

EXTENSIONS OF REMARKS

DOGBONE AND OTHER TOWNS REPRESENT STRENGTH IN AMERICA—PLACE NAMES PRESENT QUAIN AND ORIGINAL QUALITY OF LIFE IN WEST VIRGINIA

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, December 15, 1970

Mr. RANDOLPH. Mr. President, our Special Subcommittee on Aging conducted hearings in October in my home State of West Virginia, as part of a continuing inquiry into the problems of our elderly citizens. One of these hearings was held in an isolated community of Lincoln County named "Dogbone." I believe that the place name itself served to call public attention to these important hearings. There are many unique and quaint community names that not only designate location, but give us a graphic picture of the life and times of West Virginia's early pioneers. Some time ago a historian conducted a study of Mountain State place names which in itself is a study of historical lore.

For example, the towns of Mohawk and Mohegan came from Indian tribes that inhabited or hunted this mountainous region of the Appalachians. Names such as Mingo, Seneca, and Guyandot, Wyoming, Shawnee, Potomac, and Watoga are places and rivers which recall the beginning of our recorded history. Even before the Indian, there lived here the Moundbuilder, hence Moundsville.

Mr. President, I include the following report on West Virginia place names in the RECORD for the enlightenment and pleasure of my colleagues:

REPORT ON WEST VIRGINIA PLACE NAMES

Many streams in West Virginia still carry descriptive titles of the colorful Indian language. Monongahela was known to the Delawareans as the "river of falling banks." Potomac was the "river of fat doe." Ohio means "river of many whitecaps." The Great Kanawha pays tribute, not to the river, but to the once great tribe of Canoes.

The little town of Pickaway, in Monroe County, is a rough pronunciation of the tribal name, Piqua.

Names give us a true insight on the life of the early pioneers. Moreover, in names like Little Italy, Ireland, Polandale, Welsh Glade, and Germany Valley, we discover the origins of these people. Helvetia, in Randolph county, is the Swiss name for its settler's native country. Ronceverte, meaning Greenbrier, shows the French influence in the southeastern area.

Many of West Virginia's commonplace names depict the environmental conditions of those early days. Names like Eieiber Run, Ramp, Spice, Sang, and Seng Runs reveal the pioneer dependence on root and herb medicines. Panther Fork, Elk River, Copperhead Branch, and Wild Cat Knob emphasize the wild unsettled conditions. Pigeonroost, Cow Creek, Bull Run, Goose Lick and Turkey Wallow Branch indicate agricultural pursuits. Names like Thunder Hill Run, Mount Storm, Hurricane and Tornado show the settler's deep awareness of natural forces.

Perhaps it was the pioneer women who gave us such names as Cupboard Run, Kitchen Creek, Kettle Run, Pot Branch, Skillet Run, and Tub Run, Tearcoat Hill, Mitten Ridge, Sissorsville Branch, Wash Hill Fork, and Suds Run can be credited to them, too. What stories lie behind names like Peddler Run and Gunbarrel Hollow?

Even foods are immortalized in names like Apple Pie Ridge, and Potato Hole Knob. An early day humorist probably gave us Pickles Fork. And to show that the frontiersman was of sturdy stuff, there is Grogg Run, Mash Fork, Rum Creek and Still Run.

Religion played an important part in the lives of the pioneers. Such names as Canaan Valley, Eden, Herods Creek, Pharoah Run and Pisgah are taken from the Bible. There is a Job Knob, a Moses Creek, also a Christmas Ridge. Names like Paradise, Purgatory Knob, Devil's Tollgate, and Hell for Certain Branch mirrored the moral fiber of these places. Desolate Branch, Shades of Death Creek, and Troublesome Valley reveal more somber aspects of frontier life.

Feelings and emotions are betrayed in names like Big Ugly Creek, Hardscrabble, Desolate Branch, Stinking Creek, and Hateful Run. Soak Creek and Lissie's Roost connote humorous incidents of long ago.

Proving that the pioneers also explored the great world of literature, Avoca, from Moore's Irish Melodies, and Ravenswood, from Sir Walter Scott, are added to the list. A knowledge of Greek and Roman literature is hinted in Caesar Mountain, Socrates Mountain, Eureka Island, Polemic Run, and Styx River, Geography is evidenced by the Congo, Nile, and Rhine Rivers.

The building of railroads resulted in such names as Rose Siding, Engle Switch, Switchback, Jones Crossing, Vivian Yard, Tunnelton and others. Combo evolved from the Cumberland Valley and Baltimore and Ohio Railroads.

Wars are responsible for such names as Brandywine and Bunker Hill. Dunmore and Cornwallis were names for famous generals. Jefferson, Washington, and Lafayette are names of districts; counties are named for Lincoln and Grant. Civil War heroes are recognized by the districts of Stonewall, Lee, Sheridan, and Sherman. Scott and Winfield were named for the hero of the Mexican War of 1847.

Nearly all the Presidents are represented in some way. There is both a Woodrow and a Wilson in West Virginia. Women, too, have been honored by place names. Both Belva and Lockwood were names for the famous women's rights advocate of 1877. More recently, the little Putnam County community of Eleanor was named for the wife of the late President, Franklin D. Roosevelt.

PROPERTY TAX REFORM

HON. PETER N. KYROS

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. KYROS. Mr. Speaker, on December 12, my colleague from Maine, Senator Ed MUSKIE, shared the speaker's platform with Ralph Nader at a seminar on property tax reform, a conference held at George Washington University. Senator MUSKIE raised some penetrating ques-

tions about the need for change in this often inequitable levy. I would like to share his thoughts with you and ask unanimous consent for insertion of his remarks in the RECORD.

REMARKS BY SENATOR EDMUND S. MUSKIE

Thank you very much for inviting me this morning.

Your conference on the property tax is significant. It is timely—and it is welcome.

This is an issue which undoubtedly deserves a searching national inquiry.

We know these facts—

Property taxes provide at least 40 percent of all State and local government revenues; They are assessed by some 70,000 local governmental units;

They generate more than \$33 billion a year.

This income-producing mechanism is second only to Federal income and social security taxes.

It is the basic revenue source of two-thirds of our cities' expenditures.

