in the law. In politics, the "gray power" lobby is showing considerable muscle.

With more retired workers living longer, public and private pension funds are faced with huge, unfunded liabilities. At the same time, two-thirds of the "old old" are women, many of them widowed and unprotected by their late husbands' pension plans.

The "new generation" of elderly Americans also presents opportunities. For the first time, most people will know their grandparents, and even their great-grandparents, into adulthood. With the gift of time, and good health, older people now have more of a chance to change jobs, learn new skills, take up new interests. Life—or an important part of it—really begins after 60.●

CONSTITUTIONAL AMENDMENTS TO BALANCE THE FEDERAL BUDGET

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. GIAIMO. Mr. Speaker, the 96th Congress is receiving, and will continue to receive, substantial pressure to join the "Balanced-Budget Drive" which is taking place in many States. The immediate objective of this movement is to urge Congress to call a constitutional convention to pass an amendment to require that the Federal budget be balanced. Enough Members have asked my views regarding these proposals to prompt me to share my thoughts with all Members of the House.

Let me first make a distinction between the concept of a balanced Federal budget and a constitutional amendment to require a balanced Federal budget. First, I know of no Congressman who likes budget deficits. We all support the concept of a balanced budget and we are working hard to achieve that goal. Last fall, for example, while we were not as successful as we hoped we would be, Congress passed a budget resolution which contained the lowest deficit in the past 5 years. We are moving in the right direction and in a deliberative manner which takes into account national economic conditions.

But while I support balancing the Fed-

eral budget, I am wary of tampering with our Constitution to accomplish that objective. I am very suspicious of what appears to be a "quick-fix" for what are extremely complicated fiscal problems.

Initially, we must remind ourselves that the Federal Government is not a State and does not manage its fiscal and financial affairs like a State. No State budget is an economic policy document. No single State's budget transaction, or for that matter all the States combined, has the same kind of effect on economic trends and conditions as has the Federal budget. No State is responsible for providing for our national defense or aid to State governments.

Aside from the substantial legal questions involved, we need to know a great deal more about the fiscal impact of the constitutional amendments being proposed. We should know what the long-term as well as short-term effects will be before we jump on this bandwagon. We need to remember the important role Federal stimulus programs play when our economy is weak and the delicate relationship between the economy and the Federal budget. Three years ago, the Joint Economic Committee summarized this very well:

The Federal deficit is the result of economic conditions as well as tax and spending policy. For example, if the rate of inflation is high causing money income to rise, people will be pushed into higher tax brackets and Federal tax receipts will rise. If the economy is depressed so that personal income and profits decline, then Federal tax receipts also decline. If the unemployment rate is high, Federal spending for unemployment compensation and other income support programs will rise. In order to assess the consequences of a deficit, we must consider the state of the economy at the time the deficit occurs.

We need to examine what constitutes the term "balanced-budget" as it is used by the States and as it is used in the various proposed constitutional amendments. Some experts have claimed that if the Federal Government used the same accounting approaches as most States use, the current Federal budget would be close to being balanced rather than showing a deficit of almost \$40 billion. The National Governors' Association has been quoted as saying that "although State governments operate on balanced general fund budgets, they may still incur debt by borrowing funds through the bond market and spending the borrowed funds through separate capital budgets." If we are to imitate the States in this way, we need to analyze the impact of establishing a separate capital budget at the Federal level. Will moving major Federal borrowing programs out of the traditional Federal budget result in Congress losing budgetary control of these activities?

Also, shifting activities from one Federal budget to another could inevitably lead to budget gimmickry. Ingenious Federal officials could quickly discover ways to subvert the whole purpose of the amendment. If this occurred, the result could be a mockery of our Constitution.

Finally, we also need to examine the effect of such a constitutional requirement on Federal programs. A constitutional amendment could place the Con-

gress and the President in a fiscal straitjacket. For example, if the economy became weak and Federal revenues were low, necessary Federal stimulus programs might be impossible. If stimulus programs became necessary, severe budgetary reductions would have to be made in other areas of the budget or taxes would have to be raised. Severe budget cuts would undoubtedly have disastrous effects on the financial stability of State and local governments. For example, recently, the Treasury Department reported that Federal aid to State and local governments has increased 50 percent in the period from 1975 to 1978. This support is currently estimated to be about \$83 billion and has been one of the fastest growing parts of the Federal budget. The irony is that the improved conditions at the State level—where significant pressure for a constitutional amendment is growing—is due in part to this large increase in Federal support.

These are some of the concerns that lead to my apprehension. We must face the economic reality that the reasons for budget deficits will not disappear by commanding that the Government spend only as much as it receives in revenues. Revenues rise or fall as the economy rises and falls, and a drastic cut in spending when real output is falling would only succeed in driving the economy down into a recession. That bitter lesson was learned nearly 50 years ago.

But while I do not think that the current proposals are good ideas, Congress cannot ignore them. They should receive their day in court. But as we debate these proposals, we should have as much and the best information that we can obtain. I intend to recommend that the House Budget Committee closely examine the approaches currently being proposed to determine their economic and budgetary impacts. I will recommend the committee solicit the views of our country's leading economists and constitutional scholars for their views on this important subject. When available, I intend to share these views with the House.●

ARIZONA STATE HOUSE REAFFIRMS
SECOND AMENDMENT

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. RUDD. Mr. Speaker, I am pleased to bring to the attention of the House a memorial unanimously passed by the Arizona House of Representatives, urging the Congress to oppose any legislation or regulations which would in any way restrict the constitutional right to keep and bear arms.

I have noticed that often in the discussion of gun ownership, attention seems to concentrate on the negative aspects of guns, without a balancing focus on the beneficial results of personal protection and safety which arise from the private ownership of firearms.

I believe that the members of the Arizona House of Representatives have reflected in their memorial many of the

positive aspects which result from the second amendment.

CRIME PREVENTION

Probably the most cogent point raised by the legislators is the observation that—

Crime statistics only cover the use of firearms in crimes, and do not disclose the many instances where the lawful possession or use of firearms for defense have prevented crimes.

Recently, an organization called Handgun Control, Inc., sent to Members of Congress news clippings from our districts purporting to show numerous abuses of firearms in general, and handguns in particular. What this antigun lobby and other gun control groups neglect to point out is that the overwhelming majority of American gunowners are not causing any problems or disturbances by the personal ownership of their firearms.

In my view, it is a total misunderstanding of the facts to assume that gun-related crimes are committed by "typical" gun owners, and that elimination of guns will result in the end or even reduction of crime.

Of course, the peaceful, law abiding majority of gun owners do not make as sensational a story as the comparatively small, but more "interesting" instances of gun abuse. Nonetheless, the statistics clearly reveal that only a very small percentage of the population misuse firearms, despite the heavy publicity which such tragic instances attract.