It finances 54 percent of local government costs for education, 41 percent of their costs for health care, and 30 percent of their costs for welfare.

It is the basic tax we levy on our entire housing stock.

Its very magnitude would be reason enough for a periodic examination of its effectiveness and its reliability.

But the wide variations throughout the country—in terms of taxable wealth, administrative performance, fiscal requirements—have all contributed up to now to make property taxes a matter of local, rather than national, interest.

That attitude is no longer satisfactory.

Taxpayers across the Nation are beginning to ask the same fundamental questions—

Are property taxes fair?

Are they equitable?

Are they sound?

These questions must be answered thoroughly and without evasion.

Congress should seek the answers—not only for the purpose of educating the public—but also for the purpose of determining how property taxes affect national programs and policies.

For example, major Federal expenditures for rehabilitation of urban housing will have little impact . . . if property tax assessments at the local base level are increased, to the extent that they make the new investment prohibitive.

Aside from its effect on current programs, the level of property taxes is directly related to the financial aid which State and local governments are presently requesting.

In all likelihood, the 92nd Congress will be asked to expand Federal grant-in-aid programs and to initiate a plan of revenue sharing.

Are we fully prepared to do either, until we understand both the limitations and the potential of the property tax . . . until we adequately consider the need for reforms in the property tax structure?

It has been estimated, for example, that inequalities in local property tax assessments are resulting in a shortfall of from 20 to 50 percent of potential property tax revenues.

Mr. Nader has estimated that a fair assessment of business properties in America would increase State and local tax revenues by at least \$6 billion a year—moneys that could be used to support improved health care facilities, a greater housing supply, better elementary and secondary school programs, more effective law enforcement, and cleaner air and water.

This is not to suggest that property taxes are the only answer to financial survival of our States and cities . . . or that property taxes should not be lowered whenever possible.

But is to suggest that property taxes could substantially ease the financial burden of many localities—if they were simply levied in an equitable manner on all property-owners.

The question of equity is central to this inquiry—Equity as between business property and residential property . . . as between houses and apartment units . . . as between land which is improved and land which is unimproved.

It is wise to offer a low property tax assessment as an inducement to a new industry or business concern?

After all, the introduction of a new employer will necessarily place a new strain on available services of water and sewage, of transportation, of schooling—services which localities *must* find the money to support.

If they cannot find the money locally—by raising the taxes of everyone else in town—then local governments will seek relief from state and Federal Governments.

As a result, many taxpayers have already been placed in the curious position of unwittingly subsidizing a new business in another town.

With unequal assessments across the country, residential housing, the utilities and the small businessman end up paying the Lion's share of the bill for community services.

The case of Anmoore, West Virginia, is very instructive. Here two Members of Mr. Nader's task force on Union Carbide succeeded in convincing the town to tax a plant on its full assessed value, with an expected revenue gain of \$380,000 by 1973.

Moreover, once a property tax inducement is offered and accepted, isn't it likely to become institutionalized . . . as a continuing drain on public resources for private benefit?

Are there in fact any rational alternatives to this haphazard method of allocating our resources?

If so, shouldn't Congress help bring them to light?

We must also ask whether it is fair that our Federal tax laws—which permit homeowners to deduct property tax payments from their income tax—provide no relief at all for apartment dwellers . . . whose rent is increased by their landlords as a result of those same property taxes.

More than three-and-one-half million Americans—many of them elderly . . . many of them single—live in apartments where taxes account for 20 percent or more of their rental.

Should they bear a special burden of paying for schools and for welfare?

Do many of them in fact need increased Social Security benefits *because* of rising property taxes?

Still a more basic question is whether any property taxes should be levied against buildings and improvements . . . whether they should be levied completely or primarily on land value itself.

The argument has been made—

That it is socially undesirable for the land speculator to pay substantially less property taxes than the person who builds improvements on his land;

That cities are decaying precisely because the property tax structure discourages modernization . . . and rehabilitation . . . and replacement of existing buildings;

That the absence of sensible land use planning is due in large measure to property tax structures which stimulate land speculation at the expense of coordinated land development.

What has followed is the all too familiar pattern of irregular growth, disorderly expansion, scattered development of subdivisions, shopping areas and industrial cen-

ters—often far removed from the center of urban activity, and equally far removed from needed municipal services such as water, transportation, and other utilities.

Americans have learned the final cost in terms of traveling longer distances to work and to shop . . . at higher costs for gasoline . . . and over clogged roads in constant need of being widened to accommodate yet the next wave of suburbanites.

They have found their water systems often so small as to be virtually uneconomic to operate—and then, at rates for service which are far out of proportion to their needs.

They have experienced—and may continue to experience—the inconvenience of gas and electric utility expansion, at substantially higher costs.

On the other hand, would a land tax alone have the effect of promoting the kind of vertical development . . . of high density living . . . which is the most undesirable alternative in terms of our environment?

Congress has an undeniable role to play in resolving these arguments.

And we must not avoid asking the hard questions:

Do property taxes necessarily have to absorb a higher fraction of the incomes of poor families than of families who are not poor?

Must certain industries—such as the railroads—be placed at price disadvantages, because their competition has significantly less property taxes to pay?

Can't we begin to design methods of uniform property tax assessment which are more real than imagined?

Aren't there more sensible ways for local governments to levy taxes by joining together, on a regional basis?

If these questions seem complicated, it is only because they *are* complicated.

The answers will be neither easy nor quick. And those of us in the Congress shall need your experience, your knowledge, and your insistence that we begin the task.

It has been written that, "if any tax could have been eliminated by adverse criticism, the general property tax should have been eliminated long ago . . ."

It is time all of us start examining the wisdom of that remark.

THE INEXPERTS

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Tuesday, December 15, 1970

Mr. TALMADGE. Mr. President, Mr. William D. Partridge, an economist and editorial director of a book, "Economic Inequities," which he is in the process of compiling, is a man very much concerned about the present declining state of the American economy.