SELF-DEFENSE

My fellow Arizonans have wisely pointed out:

The handgun is the most effective weapon for self-defense, and its mere possession frequently is sufficient to repel an invader or attacker.

What we would see should there ever be Federal handgun restrictions would be increases in crime, not the decreases which gun control advocates envision. For gun ownership restrictions would remove the deterrent to criminals, and would not prevent the unlawful from continuing to perpetrate crime against a defenseless citizenry.

The Arizona House noted, quite accurately, I believe, that despite the best-intentioned motives, restriction or elimination of gun ownership "would not prevent the acquisition of weapons by criminals or their misuse by criminals." No one has ever satisfactorily explained to me, Mr. Speaker, why we are to expect that the criminal element in our society would obey Federal gun control legislation when criminals do not now obey other statutes.

ARIZONA'S MANDATORY SENTENCING

I should point out, of course, that Arizona legislators are concerned, as am I, about the misuse of guns. They have adopted a course which I believe to be wise and prudent, and an approach which I believe the Congress should seriously consider.

The State of Arizona requires mandatory sentences for certain crimes in which guns are used. If, as gun control advocates claim, their aim is truly to stop

the criminal use of handguns, the Arizona method seems to me the realistic approach to adopt at the national level as well.

Our Nation's laws should punish those who misuse firearms, not adopt a guilt-by-association philosophy which punishes the innocent as well as the guilty.

I might add that Arizona crime statistics indicate a substantial reduction in the incidence of gun-related crimes since the implementation of this law in 1975. I believe the experience in Arizona warrants consideration of the adoption of this approach in Federal statutes.

I do not believe that we need to waste the law enforcement resources of our Nation on the registration, control, or confiscation of firearms, which would likely have counterproductive results, as I have indicated. In my view, this would be a terribly misdirected approach.

NO FEDERAL GUN REGISTRATION

Mr. Speaker, I am pleased to report to the House that the Treasury Department has advised me that no attempt will be made to implement a nationwide Federal firearms registration system, such as was attempted in 1978.

As you know, last year the Bureau of Alcohol, Tobacco, and Firearms attempted such sweeping proposals without consulting or obtaining the approval of Congress. This "back door" approach was an attempt to circumvent the will of the Congress and the American people.

I have been concerned that the Federal bureaucracy might attempt another such proposal again this year. I asked Treasury Secretary Michael Blumenthal about his Department's intentions on this matter when he appeared last month before the House Appropriation Committee, of which I am a member. The answer I received from the Treasury Department is as follows:

There are absolutely no funds in the FY 1980 budget to implement the firearms regulations proposed by BATF in 1978. A final decision on whether to withdraw the regulations or propose a new modified version has not been made. Consistent with Secretary Blumenthal's commitment to Congress last summer, if any new proposal for regulations is made, it will be accompanied by a separate request to Congress for implementation funds. Therefore, there is no intention whatsoever to reprogram any funds to implement such regulations.

I believe, Mr. Speaker, that our Federal law enforcement agencies, including the BATF, should concentrate on the apprehension of those citizens who have abused handgun ownership through illegal and criminal means, in addition to other effective crime control measures. They should not work to disarm the American public.

Mr. Speaker, I include the memorial of the Arizona House of Representatives in the RECORD at this point:

HOUSE MEMORIAL 2001

A memorial urging the President and the Congress of the United States to oppose any further sport or self defense weapons control proposals for Federal legislation or regulation

To the President and the Congress of the United States of America: Your memorialist respectfully represents:

Whereas, defense of one's person against assault by another is a natural right recognized by every generation; and

Whereas, every individual's right to the possession of adequate weapons for his defense or the defense of his home and family is essential to the protection of this natural right; and

Whereas, the Bill of Rights of the Constitution of the United States and Article II, Section 26 of the Constitution of Arizona guarantee to their citizens the right to keep and bear arms; and

Whereas, the handgun is the most effective weapon for self defense, and its mere possession frequently is sufficient to repel an invader or attacker; and

Whereas, crime statistics only cover the use of firearms in crimes, and do not disclose the many instances where the lawful possession or use of firearms for defense have prevented crimes; and

Whereas, handgun control legislation would deny a citizen the right to obtain weapons for self defense, but would not prevent the acquisition of weapons by criminals or their misuse by criminals; and

Whereas, there currently are adequate laws to punish criminals for the misuse of firearms in crimes if properly enforced.

Wherefore your memorialist, the House of Representatives of the State of Arizona pray:

1. That the President and the Congress of the United States take those steps necessary for the proper enforcement and judicial punishment of criminals, rather than enact further legislation or allow rules and regulations by government agencies which would curtail the right of honest citizens to acquire weapons for sport or self defense.

2. That the Secretary of state of the State of Arizona transmit a copy of this Memorial to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives of the United States and to each Member of the Arizona Congressional Delegation. ●

ELDERLY VICTIMS OF CRIME

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. BIAGGI. Mr. Speaker, Michael Daly, a reporter for the New York Daily News, recently wrote a three-part series of articles dealing with a tragic situation that merits prompt congressional attention. I am referring to the fact that an estimated 100,000 elderly citizens, in New York City alone, have become prisoners in their own homes due to the fear of being victimized by crime.

As New York's ranking member on the House Select Committee on Aging, I intend to do everything possible to insure that this matter receives the high priority that it deserves. I wish to urge my fellow colleagues to join me in initiating and supporting effective measures necessary to correct this problem.

Mr. Speaker, at this time, I would like to extend my wholehearted praise to Mr. Daly for bringing this matter to the public's attention. The following is the final article of this series—the first two of which appeared in the January 31 and February 8 RECORD, respectively:

JENNIE'S 120 DAYS OF HARD TIME

PRISONER OF FEAR

Police estimate that the fear of being robbed, raped or murdered keeps 100,000 older persons here virtual prisoners in their homes. Newsman Michael Daly spent three days recently with one of those prisoners in her Coney Island apartment. He recorded the events and emotions of Jennie Kelly's 120th day in her "jail" in this diary of fear.

(By Michael Daly)

The Westinghouse alarm clock pounds at the stillness in Jennie Kelly's two rooms like 120th day of her incarceration in her two-room Coney Island apartment.

It is 7:30 a.m.

As the alarm sputters and finally dies out, the 83-year-old widow sits up in the bed and begins her morning callisthenics. Holding her arms straight out in front of her, Jennie cocks her elbows, bringing her hands back to her shoulders. This is the warmup exercise Jennie learned from the girl's basketball coach at Brooklyn's Erasmus Hall High School in 1911, 67 years before the three muggings that left her too afraid to venture beyond her doorstep, more than half a century before anyone could imagine that in a city which bills itself as the most cosmopolitan, elderly people would serve life sentences in their own homes.

As she repeats the exercise, Jennie recites the lines of Milton's "Paradise Lost" she memorized for her senior year's English exam.

"LOSS OF EDEN"

"Of man's first disobedience and the fruit of that forbidden tree whose mortal taste brought death into all the world and all our woe with loss of Eden until one greater man restoreth and regain the blissful seat, sing heavenly muse."

It is 7:15 a.m.

"I don't think the exercise was really a warmup, Jennie tells you as you walk into the room. "I think it was a bust developer. It doesn't do much for my bust, but it gets me going in the morning. If I just sat here and asked myself why I should get out of bed, I would probably just lie here and die. Exercise is a way of getting going without thinking about it."

Holding the collar of her brown robe around her throat, Jennie walks the 14 steps to the bathroom, stopping once to cough, and again to catch her breath. Standing at the sink, she cups a small mound of salt in her left hand. Wetting her right, index finger, she curls back her lips and rubs the salt on her teeth.

HER REAL TEETH

"They're all real," Jennie says after rinsing her mouth. "The teeth."

It is 7:40 a.m.

Repeating the lines from Milton, Jennie starts to make the bed, tucking the sheets and blankets into precise hospital corners. "My mother was a nurse," Jennie says, "and I've been making a bed the same way for maybe 80 years. As long as I make the bed, I know I'm okay, I know I still have my spirit."

It is 7:58 a.m.

Leading you into the kitchen, Jennie returns to the bedroom and closes the door. Twenty-three minutes later, the door knob rattles.

"NOBODY WOULD HEAR"

"Help me with the door, it's stuck," Jennie says, knocking on the wood with her knuckles.

"I never close it when I'm alone," Jennie says after you force the door open. "It could kill me I could be stuck in there and nobody would hear me and I would die."

Smoothing her hair, Jennie walks into the kitchen. She is wearing a loose-fitting red velveteen dress. From her neck hangs a

string of pearls. The edges of her high-heeled patent leather shoes cut into her swollen feet.

"I always dress on Sundays," Jennie says. It is 8:30 a.m.

Moving to the kitchen window, Jennie takes down the stack of beer cans that serves as her burglar alarm.

"It's hot in here," she says. Spreading her feet bends her knees and presses her palms against the window frame. Her face turns red with the strain as the window cracks, opening an inch. Bending down, Jennie takes a deep breath of the air seeping through the crack.

REPAIRS WALLPAPER

Taking a roll of cellophane tape out of the counter drawer, Jennie inspects a peeling strip of wallpaper behind the steam pipe in the corner. As she pressed the tape on the wallpaper, her knuckles brush against the pipe.

"Ouch," Jennie says, shaking her hand, "that's hot." She puts four more strips of tape in the corner, burning her knuckles three times.

"That's done," Jennie says.

It is 9:11 a.m.

As Jennie sits down at the kitchen table, footsteps pound up the stairwell, pass the door of her third-floor apartment, and continue up the next flight of stairs.

"That's Junior," Jennie tells you.

"How do you know?" she is asked.

LIKE A HOSPITAL

"I learned the sound he makes on the stairs and I heard somebody shout to him once when he was running by my door," Jennie says. "He's on his way to the roof. I think he keeps birds, but I'm not sure. His family just moved in three weeks ago, after I stopped going out. He has a sister, I think, maybe two sisters. I can always tell the difference between him and my nephew coming up the stairs."

"Do you look forward to seeing your nephew?" Jennie is asked.

"Not really," she answers. "It's like you're in the hospital and somebody's coming to visit you. Here, you sit here, and I'll pretend I'm the nephew and you'll see what it's like."

Her high heels clicking on the linoleum, she walks to the front door.

"Don't be afraid," she calls. "It's me, the nephew."

Walking up to you, Jennie pats you on the head.

"How are you getting along?" she says, lowering her voice. "How is your health? Here's the groceries. Are you feeling well? That's good. You sure you don't want to move to a home? It's not good for you being locked up in here. Are you feeling well? That's good. Well, I've got to run."

"That's what it's like," Jennie tells you. "Just like the hospital. They don't talk to you about the news or their friends, the things they talk to most people about. All they talk about is your condition. And nothing else."

It is 10:28 a.m.

LIKE POTATOES

Rust coughs out of the pipes when Jennie turns on the kitchen spigot. Waiting for the water to clear, Jennie fills a stainless steel pot and lights a front stove burner. Taking two small potatoes out of the paper bag on top of the refrigerator, Jennie spreads a sheet of newspaper on the table.

"I don't like to eat much more than potatoes," Jennie says as she peels the skins. "Some tuna, but mainly the potatoes. With salt which isn't good for me."

When the water comes to a boil, Jennie stands up and drops the two potatoes into the pot. Careful not to spray water on her dress, she washes her hands.

"I miss the french fries at Nathan's," Jennie says, drying her hands on a towel with "Manhattan Beach Hotel" emblazoned across the middle. "Not so much that, I guess, as going to Nathan's for french fries."

NOT AFRAID OF DYING

"Are you ever tempted to risk it?" Jennie is asked.

"Sometimes," Jennie says, "but then I get afraid. I'm not so much afraid of dying as of how I die. It's hard to explain, the difference is."

"Is it something like missing going to Nathan's for the fries more than just having the fries?" Jennie is asked.

"Something like that. I suppose," says Jennie. "The last time it happened to me, I was knocked to the floor and I thought I was going to be murdered. After all my life I just didn't want to be murdered on the floor. I suppose it's crazy."

It is 11:15 a.m.

"I'M SAVING MYSELF"

Panging the bottom of the shaker with the back of her hand, Jennie coats the potatoes with salt. Grabbing a fork, she breaks off a small piece, blows on it gently, and places it in her mouth.

"I could risk it," Jennie says. "I could go out every day and maybe nothing could happen to me. But things have happened to me and I know they could happen again. I've done what I need to do. Why should I risk it, as you say. I don't even really want visitors. I'm saving myself for the time when it's really time for me to go. Not when somebody wants to murder me."

"What do you mean by saving yourself?" Jennie is asked.

"Like I saved myself for my husband until we were married," Jennie says. "The potatoes are good." ●

A SALUTE TO LYNN SINGER—
WOMAN OF THE YEAR

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

● Mr. AMBRO. Mr. Speaker, on Saturday, February 24, the East Meadow Chamber of Commerce will honor a very great and gracious lady—Lynn Singer—as the Woman of the Year.