Mr. Partridge has been writing a series of articles and economic analyses on this subject for a number of years, and they will eventually be published in book form. He has prepared a collection of quotations and comments that he calls "The Inexperts." Although Mr. Partridge may not have universal agreement with his findings and views, he has certainly provided a great deal of food for thought. I bring "The Inexperts" to the attention of the Senate and ask unanimous consent that it be printed in the Extensions of Remarks.

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

QUOTABLE, AND UNQUOTABLE, QUOTES¹

OPENERS

Agnew, Spiro T., Vice President of the United States of America. On May 3, 1970, the Vice President said over the Columbia Broadcasting System that times of national danger were not times to whisper, adding, "I'm yelling FIRE."

The Vice President is dead wrong in his economics: but he is dead right in his analysis of the sociopolitical catastrophes that are a foregone conclusion if the permissive course of U.S. social change is not immediately reversed. Like the President, the Vice President needs some new advisers. The Nation does not expect these two men to be economists: but the Nation does expect them to be as hard on their own official families as they are on the political and *patriotic* opposition. Professional or intellectual ineptness is not confined to "the outs." In socio-economics and political theory, "the ins" are just as inept.

Ford, Gerald R., Minority Leader, U.S. House of Representatives. Concerning railroad bankruptcies, the Minority Leader said, "Maybe the public ought to have some shock treatment." (as quoted by Newsweek Magazine, July 6, 1970, p. 65.)

When does exposure to reality become "shock treatment?" When social apathy and intellectual and political self-protecting presumptions are rubbed raw and bare: that's when.

Law, John, Scottish Finances, 1671-1729, writing in 1720, "There are good reasons to think that the nature of money is not yet rightly understood."

Spencer, Herbert, English Philosopher, 1820-1903: "The ultimate effect of shielding men from the effects of folly is to fill the world with fools."

Time Magazine, March 30, 1970: "The professors may well be correct in thinking that their course will stop runaway inflation without plunging the U.S. into a deep recession. If they are wrong, however, the political damage to the Republican Party and the

¹ This section is NOT to appear in the final published book. The sole purpose of the quotes and comments on pages 182.3-182.7 is to give undeniable support to the circled sentence on page 0.54, repeated here on page 182.4. Professor Milton Friedman's honest, true-life statement on p. 182.5 furnishes the final bridge span in this transition from arm-chair hypothesis to the real intellectual world around us. The circled sentence is substantiated beyond any doubt whatsoever by Professor Friedman's *declaration* that economists do unite "against" other disciplines. No logical rebuttal is possible. It says here, no *logical* rebuttal. See particularly: "Disciplinary Integration," *supra*, pages 0.51-0.52.

If there occurs a credit collapse (liquidity failure), which is the first link in the chain logic on temporary page zero, the reason therefor may be found in the circled sentence mentioned. Such credit failure, which would launch a no-option course straight through the *entire* chain of logical sequences, would occur because "the bulk of our economists" (p. 0.60515) *unwittingly* misled us. The whole Nation would turn against the American economics profession, which intellectual discipline would be thoroughly discredited for a long time to come. Untold thousands of honest, innocent professional economists would suffer ridicule all because many of the more prominent ones have not realized, constitutionally cannot realize, that they are in waters beyond their intellectual competence. The body of economic thought in vogue during their structuring years did not accommodate interdisciplinary analysis: and to this day, many years later, and almost to a man, they have not been able to muster enough *original* thought to leave their formative training grounds.

economic damage to the nation could be extreme."

Time Magazine does not go far enough. If the professors are so wrong as to wreck the Republican Party, the Democratic Party also will be destroyed. Time Magazine's timidity is widespread.

Wilkins, Roy, Executive Director of the National Association for the Advancement of Colored People, speaking to the 61st Annual NAACP Convention on June 30, 1970:

"A racial minority cannot live except in a democracy. In saving it, we save ourselves."

This pure social logic is worthless to society unless it has a counterpart in social interaction. In the particularly case of Mr. Wilkins' own racial minority, there is in the real world around us no counterpart to, or substantiation of, these compelling words. They are thus empty words.

THE INEXPERTS

Burns, Arthur F., Chairman, Federal Reserve Board of Governors, Newsweek Magazine, December 16, 1968, wrote: "By common consent, the most pressing problem is how to curb inflation. . . . Arthur Burns . . . warned last week that if this sort of thing can't be stopped, 'an economic bust in our country may become unavoidable.'"

Note: Calendar 1968 inflation was 4.2% over 1967. Calendar 1969 was 5.4% over 1968. Inflation for the 12-month period ending with Oct., 1970, was 6.0% over the previous 12 months. (See also Nobel Prize Winner Samuelson on Burns' 3% inflation by end of 1969.) No pure economist like Chairman Burns can predict socioeconomic trends. Knowledge in a single discipline does not automatically yield competence in multidisciplinary analysis.

In February, 1970, Burns said to the U.S. Congress Joint Economic Committee: "There's been some loose talk in this country about a recession." (Washington Post, 2-22-70). Loose talk?

On February 7, 1970, Burns thought that 1970 unemployment might go as high as 4.3 per cent or "maybe a little higher." (Washington Post, 2-8-70.) Only halfway through 1970, unemployment was up to 4.7%. In October, 1970, it was up to 5.6%, not counting General Motors' 350,000 idle workforce. What "4.3%?" What "loose talk?"

Since March 23, 1970, Burns has been sitting officially on the Debt/Production Ratio Concept or The DPR (see temporary page 0.6056) all the while it is the only tool he's got to beat back the causes of inflation. The DPR runs counter to the locked-in economic thought of structured pedagogy.

If Burns' Federal Reserve Board increases the literal money supply, a fast expansion of credit and inflation psychology will, to use his word, "bust" the economy. If his Federal Reserve does not increase the literal money supply, a swelling liquidity panic (credit collapse) is not too far away. Any movement of literal money supply, above or below zero, only moves the cause of the "bust" one way or another. Burns is a loser either way—unless he wields the DPR concept or something very much like it. With the DPR, Burns is an intellectual loser only: and the nation is a winner.

At the end of NBC's "Meet the Press" program for July 26, 1970, Burns' remarks on the 1970 course of inflation were beyond comprehension. He was very clear, however, in his statement that "I will defend them [his monetary theory and policy] to the end." This is ominous: what destined "end" was there in mind?