Lynn, as all Long Islanders know, is the president of the Long Island Committee for Soviet Jewry. In this position, she has literally devoted the last 8 years of her life to insuring the well-being and the freedom of millions of Soviet Jews held under virtual house arrest by a repressive dictatorship. Making her own considerable financial contribution to the cause she so deeply believes in, Lynn has made countless visits to the Soviet Union to obtain a firsthand view of the situation facing Jews there. Armed with this knowledge and with an unquenchable dedication and unflagging energy, she has made hundreds of trips to Washington: To my office, to the offices of my congressional and Senate colleagues from many States, and to the offices of the State Depart-

ment. Her mission has been simple and urgent: To acquaint all of us with the brutal treatment—the harassment, the unjust and lengthy prison sentences—accorded those whose only crime is being Jewish and wanting to join their families in Israel.

Through her efforts, many of us have adopted "Prisoners-of-Conscience", writing to those serving prison sentences for a variety of manufactured charges stemming from their desire for exit visas, and to Soviet Government and penal authorities to assure their well-being—such as it is—while serving their harsh sentences.

She has also put us in contact with many of the "refusnik" families—those who have been refused exit permits, but are subsequently subject to all kinds of harassment, both physical and emotional, for years to come. She has forged a human chain stretching from this country to the towns and cities of the Soviet Union; a chain of concern and courage that serves as a lifeline of hope to those caught in the web of Soviet tyranny.

In addition to tending the flickering flame of freedom for the "refusniks" and the "Prisoners-of-Conscience," Lynn has, through her untiring efforts, been single-handedly responsible for the successful emigration of scores of Soviet Jews to the free world. She is truly a champion of human rights and a humanitarian in every sense of that word.

Mr. Speaker, I have known Lynn Singer for 4 years, and in that time, I have come to regard her as a confidant and valued adviser on a subject about which I share her passion, and as a dear friend. If ever there was a Woman of this or any Year, there could not be a finer choice than Lynn Singer. ●

TRIBUTE TO JUDGE ROBERT J.
O'NEAL

HON. GILLIS W. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 21, 1979

O Mr. LONG of Louisiana. Mr. Speaker, this past summer, Judge Robert J. O'Neal, one of the Nation's finest jurists and most dedicated civic leaders, passed away at the age of 90. Judge O'Neal touched the lives of all who knew him in a very special way, and I am certain the deep sense of personal loss felt by his family is shared by his friends and peers in the Shreveport community. I would like to take this opportunity to share with my distinguished colleagues a resolution which was adopted by the Shreveport Bar Association as a tribute to the life and career of this remarkable gentleman. The resolution follows:

IN MEMORIAM: JUDGE ROBERT J. O'NEAL,
SEPTEMBER 27, 1887 TO AUGUST 24, 1978

We, the undersigned committee, designated by the President of the Shreveport Bar

Association to prepare and submit the resolution to the memory of the late Robert J. O'Neal, Judge of the First Judicial District Court, submit the following:

Robert J. O'Neal was born in Choudrant, Lincoln Parish, Louisiana, on September 27, 1887, the son of Robert D. and Maude Kelly O'Neal. He was educated at Northwestern State University and studied law in the office of a district judge in Vernon Parish. Judge O'Neal was admitted to the Louisiana Bar in 1911.

He served as City Clerk and City Attorney in Leesville and DeRidder, Louisiana. In 1928 he moved to Shreveport and became a member of the law firm of Long, Fields & O'Neal. From 1928 until 1936 he served as Attorney for the Tax Collector of Caddo Parish and was an Assistant State Attorney General, representing the Department of Revenue.

He became District Judge of the First Judicial District Court in 1936 and served in that capacity continuously until his retirement in 1961.

Long ago it was said by Socrates that four things belong to a judge; to hear courteously, to answer wisely, to consider soberly and to decide impartially. All of these belonged to Judge O'Neal.

The dignified manner in which he conducted the court, his sense of honor and integrity in all matters, his high standard of ethics and kindness in his relations with lawyers, litigants and witnesses were also among his outstanding qualities as a judge. The people of Caddo Parish recognized him as an outstanding jurist, and therefore he was continuously re-elected without opposition.

Judge O'Neal was a member of all Masonic bodies from first to seventh degree in York Rite, 32nd degree in Scottish Rite and El Karubah Shrine.

Judge O'Neal's services to his fellow man were not restricted to his judicial functions. He was a leader and an active participant in all work of the Methodist Church, including service on the Board of Trustees of his local churches in DeRidder and Shreveport, lay leader in the Shreveport District and Treasurer of the Louisiana Conference. He also served as Chairman of the Boards of the Salvation Army and the Association for the Blind in Shreveport.

We of the Shreveport Bar who had the privilege of practicing before him shall always remember the consideration and courtesy he showed to counsel, litigants and witnesses in the course of a trial.

Judge Robert J. O'Neal is survived by two daughters, Mrs. Stuart DeLee of Shreveport, Louisiana, and Mrs. M. Miles Snider of Homer, Louisiana.

Now, therefore, be it resolved that we, of the Shreveport Bar Association, do hereby express our deep admiration and respect for the late Judge Robert J. O'Neal, whose ideals and standards of honor and justice are worthy of emulation by every member of the Bench and Bar.

Be it further resolved that we extend to the members of his family our sincere and heartfelt sympathy in his death, and that a copy of this resolution be spread upon the minutes of the First Judicial District Court as a final tribute to his outstanding public service to his community and state.

Be it further resolved that a copy of this Memorial be delivered to the immediate members of his family.

ROBERT ROBERTS, JR.,
CHARLES L. MAYER,
JOHN R. PLEASANT,
Chairman.

(Read and adopted at Memorial Exercises Monday, October 16, 1978.) ●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure until the computerization of this information becomes operational the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, February 22, 1979, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 23

- 9:00 a.m.
 Agriculture, Nutrition, and Forestry
 Nutrition Subcommittee
 To resume hearings on the nutritional information contained on food labels.
 322 Russell Building
- Human Resources
 Alcoholism and Drug Abuse Subcommittee
 To hold hearings on the impact of the President's budget proposals for alcoholism programs, and on proposed legislation to deal with alcoholism.
 4232 Dirksen Building
- 10:00 a.m.
 Banking, Housing, and Urban Affairs
 To resume oversight hearings on present U.S. monetary policies.
 5302 Dirksen Building
- Commerce, Science, and Transportation
 To hold hearings on the nominations of Jesse Hill, Jr., of Georgia, and Joan Fleischmann Tobin, of the District of Columbia, each to be a Member of the Board of Directors of the Communications Satellite Corporation, and Anne P. Jones, of Massachusetts, to be a Member of the Federal Communications Commission.
 235 Russell Building
- Joint Economic
 To receive testimony from Advisor to the President on Inflation Kahn on the state of the U.S. economy.
 1202 Dirksen Building
- 10:30 a.m.
 Appropriations
 Labor-HEW Subcommittee
 To hear Secretary Marshall on proposed budget estimates for fiscal year 1980 for the Department of Labor.
 S-128, Capitol
- 1:00 p.m.
 Foreign Relations
 To receive testimony from Deputy Secretary of State Christopher on proposed FY 1980 authorizations for foreign assistance programs.
 4221 Dirksen Building