Friedman, Milton, Columnist, Professor of Economics at The University of Chicago. Speaking on the NBC "Meet the Press" national TV program, 1970 June 28, Professor Friedman said, "The '30 to '33 period occurred because of a banking and monetary collapse. Such a banking and monetary collapse is impossible today, given Federal De-

posit Insurance, [given] the changed understanding of our monetary system by the Federal Reserve."

The function and limited capability of the FDIC is paying the depositors of isolated banks that fail. The FDIC and the U.S. Treasury put together do not have the resources to pay depositors of a chain of bank failures. The FDIC is organized to insure against personal theft on the part of single-bank management and/or bad loans made by inept bank management. The FDIC is not capable of protecting bank depositors (which include correspondent bank depositors) in the event of bank failures due not to inept or criminal management but due to general economic conditions. Professor Friedman, the Nation's leading monetarist, is not alone when he consciously rejects or narrowly ignores what could be an impending credit collapse. The list of interest-payment defaults in established American business is growing with no economic relief of any magnitude in sight. Dun & Bradstreet reports that bankruptcies for the first nine months of 1969 totaled \$801,683,000, and that the bankruptcy amount for the same period in 1970 was \$1,501,422,000. This is an increase of 87%. This is also the real world. Professor Friedman, an honest man, a forthright man, makes no mention of the FDIC's vacuum of "protection" against general economic bad times. Why not?

Professor Friedman on the same NBC program stated, ". . . my guess is that six percent is about the maximum rate of unemployment that you are likely to see in this episode, and I hope it will not be so high as that."

The U.S. Government reported that unemployment was 5.6% in October, 1970. The October, 1970 figure of 5.6% is near the beginning, not the end, of a downturn in the national economy. There is nothing, short of a heroin injection into "our monetary system by the Federal Reserve," on the practical horizon that can stop the rise in unemployment. Monetary heroin is not medicine; it is economic suicide.

The Editorial Director of *Economic Inequities* on July 30, 1970, submitted the following sentence as (1) the intellectual motivating force of this book, and (2) the fundamental reason why the pure-economic Inexperts are Inexperts:

"The interdependent complexities of real-world socioeconomic activity have developed considerably past the standard explanatory or theoretical framework of American economic thought."

The "interdependent complexities of real-world socioeconomic activity" become even more so when, after the first integration of economics and sociology, they are secondly and finally synthesized with political science or political theory. This tripartite integration, in two stages, of the three disciplines must be made before the U.S. social structure can be understood. (See most particularly first two paragraphs of "Notes on Article No. 45," pp. 182-182.1.)

By and large, single-disciplines intellectuals fail to realize that intellectual disciplines, like all other parts of the natural order, do evolve, do merge. Principles uncovered by the *Voyage of the Beagle* are not confined to flora and fauna.

Professor Milton Friedman wrote in his Newsweek Magazine column for the issue of 1970 November 9, p. 80, "Time and again, I have been impressed that when economists of whatever ideological hue engage in economic discussion with a group containing persons from other disciplines, their family quarrels are suppressed in brief order and they are as one against the rest." (italics supplied)

Any two or more economists who "are as one against" "persons from other disciplines" are not intellectually qualified in the matter

of "the interdependent complexities of real-world socioeconomic activity." Professor Friedman's public statement seems to be a flat, unwitting rejection of intellectual interdisciplinary integration in a real world where Welfare (Sociology), Prices (Economics), the Ballot Box (Political Science), and Vietnam (Military Science) have been integrated, even homogenized in the minds of every man on every Main Street in America.

It is now no wonder at all why the increase in U.S. public and private debt of \$132 Billion in 1968 and again in 1969 is not considered as an increase in the money supply, why mass computerized credit (socioeconomics for sure) is disregarded as an indicator of liquidity failure in times of rising unemployment and in times of rising inflation, both of which conditions reduce cash available for payment to the computerized credit structure. This is a sociological concept quite outside pure economics.

In his own column in Newsweek Magazine for 1969 December 22, p. 75, Friedman asks and then answers his own question: "How long will it take to eliminate inflation?" His own answer: "Chances are good that the price rise will be down to 3 per cent by mid-1970."

In the 12 months ending October, 1970, prices averaged a 6.0% rise over the 12-month Consumer Price Index for the year ending October, 1969.

Why was Friedman, America's No. 1 Monetarist, so awfully wrong? Why are the other Inexperts so awfully wrong? These cannot be dismissed as individual errors; they are errors of the body of American economic thought. Why is the body of economic thought so awfully wrong? The answer is that professional American economic thought has failed miserably to integrate with Sociology and Political Science or Theory. Worse, the body of thought even pooh-poohs the very suggestion. Friedman himself says economists "are as one against the rest."

Greenspan, Alan, Townsend-Greenspan & Co., Newsweek Magazine for 1970 September 21, p. 67: ". . . Alan Greenspan, a close friend of Fed. chairman Arthur Burns . . . expects unemployment to reach 6 per cent in the third quarter of 1971 before falling back."

1971, he says, not 1970. Unemployment was up to 5.6% in October of 1970, 1970, not 1971. Long before Greenspan's third quarter of 1971 arrives, unemployment will be so high in percent and in temperature as to detonate the U.S. welfare structure. (See chain logic on page zero.)

Heller, Walter W., Kennedy-Johnson Chairman of the President's Council of Economic Advisers, Professor of Economics at the University of Minnesota. On NBC's Meet-the-Press program for June 29, 1969, Heller said, ". . . even when interest rates ease the rest of this year, as I expect them to, sometime starting this summer . . ." The Washington Post, January 29, 1970 reported: "The Treasury yesterday said it would pay the highest interest rates since 1859 to attract investors to underwrite the government's debt."

Upon introducing its new board of economists, including Heller, Time Magazine, November 14, 1969, quoted Heller as saying on another matter, "I purposely left that a little vague. I was following the Alex Caircross dictum. His first rule when making a forecast is: Give either a number or a date, but never both. His second rule is: Never underestimate the power of a platitude. His third rule is: When the President asks you a question, remember that he doesn't know the answer either."