FEBRUARY 26

- 9:00 a.m.
 Commerce, Science, and Transportation
 To hold hearings on the nomination of Gordon Vickery, of Washington, to be Administrator of the U.S. Fire Administration, to be followed by hearings on proposed legislation authorizing funds for programs administered by the Federal Fire Prevention and Control Act (P.L. 93-498).
 5110 Dirksen Building
- Human Resources
 Alcoholism and Drug Abuse Subcommittee
 To continue hearings on the impact of the President's budget proposals for alcoholism programs, and on proposed legislation to deal with alcoholism.
 4232 Dirksen Building
- 10:00 a.m.
 Banking, Housing, and Urban Affairs
 To hold hearings on S. 85, proposed Monetary Policy Improvement Act.
 5302 Dirksen Building
- Commerce, Science, and Transportation
 To hold hearings on the objectives that a national policy on tourism should seek to achieve.
 235 Russell Building
- Environment and Public Works
 Environmental Pollution Subcommittee
 To hold hearings on Executive Office involvement in the development of environmental regulations.
 4200 Dirksen Building
- 2:00 p.m.
 Appropriations
 State, Justice, Commerce, and the Judiciary Subcommittee
 To hold hearings on proposed budget estimates for FY 1980 for the Japan-U.S. Friendship Commission, and on supplemental appropriations for FY 79 for the International Communications Agency and Renegotiation Board.
 S-146, Capitol
- 2:30 p.m.
 Appropriations
 Labor-HEW Subcommittee
 To hear Secretary Califano on proposed budget estimates for fiscal year 1980 for the Department of HEW.
 S-128, Capitol
- FEBRUARY 27
- 9:30 a.m.
 Commerce, Science, and Transportation
 Science, Technology, and Space Subcommittee
 To hold oversight hearings to access Government and industrial potential needs for powered "lighter-than-air" vehicles used for surveillance and reconnaissance.
 235 Russell Building
- Human Resources
 Child and Human Development Subcommittee
 To mark up S. 239, authorizing funds through fiscal year 1981 for ACTION programs, and S. 232, authorizing funds through fiscal year 1981 for information and counseling projects to aid families who experienced sudden infant death syndrome deaths.
 4232 Dirksen Building
- Judiciary
 To hold hearings on the nominations of Phyllis A. Kravitch, of Georgia, to be U.S. Circuit Judge for the Fifth Circuit; John G. Penn, of Maryland, to be U.S. District Judge for the District of Columbia; Abraham D. Sofaer, of New York, to be U.S. District Judge for the Southern District of New York; and Robert E. Kelton, John J. McNaught, David N. Sutherland, and Rya W. Zobel, all of Massachusetts, each to be a U.S. District Judge.
 2228 Dirksen Building

10:00 a.m.

- Appropriations
 Interior Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1980 for the Department of the Interior, to hear its Secretary.
 1224 Dirksen Building
- Appropriations
 Labor-HEW Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1980 for the Health Services Administration, Department of HEW.
 S-128, Capitol
- Banking, Housing, and Urban Affairs
 To mark up S. 108, proposing simplification of the truth-in-lending laws, and on proposed legislation, to extend for two years, through 1981; the Council on Wage-Price Stability.
 5302 Dirksen Building
- Environment and Public Works
 Environment Pollution Subcommittee
 To resume hearings on Executive Office involvement in the development of environmental regulations.
 4200 Dirksen Building
- Finance
 To hold hearings to review those items in the President's budget for fiscal year 1980 which fall within its legislative jurisdiction and to consider recommendations which it will make thereon to the Budget Committee.
 2221 Dirksen Building
- Rules and Administration
 To resume hearings to receive testimony in behalf of resolutions requesting funds for activities of Senate committees and subcommittees, and to consider other committee business.
 301 Russell Building
- 2:00 p.m.
 Appropriations
 Labor-HEW Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1980 for the Center for Disease Control, Department of HEW.
 S-128, Capitol
- FEBRUARY 28
- 9:00 a.m.
 Commerce, Science, and Transportation
 Science, Technology, and Space Subcommittee
 To resume hearings on S. 354, proposed supplemental authorizations for FY 79 for NASA, and S. 357, proposed authorizations for FY 80 for NASA.
 235 Russell Building
- 9:30 a.m.
 Judiciary
 Constitution Subcommittee
 To resume hearings on S. 10, authorizing the Department of Justice to initiate suit to enforce constitutional rights to institutionalized persons.
 2228 Dirksen Building
- 10:00 a.m.
 Budget
 To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 budget.
 6202 Dirksen Building
- Commerce, Science, and Transportation
 To resume hearings on the objectives that a national policy on tourism should seek to achieve.
 457 Russell Building
- Energy and Natural Resources
 Energy Regulations Subcommittee
 To resume hearings on the Department of Energy's plans for emergency energy conservation and gasoline rationing.
 3110 Dirksen Building