McCracken, Paul W., Chairman, President's Council of Economic Advisers. The Washington Post for February 1, 1970, reported that "he does not expect 'any large rise in unemployment' during 1970. He . . . made it clear . . . that 5 per cent unemployment would cer-

tainly be characterized as a 'large rise.' In February, 1970, unemployment was at 4.2% of the workforce, in only May, 1970, it was 5.0%. In October, 1970, it was 5.8%. What kind of economic analysis at the Presidential level is this?

These figures are like the consumer-price figures in that they do not necessarily tell the whole truth. In referring to the price rises of 1942-1945, McCracken has said that they "probably understated the true rise..." (Washington Post, 9-2-69). Then it follows that the U.S. Bureau of Labor Statistics figures for 1970 inflation and unemployment also are too low. The significance here is appalling.

Speaking to the Financial Analysts Federation, Dallas, Texas, April 28, 1970: "This acceleration of the inflation was halted by mid-1969, however, and rates of increase since that time have been somewhat lower." Note: In mid-1969 (June), inflation was 5.5% over mid-1968 (June). While he was talking (April, 1970), inflation was 6.0% over April, 1969. The very next month it was 6.2% over May, 1969.

Inflation for the whole 12 months ending September, 1970, was 5.8% over the 12-month period ending September, 1969. Inflation for the whole 12 months ending September, 1969, was 5.1% over the 12-month period ending September 1968.

Monthly and quarterly economic data are easily selected to "show that" something has acted the way the data-manipulator planned it. This is not so with 12-consecutive-month data. E.g., the monthly figures cited above to refute McCracken are manipulated the same way his Council's "game plan" issues simply wonderful news. The 12-month figures cited here are solid and as pure as the driven snow. (See mention of this gimmickry, page 0.468.)

Speaking to the 1970 mid-year (July 20) hearings of the U.S. Congress Joint Economic Committee, the Council Chairman said that he expected both an upturn in the economy and an upturn in unemployment. This is schizophrenic economics.

Dun & Bradstreet reports that bankruptcy liabilities in May, 1970, were at a 29-month high. In July, 1970, they were a total of \$251,920,000, which broke D & B's historical record. In September, 1970, bankruptcies were "down" to a one-month figure of \$232,940,000, which probably means "recovery" to McCracken and the permissive business community.

Is this the kind of "economic thought" on which the President of the United States depends for his economic-policy proposals to the United States Congress? to the housewives? to labor? to the gullible business community? to the national credit structure? to the Joint Chiefs of staff? With inflation, unemployment, bankruptcies, and severe social unrest all increasing, only magic or The DPR concept (pp. 0.60515-0.6055) can make the economy improve.

McCracken believes people who "say that something has gone wrong . . . display an ignorance" (as reported by UPI in The Washington Post for April 27, 1970). In saying publicly that his critics "display an ignorance," the President's chief economic adviser is playing headmaster at the expense of the American people.

Rinfret, Pierre, Consultant to Business, Sometime Adviser to the President. Business Week Magazine, December 13, 1969, reports Rinfret as saying about the 1970 economy: "Not only will there be no recession," he said, "But I think we will smash every economic record in the history of the world."

Samuelson, Paul A., Columnist, Professor of Economics at Massachusetts Institute of Technology, Recipient of 1970 Nobel Prize for Economics. Speaking through the pages of Newsweek Magazine, January 12, 1970, he said, "If I couldn't believe Arthur Burns last winter when he promised that inflation would

be down to 3 per cent by this Christmas [Burns did not promise; he did, however, judge inflation would be down to 3% by year's end, at which time it was up to 5.4% for calendar 1969 over 1968], how can I believe the Council of Economic Advisers when it forecasts that business can look beyond the valley to full-employment growth with only a nominal increase in price levels? Can Paul McCracken believe his own numbers?"

In his Newsweek Magazine column for July 13, 1970, Samuelson commits himself: ". . . our 6 per cent inflation will probably be a 4 per cent inflation by next winter." Now Samuelson sounds like Burns' 3% that he rejects so harshly. What excuse, what escape hatch not permitted Burns will Samuelson announce "next winter" when inflation is more than 50% higher than he forecast for that time?

The DPR sets inflation for calendar 1970 at 6% or slightly more over calendar 1969 (page 0.60515). Calendar 1969 was 5.4% over calendar 1968. As long as The DPR increases, so will inflation increase. This is a mathematical certainty. The DPR has increased every year since 1962, and in 1970 it will be larger than in 1969 because production (the P in D/P=R) per capita is going down.

Samuelson continues, "Yes, we probably are in a recession, a mild one . . . Such a recession is unlikely to become a maxi-recession, say like the Eisenhower recession of the 1950s . . ."

Somewhere between unemployed rates of 7% and 9%, the U.S. Welfare structure will collapse. Molders of public opinion in the permissive society seem to be constitutionally incapable of comprehending anything worse than "setbacks." They just are not built to face the reality of severe reversal. Samuelson calls the mild "Eisenhower recessions of the 1950's maxi-recessions. From one end of the business community, and in Wall Street, all the way to the other end, talk is that economic recovery might not come for another few months! There is no talk that it might not come at all.

Stein, Herbert, Member, President's Council of Economic Advisers, speaking to the California Bankers Association (Group IV), Newport Beach, California, 1970 November 7: "The rate of inflation from this point forward will depend on the rate of wage increase probably more than on anything else."

Stein has the situation completely upside down. Wage increases will depend on inflation more than anything else!

Assignment of the cause of inflation, at any point in the course of a particular inflationary period, to wage increases "more than . . . anything else" is utterly absurd. Even many of these economists who turn mute at the very mention of The DPR would disagree with Stein. Wage increases aggravate inflation: but they do not cause it. Cf. p. 0.6054, where not Stein but Stein's position is refuted in more detail.)

Having failed to stop inflation through understanding inflation, the President's Council of Economic Advisers seeks actively and loudly to blame business and labor for its own incompetence. When such men are permitted to continue national economic management, what hope is there for economic recovery? You answer.

Wallich, Henry, Columnist, Professor of Economics at Yale University. Speaking on 1970 through Newsweek Magazine, January 12, 1970, Wallich said, "Inflation won't be reduced very much—not much below 4 per cent on the cost-of-living index—but the drop will demonstrate that inflation can be halted."

Professor Henry Wallich, a prominent academician at Yale University, a man who tries to be analytically productive, projects the 1970 Consumer Price Index—"cost-of-living index"—to go "below 4 per cent." Federal Reserve Board Chairman Arthur F. Burns committed the same error of fundamental

analysis when in 1968 he judged inflation would be down to 3%. Friedman, too, in December of 1969 indicated inflation may be down to 3% by mid-1970. Then Samuelson has inflation "probably" (a wily escape hatch) down to 4% "by next summer" (1970-1971). Here are four of the very most prominent professional economists in America. A question more important than carfare is: How come they are wrong? These men truly believed what they said, as reported on these pages. Burns in particular stands out as a man who has irrevocably, in his own way, dedicated his life to economics. How come they are wrong? The answer to this question far transcends any individual reproach. Laying the blame for an economic collapse at the doorstep of any one man or any particular men, such as those listed on these pages, and others who would be listed here if temporary space permitted, is NOT a rational procedure for rectification of intellectual error, is NOT a rational procedure to prevent extremely violent social interaction on the order of abrupt structural change.

What, then, IS the rational procedure to (1) rectify intellectual error and (2) prevent a credit collapse with consequent societal calamity? Economics and Sociology should get in bed with each other: then their offspring should get into bed with Political Science. Any geneticist knows what would finally emerge. While the several theoreticians are getting educated, the President and the Congress must forthwith enforce the final paragraph of Article No. 45, supra, p. 182.

RETURN OF LITHUANIAN SEAMAN AROUSES ANGER AND CONCERN

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. McDADE. Mr. Speaker, the recent episode concerning the Lithuanian seaman who fled a Soviet ship to seek refuge on a Coast Guard vessel, and who was thereafter returned to the Soviet fishing vessel, has aroused considerable and just anger and concern.

That such a thing could possibly happen in 1970 is something none of us suspected. Shocked concern has been expressed by countless people in this Nation.

Mr. Tom Powell, news editor of station WDAU-TV in northeastern Pennsylvania, read the following editorial over that television station on December 4. I commend it to the attention of my colleagues:

No single episode in memory has so damaged this country's reputation as a haven for the oppressed than the denial of asylum to a Lithuanian seaman.

Washington is working overtime to repair this blot on the U.S. image. Congress has been holding formal hearings. The President is described as outraged. The Voice of America is beaming out innumerable messages that the incident off the coast of New England is not a reflection of U.S. policy.

But to the many overseas who dream of breaking the bonds of totalitarianism for freedom in America, the assurances may be of little comfort contrasted with the word picture of the would-be defector beaten senseless by Soviets on the very deck of an American Coast Guard vessel while U.S. seamen stood by and made no effort to intervene. The hapless Lithuanian then was returned to Russian custody.

How empty now ring the words of Emma Lazarus' inscription on the Statue of Liberty:

Here at our sea washed sunset gates
Shall stand a mighty woman
With a torch whose flame is the imprisoned
lightning
And her name Mother of Exiles.
From her beacon hand
Glows world-wide welcome

To characterize the role of the Coast Guard in the aborted freedom leap as poor handling is putting it mildly. It was gross stupidity.

The White House has issued new guidelines in this area to prevent a repetition of the blunder. But the agony of embarrassment caused the nation hopefully will have its own effect in averting the kind of mindlessness displayed in the New England case.

THE LETTUCE BOYCOTT AGAINST UNION LABOR

HON. BURT L. TALCOTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. TALCOTT. Mr. Speaker, there is considerable misunderstanding about the secondary boycott which Cesar Chavez is trying to mount against California lettuce.

There are some direct misrepresentations. I believe consumers, reporters, and Members of Congress should have facts rather than opinions and rumors.

Mr. Chavez is in jail for contempt of court. The judge and the adversary attorneys made every effort to enable Mr. Chavez to purge himself of admitted and flagrant contempt. Mr. Chavez prefers to be in jail. This gives him attention and opportunities for publicity. Compliance with the law never attracts as much attention as disobedience of the law.

Mr. Chavez has called for a boycott of all lettuce—regardless of whether it is produced by union labor or not.

Mr. Chavez is in jail for purposefully disobeying a court order prohibiting Mr. Chavez from urging a boycott of lettuce produced by the Antle Co. The Antle Co. has a bona fide union contract with the Teamsters Union, which has been in effect continuously since 1961—long before Mr. Chavez entered the farm labor organizing arena—long before the formation of his organizing committee—UFWOC. Ninety-five percent of all Antle farmworkers belong to the Teamsters Union. There is no dispute about this situation by anyone—teamster, UFWOC, grower, farmworker, court, observer.

The terms of the Teamsters' contract is better for the farmworker in every respect than the UFWOC contract.

Nevertheless, Mr. Chavez continues to urge a secondary boycott against the Antle Co. and a tertiary boycott against suppliers of Antle.

I doubt that any court would permit this. This is a jurisdictional dispute between the Teamsters Union and the organizing committee of Mr. Chavez.

To avoid the penalty of the boycott, the Antle Co. must break or disregard their current, valid contract with the Teamsters Union and their employees. But, Antle Co. would be subject to serious

litigation, perhaps a counterboycott by the Teamsters, if they pursue such a course.

Several points should be more widely known: Mr. Chavez is not seeking a better labor contract for farm laborers—the Teamsters' contract is superior; he is not seeking better wages, hours, or working conditions for farmworkers—he would have undertaken his boycott and organizing activities in States where farm wages are 43 percent less and where the farmworker was not organized; he is not seeking secret elections to permit farmworkers to elect their bargaining agents—he has declined all secret elections or rejected the results; he has not sought Federal farm labor legislation—none of his supporters have introduced or supported national farm labor legislation.

I urge Mr. Chavez to purge himself of contempt of the court, to obey the law, to stop the boycott, and to support national farm labor legislation which will give the farmworkers throughout our farming community the same rights as other labor, the right to organize, the right of collective bargaining, the right of secret elections to determine their representatives and bargaining agents, and for a fair day's pay for a fair day's work.