- Finance**
To continue hearings to review those items in the President's budget for fiscal year 1980 which fall within its legislative jurisdiction and to consider recommendations which it will make thereon to the Budget Committee.
2221 Dirksen Building
- 10:30 a.m.
Appropriations
Labor-HEW Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1980 for the National Institutes of Health, Department of HEW.
S-128, Capitol
- 2:00 p.m.
Appropriations
Labor-HEW Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1980 for the National Institutes of Health, Department of HEW.
S-128, Capitol
- Appropriations**
State, Justice, Commerce, and the Judiciary Subcommittee
To hold hearings on proposed budget estimates for FY 1980, and on supplemental appropriations for FY 1979 both for the Department of State.
S-146, Capitol
- MARCH 1**
- 9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume oversight hearings to assess Government and industrial potential needs for powered "lighter-than-air" vehicles used for surveillance and reconnaissance.
235 Russell Building
- Veterans' Affairs**
To resume markup of S. 7, to revise and improve certain health care programs of the Veterans' Administration.
412 Russell Building
- 10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1980 for the Federal Home Loan Bank Board, and the National Institute of Building Sciences.
1318 Dirksen Building
- Appropriations**
Interior Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1980 for the Office of Water Research and Technology.
1223 Dirksen Building
- Appropriations**
Labor-HEW Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1980 for the National Institutes of Health, Department of HEW.
S-128, Capitol
- Budget**
To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 congressional budget.
6202 Dirksen Building
- Finance**
To continue hearings to review those items in the President's budget for fiscal year 1980 which fall within its legislative jurisdiction and to consider recommendations which it will make thereon to the Budget Committee.
2221 Dirksen Building
- 2:00 p.m.
Appropriations
Labor-HEW Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1980 for the National Institutes of Health, Department of HEW.
S-128, Capitol
- Appropriations**
State, Justice, Commerce, and the Judiciary Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1980, and on supplemental appropriations for fiscal year 1979, both for the Department of State.
S-146, Capitol
- MARCH 2**
- 9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on S. 354, proposed supplemental authorizations for FY 79 for NASA, and S. 357, proposed authorizations for FY 80 for NASA.
235 Russell Building
- Human Resources**
Alcoholism and Drug Abuse Subcommittee
To hold hearings on proposed legislation to renew programs administered by the Alcohol, Drug Abuse, and Mental Health Administration, HEW.
4232 Dirksen Building
- 10:00 a.m.
Commerce, Science, and Transportation
To resume hearings on the objectives that a national policy on tourism should seek to achieve.
5110 Dirksen Building
- MARCH 5**
- Appropriations**
Interior Committee
To resume hearings on proposed budget estimates for fiscal year 1980 for the Department of the Interior, to hear outside witnesses.
1318 Dirksen Building
- Budget**
To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 congressional budget.
6202 Dirksen Building
- 10:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed fiscal year 1980 authorizations for the National Rail Passenger Corporation (AMTRAK), and on proposed route restructuring of AMTRAK.
234 Russell Building
- 2:00 p.m.
Appropriations
State, Justice, Commerce, the Judiciary Subcommittee
To hold hearings on proposed budget estimates for FY 1980, and on supplemental appropriations for FY 1979, both for the Judiciary.
S-146 Capitol
- MARCH 6**
- 10:00 a.m.
Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1980 for the Department of the Interior, to hear outside witnesses.
1224 Dirksen Building
- Appropriation**
Labor-HEW Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1980 for the Alcohol, Drug Abuse, and Mental Health Administration, Department of HEW.
S-128, Capitol
- Environment and Public Works**
To consider those matters and programs which fall within the Committee's jurisdiction with a view to submitting its views and budgetary recommendations to the Committee on the Budget.
4200 Dirksen Building
- 11:30 a.m.
Veterans' Affairs
To hold hearings to receive legislative recommendations for fiscal year 1980 from Veterans of Foreign Wars.
318 Russell Building
- 2:00 p.m.
Appropriations
Labor-HEW Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1980 for the Health Resources Administration, Department of HEW.
S-128, Capitol
- Appropriations**
State, Justice, Commerce, the Judiciary Subcommittee
To hold hearings on proposed budget estimates for FY 1980, and on supplemental appropriations for FY 79, both for the Department of Justice.
S-146, Capitol
- MARCH 7**
- 9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold oversight hearings on the implementation of P.L. 94-282, establishing the Office of Science and Technology Policy.
235 Russell Building
- 9:30 a.m.
Human Resources
Child and Human Development Subcommittee
To hold hearings on proposed legislation to coordinate programs designed to prevent domestic violence.
4232 Dirksen Building
- 10:00 a.m.
Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1980 for the Department of the Interior, to hear outside witnesses.
1224 Dirksen Building
- Budget**
To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 congressional budget.
6202 Dirksen Building
- 10:30 a.m.
Appropriations
Labor-HEW Subcommittee
To hold hearings on proposed budget estimates for FY 1980 for the Department of HEW.
S-128, Capitol
- 2:00 p.m.
Appropriations
State, Justice, Commerce, the Judiciary Subcommittee
To continue hearings on proposed budget estimates for FY 1980 for the Department of Justice.
S-146, Capitol
- MARCH 8**
- 9:30 a.m.
Veterans' Affairs
To consider recommendations which it will make to the Budget Committee in accordance with the Congressional Budget Act.
412 Russell Building

10:00 a.m.
 Appropriations
 HUD-Independent Agencies Subcommittee
 To continue hearings on proposed budget estimates for fiscal year 1980 for the National Consumer Cooperative Bank, and the National Credit Union Administration.
 Room to be announced

Appropriations
 Interior Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1980 for the Department of the Interior, to hear outside witnesses.
 1224 Dirksen Building

Appropriations
 Labor-HEW Subcommittee
 To hold hearings on proposed budget estimates for FY 1980 for the Health Care Financing Administration, Department of HEW.
 S-128, Capitol

Environment and Public Works
 To consider those matters and programs which fall within the Committee's jurisdiction with a view to submitting its views and budgetary recommendations to the Committee on the Budget.
 4200 Dirksen Building

2:00 p.m.
 Appropriations
 State, Justice, Commerce, the Judiciary Subcommittee
 To continue hearings on proposed budget estimates for FY 1980 for the Department of Justice.
 S-146, Capitol

MARCH 9

10:00 a.m.
 Appropriations
 HUD-Independent Agencies Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1980 for the Selective Service System, Council on Environmental Quality, and the National Commission on Air Quality.
 1318 Dirksen Building

MARCH 12

10:00 a.m.
 Finance
 Taxation and Debt Management Subcommittee
 To hold hearings on the carryover basis provisions of the estate tax law.
 2227 Dirksen Building

10:30 a.m.
 Appropriations
 Labor-HEW Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1980 for the Department of HEW.
 S-128, Capitol

2:00 p.m.
 Appropriations
 State, Justice, Commerce, the Judiciary Subcommittee
 To hold hearings on proposed budget estimates for FY 1980, and on supplemental appropriations for FY 79, both for the Department of Commerce.
 S-146, Capitol

MARCH 13

10:00 a.m.
 Appropriations
 Interior Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1980 for the National Endowment for the Arts.
 1224 Dirksen Building

Appropriations
 Labor-HEW Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1980 for the Department of HEW.
 S-128, Capitol

Finance
 Health Subcommittee
 To hold hearings on proposed legislation to control increases in hospital revenues (Hospital Cost Containment).
 2221 Dirksen Building

2:00 p.m.
 Appropriations
 State, Justice, Commerce, the Judiciary Subcommittee
 To continue hearings on proposed budget estimates for FY 1980 for the Department of Commerce.
 S-146, Capitol

2:30 p.m.
 Appropriations
 Labor-HEW Subcommittee
 To continue hearings on proposed budget estimates for fiscal year 1980 for the Department of HEW.
 S-128, Capitol

MARCH 14

9:00 a.m.
 Commerce, Science, and Transportation
 Science, Technology, and Space Subcommittee
 To resume hearings on S. 354, proposed supplemental authorizations for FY 79 for NASA, and S. 357, proposed authorizations for FY 80 for NASA.
 235 Russell Building

10:00 a.m.
 Appropriations
 Interior Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1980 for the U.S. Forest Service, Department of Agriculture.
 1224 Dirksen Building