Legislation and negotiation is a far better way than strikes: With their vicious picketing, intimidation, threats, property damage, and personal injury, or secondary boycotts, which are illegal and considered immoral by most industries and businesses, or tertiary boycotts, which also injure innocent third parties and consumers. Strikes and boycotts deprive the farmworker of work and the consumers of quality produce at a fair price.

The farmworkers and consumers should join to demand fair Federal farm labor legislation.

TRIBUTE TO ELLY PETERSON

HON. JACK H. McDONALD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. McDONALD of Michigan. Mr. Speaker, one of Michigan's greatest citizens, and certainly one of its most outstanding Republicans, is retiring as assistant chairman of the National Republican Committee. I am referring, of course, to Elly Peterson, a woman who conquered the barrier of sex long before there was a national movement in that direction.

The Republican Party of Michigan, and the National Republican Party, owe a large debt of gratitude to this dynamic and aggressive woman. Her list of accomplishments in service to her State and country is unique and long.

David S. Broder, columnist for the Washington Post, noted Elly's retirement and her list of achievements in today's paper. I share with all Michigan residents and all Republicans a sense of pride in having served with this outstanding woman. So that others may see

that courage, imagination, an aggressive nature and organizational talent overcome all barriers, I wish to introduce Mr. Broder's article for printing in today's RECORD:

TRIBUTE TO ELLY PETERSON

(By David S. Broder)

They are having a party tonight at the Mayflower to say goodbye to Elly Peterson, who is retiring for the second time as assistant chairman of the Republican National Committee. She quit once before to take on the thankless assignment of opposing Sen. Philip A. Hart (D-Mich.), a task the Michigan Republicans were unwilling to entrust to a man in either 1964 or 1970.

She came back to her old job at the National Committee a couple of years ago at President Nixon's request, and this time she says she's quitting for good to join her husband in retirement in Hawaii. One has to be skeptical, for she has politics in her blood and a prudent Hawaii Democrat would keep a close eye on her activities.

In an age where the term is thought to be derogatory, Mrs. Peterson has always and unashamedly been a political pro. From her own Eaton County, Michigan, base she moved up the organization ladder to become the first female state chairman in GOP history, and then on to the top party post open to a woman.

It is, I think, accurate to say that her abilities would have earned her the national chairmanship, were it not for the unwritten sex barrier both parties have erected around that job. Certainly, her organizational talents made her views as respected and her advice as sought-after among her colleagues in the party as anyone in the past decade.

The role of a woman in politics is an inherently difficult one—especially if her forte is organization. Yet through the years there have been women in both parties who have overcome the obstacles and made an enormous contribution to the functioning of our political system. In paying tribute to Mrs. Peterson, the Republicans are acknowledging a debt we all share.

One basic problem all talented women face is the tendency of the parties to shunt them off to some preserve of tea-party irrelevance called "women's activities." Mrs. Peterson, who had a Helen Hokinson figure but a slalom racer's cunning at cutting corners, fiercely resisted stereotyping and by sheer energy and capability won her right to operate at the full range of her talents.

Her greatest achievements probably came as Michigan Republican Chairman under Gov. George Romney. Romney entered office thinking political parties were at best irrelevant and outmoded and at worse downright dangerous. His suspicions were repaid in kind by the suspicions of the old-time Michigan Republicans, who regarded Romney as a loner, a usurper and very probably a dangerous radical.

Somehow, in this unpromising situation, Mrs. Peterson sensed an opportunity for remaking the Michigan Republican Party into a bigger, healthier, more open and—she always insisted—more effective organization. She managed to convince Romney that governing was easier if he had party support than if he was attempting to function as a one-man band. And she managed to convince some awfully skeptical Republicans that Romney's personality and grass roots appeal could be made a vehicle for building a stronger party organization.

The party conferences she ran in those years were about as close to town hall democracy as it is possible to get in a mass society, and the enthusiasm they generated had a practical payoff in the election of an additional senator and five more Republican congressmen.

It was Mrs. Peterson's fate to serve on the National Committee staff in periods which

were hardly conducive to her own brand of progressive Republicanism, first in the years leading up to the Goldwater nomination and in the past two years under President Nixon.

She has, for example, been struggling for the last two years to launch a national program—patterned on her Michigan experience—of opening year-around Republican headquarters and neighborhood service offices in urban ghetto areas. It would be at best a difficult, risky operation, and the political payoff—if any—would be years away.

But it was her conviction that if the Republican Party was to govern effectively, it had to have roots, however fragile, in black America as well as in white. That kind of thinking was not enthusiastically received by the advocates of the quick-pay-off "Southern strategy."

But hard-headed as she is, Mrs. Peterson would say you should expect to be frustrated in many of your hopes if you get involved in politics. As an exemplar of the many women in both parties who have shown that citizen politics can be party politics, she richly deserves the tribute she will receive tonight.

THE NATURAL GAS CRISIS—ONE PIECE OF THE PUZZLE

HON. PAGE BELCHER

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. BELCHER. Mr. Speaker, because of the unjustified "brickbats" which continue to be thrown at the oil industry, I have asked leave to extend my remarks and am inserting in the RECORD an address by William C. Bailey, Jr., associate director of the Louisiana Petroleum Institute, delivered in September before the Baton Rouge Chapter of the Louisiana Engineering Society and reprinted in the October issue of the Louisiana Engineer.

I deem it vitally important America's people and her leaders not be allowed to forget the pertinent facts regarding our petroleum supplies in the future and the need for wise action and wise planning now to insure the adequacy of those supplies in the future.

The address follows:

THE NATURAL GAS CRISIS—ONE PIECE OF THE PUZZLE

(By William C. Bailey, Jr.)

To understand what has happened and what is happening with respect to our nation's energy sources, let us first establish a few basic facts.

Petroleum—that is, oil and gas—today provides this nation with 75 per cent of its energy. Coal provides 20 per cent, hydropower 3.6 per cent and nuclear power .3 of one per cent.