Appropriations
 Labor-HEW Subcommittee
 To continue hearings on proposed budget estimates for fiscal year 1980 for the Department of HEW.
 S-128, Capitol

Budget
 To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 congressional budget.
 6202 Dirksen Building

Finance
 Health Subcommittee
 To resume hearings on proposed legislation to control increases in hospital revenues (Hospital Cost Containment).
 2221 Dirksen Building

2:00 p.m.
 Appropriations
 Labor-HEW Subcommittee
 To continue hearings on proposed budget estimates for fiscal year 1980 for the Department of HEW.
 S-128, Capitol

Appropriations
 State, Justice, Commerce, the Judiciary Subcommittee
 To continue hearings on proposed budget estimates for FY 1980, and on supplemental appropriations for FY 79, both for the Department of Commerce.
 S-146, Capitol

MARCH 15

9:00 a.m.
 Commerce, Science, and Transportation
 Science, Technology, and Space Subcommittee
 To continue hearings on S. 354, proposed supplemental authorizations for FY 79 for NASA, and S. 357, proposed authorizations for FY 80 for NASA.
 235 Russell Building

10:00 a.m.
 Appropriations
 HUD-Independent Agencies Subcommittee
 To continue hearings on proposed budget estimates for fiscal year 1980 for the National Aeronautics and Space Administration.
 1318 Dirksen Building

Appropriations
 Interior Subcommittee
 To resume hearings on proposed budget estimates for FY 1980 for the Indian Health Service.
 1224 Dirksen Building

Appropriations
 Labor-HEW Subcommittee
 To continue hearings on proposed budget estimates for FY 1980 for the Department of HEW.
 S-128, Capitol

Budget
 To continue hearings in preparation for reporting the first concurrent resolution on the FY 1980 congressional budget.
 6202 Dirksen Building

2:00 p.m.
 Appropriations
 Labor-HEW Subcommittee
 To continue hearings on proposed budget estimates for FY 1980 for the Department of HEW.
 S-128, Capitol

Appropriations
 State, Justice, Commerce, the Judiciary Subcommittee
 To continue hearings on proposed budget estimates for FY 1980 for the Department of Commerce.
 S-146, Capitol

MARCH 16

10:00 a.m.
 Appropriations
 HUD-Independent Agencies Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1980 for the National Aeronautics and Space Administration.
 1318 Dirksen Building

Appropriations
 Labor-HEW Subcommittee
 To hold hearings on proposed budget estimates for FY 1980 for the Office of Human Development Services, Department of HEW.
 S-128, Capitol

Budget
 To continue hearings in preparation for reporting the first concurrent resolution on the FY 1980 congressional budget.
 6202 Dirksen Building

Commerce, Science, and Transportation
 Surface Transportation Subcommittee
 To hold hearings on the Northeast corridor improvement project.
 235 Russell Building

MARCH 19

10:00 a.m.
 Energy and Natural Resources
 Energy Regulation Subcommittee
 To resume hearings on the Department of Energy's plans for emergency energy conservation and gasoline rationing.
 3110 Dirksen Building

Finance
 Taxation and Debt Management Subcommittee
 To resume hearings on the carryover basis provisions of the estate tax law.
 2227 Dirksen Building

2:00 p.m.
 Appropriations
 Labor-HEW Subcommittee
 To hold hearings on proposed budget estimates for FY 1980 for the Department of HEW.
 S-128, Capitol

Appropriations
State, Justice, Commerce, the Judiciary
Subcommittee
To hold hearings on proposed budget estimates for FY 1980 for the Equal Employment Opportunity Commission, U.S. Metric Board, and the Legal Services Corporation.

MARCH 20

9:30 a.m.
Human Resources
Child and Human Development Subcommittee
To mark up S. 4, proposed Child Care Act, and proposed legislation to coordinate programs designed to prevent domestic violence.
4232 Dirksen Building

10:00 a.m.
Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for FY 1980 for the Office of Territorial Affairs.
1224 Dirksen Building

Appropriations
Labor-HEW Subcommittee
To hold hearings on proposed budget estimates for FY 1980 for the Social Security Administration, Department, of HEW.
S-128, Capitol

Energy and Natural Resources
Energy Regulation Subcommittee
To continue hearings on the Department of Energy's plans for emergency energy conservation and gasoline rationing.
3110 Dirksen Building

Finance
Taxation and Debt Management Subcommittee.
To continue hearings on the carryover basis provisions of the estate tax law.
2227 Dirksen Building

2:00 p.m.
Appropriations
Labor-HEW Subcommittee
To hold hearings on proposed budget estimates for FY 1980 for the Department of HEW.
S-128, Capitol

Appropriations
State, Justice, Commerce, the Judiciary Subcommittee
To hold hearings on proposed budget estimates for FY 1980 for the Federal Communications Commission and the Small Business Administration.
S-146, Capitol

MARCH 21

9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee.
To resume oversight hearing on the implementation of P.L. 94-282, establishing the Office of Science and Technology Policy.
235 Russell Building

10:00 a.m.
Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for FY 1980 for the Office of Territorial Affairs.
1224 Dirksen Building

2:00 p.m.
Appropriations
State, Justice, Commerce, the Judiciary Subcommittee
To hold hearings on proposed budget estimates for FY 1980 for the Commission on Security and Cooperation in Europe, Federal Maritime Commission, Marine Mammal Commission, and on supplemental appropriations for FY 79 for the Board for International Broadcasting.
S-146, Capitol

MARCH 22

9:30 a.m.
Veterans' Affairs
To hold hearings on S. 330, to provide for a judicial review of the administrative actions of the VA, and for veterans' attorneys fees before the VA or the courts.
6226 Dirksen Building

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1980 for the Environmental Protection Agency.
1318 Dirksen Building

Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for FY 1980 for the U.S. Geological Survey.
1224 Dirksen Building
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings on S. 14, proposed Reclamation Reform Act.
3110 Dirksen Building

2:00 p.m.
Appropriations
State, Justice, Commerce, the Judiciary Subcommittee
To hold hearings on proposed budget estimates for FY 1980 for the Commission on Civil Rights and the Federal Trade Commission.
S-146, Capitol
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings on S. 14, the Reclamation Reform Act.
3110 Dirksen Building

MARCH 23

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1980 for the Environmental Protection Agency, and the Consumer Information Center.
1318 Dirksen Building

MARCH 26

10:00 a.m.
Appropriations
Labor-HEW Subcommittee
To hold hearings on proposed budget estimates for FY 1980 for the Department of Labor, and related agencies.
S-128, Capitol

MARCH 27

10:00 a.m.
Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for FY 1980 for the Bureau of Indian Affairs.
1224 Dirksen Building

Appropriations
Labor-HEW Subcommittee
To hold hearings on proposed budget estimates for FY 1980 for the Department of HEW.
S-128, Capitol

2:00 p.m.
Appropriations
Labor-HEW Subcommittee
To continue hearings on proposed budget estimates for FY 1980 for the Department of HEW.
S-128, Capitol

Appropriations
State, Justice, Commerce, the Judiciary Subcommittee
To receive testimony from Members of Congress on proposed budget estimates for FY 1980 for the Departments of State, Justice, Commerce, and the Judiciary.
S-146, Capitol

MARCH 28

10:00 a.m.
Appropriations
Labor-HEW Subcommittee
To continue hearings on proposed budget estimates for FY 1980 for the Department of HEW.
S-128, Capitol

2:00 p.m.
Appropriations
Labor-HEW Subcommittee
To continue hearings on proposed budget estimates for FY 1980 for the Department of HEW.
S-128, Capitol

MARCH 29

9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation to establish an Earth Data and Information Service which would supply data on the earth's resources and environment.
235 Russell Building

9:30 a.m.
Veterans' Affairs
To hold hearings to receive legislative recommendations for FY 1980 from AMVETS, paralyzed Veterans of America, Veterans of World War I, blinded veterans, and Purple Heart.
6226 Dirksen Building

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1980 for the Veterans' Administration.
1318 Dirksen Building

Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for FY 1980 for the National Endowment for the Humanities.
1224 Dirksen Building

10:30 a.m.
Appropriations
Labor-HEW Subcommittee
To continue hearings on proposed budget estimates for FY 1980 for the Departments of Labor and HEW.
S-128, Capitol

MARCH 30

9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on proposed legislation to establish an Earth Data and Information Service which would supply data on the Earth's resources and environment.
235 Russell Building

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1980 for the Veterans' Administration, the American Battle Monuments Commission, and the U.S. Army cemetery expenses.
1318 Dirksen Building

APRIL 3

10:00 a.m.
Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for FY 1980 for the Office of the Secretary and the Office of the Solicitor.
1224 Dirksen Building

APRIL 4

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1980 for the National Science Foundation.
1318 Dirksen Building

- Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for FY 1980 for the Heritage Conservation and Recreation Service.
1224 Dirksen Building
- APRIL 5
- 9:00 a.m.
Veterans Affairs
To hold hearings on proposed legislation extending certain veterans' health benefits programs through FY 1980.
5110 Dirksen Building
- 10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1980 for the National Science Foundation, and the Office of Science and Technology Policy.
1318 Dirksen Building
- Appropriations
Interior Subcommittee
To continue hearings on proposed budget estimates for FY 1980 for the Heritage Conservation and Recreation Service.
1224 Dirksen Building
- APRIL 10
- 9:30 a.m.
Veterans' Affairs
To hold oversight hearings on the role of the Federal Government in providing educational employment.
6226 Dirksen Building
- 10:00 a.m.
Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for FY 1980 for the Fish and Wildlife Service.
1223 Dirksen Building
- APRIL 11
- 10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1980 for the Department of Housing and Urban Development.
1318 Dirksen Building
- 10:00 a.m.
Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for FY 1980 for the Bureau of Land Management.
1223 Dirksen Building
- APRIL 12
- 10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1980 for the Department of the Treasury.
1318 Dirksen Building
- Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for FY 1980 for the Bureau of Mines.
1223 Dirksen Building
- APRIL 24
- 10:00 a.m.
Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for FY 1980 for the Bureau of Land Management.
1223 Dirksen Building
- APRIL 25
- 9:30 a.m.
Veterans' Affairs
To mark up S. 330, to provide for a judicial review of the administrative actions of the VA, and for veterans' attorneys fees before the VA or the courts, and on proposed legislation extending certain veterans' health benefits programs through FY 1980.
412 Russell Building
- 10:00 a.m.
Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for FY 1980 for the Department of the Interior, to hear Congressional Witnesses.
1223 Dirksen Building
- APRIL 26
- 10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1980 for the Office of Surface Mining Reclamation and Enforcement.
1223 Dirksen Building
- APRIL 27
- 10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1980 for the Department of Housing and Urban Development, and the Neighborhood Reinvestment Corporation.
1318 Dirksen Building
- MAY 1
- 9:30 a.m.
Human Resources
Child and Human Development Subcommittee
To hold oversight hearings on the implementation of the Older American Volunteer Program Act (P.L. 93-113).
4232 Dirksen Building
- MAY 2
- 10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1980 for HUD and Independent agencies.
1318 Dirksen Building
- MAY 3
- 10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1980 for HUD and Independent agencies.
1318 Dirksen Building

HOUSE OF REPRESENTATIVES—Thursday, February 22, 1979

The House met at 11 a.m.
The Reverend Harold Burlingame, Bliss Baptist Church, Bliss, N.Y., offered the following prayer:

Our Father, as we come into Thy presence this day, prepare our hearts and minds for the business of this session.

Let us not be afraid of the problems that confront us, but rather give Thee thanks that Thou hast matched us with this hour.

May the invisible hand that charted the course of our great Nation lead us to act courageously against all enemy powers.

Raise up among us, we pray, fearless men who exemplify the truth that we are one Nation under God.

Again, we acknowledge Thy presence, as we hear the words of the prophet, "Thou wilt keep him in perfect peace whose mind is stayed on Thee."

In Thy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's pro-

ceedings and announces to the House his approval thereof.

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

CUT IN FOOD STAMPS FOR SENIOR CITIZENS

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

Mr. PEYSER. Mr. Speaker, next Thursday is March 1, and that is the day that the cuts in the food stamp program begin for the poor senior citizens and disabled citizens of our country. Once again, I want to give an example of the impact of what is going to happen to these people.

I have a gentleman in my district who is 75 years old, and has a rheumatic heart condition. He has a total income of \$267 per month. He pays \$200 for rent, \$25 for utilities, and \$20 for phone expenses. He now receives \$34 a month in food stamps. Starting March 1, his food stamps are reduced to \$10 a month.

Surely, it is not the intent of this body to treat our senior citizens and disabled citizens in this fashion. We are going to be having a hearing next Tuesday for seniors, and people interested in working for them around the country are going to be able to talk and let us know their experience and their anticipation of the problem that will be occurring.

THE LATE HONORABLE JAMES P. RICHARDS

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

Mr. HOLLAND. Mr. Speaker, it is my sad duty to report to the House this morning the passing of our former colleague and my predecessor representing the Fifth District of South Carolina, the Honorable James P. Richards.

Mr. Richards served this House for 24 years and was chairman of the Foreign Affairs Committee through some of the most difficult times in our Nation's history. I know the Members of the House

□ This symbol represents the time of day during the House Proceedings, e.g., □ 1407 is 2:07 p.m.

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