Demand for petroleum has literally skyrocketed in recent years. The U.S. Bureau of Mines has forecast that while Americans consumed 100 billion barrels of oil in the first 109 years of the industry's existence, in less than a third of this time—1968 to the year 2000—domestic demand will soar to 233 billion barrels or about two and a half times the consumption of the first 109 years.

The bureau says Americans are now using 14.8 million barrels of oil per day—enough to fill 62,000 railroad tank cars which would make a train 500 miles in length—long enough to stretch from Baton Rouge, Louisiana, to Atlanta, Georgia.

Natural gas consumption, according to the Department of Interior, is expected to rise

from a 1967 level of 18.2 trillion cubic feet to nearly 25 trillion cubic feet in 1980 and more than 40 trillion cubic feet by the end of the century.

In the face of this spiraling demand, the petroleum industry faces unprecedented restrictive government policies that have the effect, if not the intent, of discouraging exploration for new oil and gas reserves.

There can be no question that this nation is using oil and gas faster than new reserves are being found. Ten years ago, proved oil reserves amounted to a 13-year supply. Today, proved reserves are down to a 10-year supply.

During the same 10-year period, natural gas reserves have declined from a 22-year supply to a 15-year supply. With fields in the lower 48 states expected to pass their prime in the 1970's, this downward trend will continue unless new sources are found.

For those who are looking north to Alaska, it must be remembered that in addition to the fantastic production and transportation costs involved, the entire Prudhoe Bay field could produce only about a two-year supply of oil for this nation at the anticipated rate of consumption in the 1980's.

So while reserves have been dwindling and demand has been rising, where have the companies been left?

We must first recognize that the oil business is a very expensive business to get into and a very easy one in which one may lose one's shirt.

The odds against finding an economically feasible well are about one in a hundred in unproven fields. The ante can run \$100,000 on land and five times that amount offshore. You can get better odds with much lower investment on any Las Vegas crap table.

And if you win, where are you? According to the First National City Bank of New York, the average return on investment for all manufacturing a year ago was 13.2 per cent, while the petroleum industry showed an average return of 12.3 per cent.

Congress, meanwhile, saw fit to cut the percentage depletion provision in our federal tax laws for the first time since it was enacted in 1926. This provision had proven very successful in encouraging oilmen to seek new reserves. Unquestionably its reduction—which cost the industry an estimated half billion dollars the first year—is doing nothing to encourage exploration for new reserves.

Then came the threat that the Mandatory Oil Import Control Program of 1959 would be scrapped and, with all its other woes, the domestic industry would be forced to compete with a flood of cheap foreign oil.

A cabinet level task force had in fact recommended abolition of the import control program, but the President of the United States read correctly the energy crisis signs that by this summer were cropping up almost daily and he very wisely decided to keep the system limiting crude oil imports to 12.2 per cent of domestic production.

This provision, by the way, was implemented in 1959 by President Eisenhower in the interest of national security and on the recommendation of the office of Civil and Defense Mobilization which saw the very existence of the domestic industry threatened by rising foreign imports.

The New York Times News Service said in a July article that the petroleum industry is seeing some of its serious warnings and forecasts proven correct—among them the folly of dependence on Middle East oil, the repercussions of federally-set low natural gas prices and the headlong rush into low-sulphur, anti-pollution legislation and regulations.

Predictions that we were making two or three years ago were branded by our critics as "self-serving." Today, some of those same critics are asking "Why didn't you tell us this was going to happen?"

In addition to the aforementioned deterrents to exploration, gas producers have encountered a depressed pricing situation resulting from a federal take-over of price regulation in 1954 as a result of the Supreme Court's decision in the case of Phillips Petroleum Company vs. Wisconsin.

In this decision, the court ruled that the Federal Power Commission was required to regulate field prices for natural gas. Prior to 1954, the FPC had limited its regulatory authority to the rates charged by interstate pipelines for gas sold to utility companies.

Since 1954, the FPC has been struggling with countless problems resulting from this unsought addition to its jurisdiction. Exploration and development declined and thus we have the present shortage of natural gas.

What is the solution to the problem? Many of us in the industry feel that the only real solution is to get the FPC out of price regulation business.

Other possible solutions that have been offered include imports, production of gas from synthetic sources, and of course, stimulation of greater domestic production.

The most obvious sources are Canada and Mexico but, in addition to cost factors, these nations are facing increasing demands of their own. The potential supply of liquefied natural gas from other continents is large but here again high costs would deter importation.

Gas could be produced from coal, oil shales and tar sands but technology is untested and costs are likely to be quite high.

Nuclear stimulation of existing fields with poor recovery factors should result in increased production, but little is known about costs, the effect on recovery factors or the degree of radioactive contamination of the gas produced.

So we return to our premise that stimulation of increased exploration for undiscovered natural gas reserves within the United States is the most promising means of increasing supply.

And if we are to follow this policy, we are going to be compelled to look more and more to the offshore areas.

Louisiana, then, looms as one of the real bright spots in the future.

According to the State Department of Conservation, offshore production of natural and casinghead gas rose from 19.47 per cent of total state production in 1964 to 31.06 per cent in 1968. The department has yet to issue its report on 1969.

Offshore oil production in that same period rose from 31.6 per cent of the total to 40.36 per cent of total state production.

When we get into the offshore segment of our operations, however, still another issue interposes itself and that is concern for the environment.

We believe very strongly that this nation can enjoy a clean environment and at the same time have adequate supplies of the sources of energy that have given us the highest standard of living of any nation in the world.

Unfortunately—perhaps tragically would be a more descriptive word—a legitimate and well-meaning movement to stem pollution has in some instances been infiltrated by those who, for reasons best known to themselves, seem hell bent on the destruction of private industry, the free enterprise system and the way of life which we may sometimes criticize but which we certainly would not trade for that of any other nation in existence.

We in industry and you in the professions cannot afford to abdicate our responsibilities to those who would use ecology as a war cry when ecology is not what they are concerned with at all.

We must offer the leadership in the movement for a clean environment and we must set the example by continuing to clean up our own house.

Industry, agriculture, the professions, government and the public will win the war on pollution as partners—not as adversaries. We have the capability to put men on the moon and bring them home. We also have the capability to clean up our own mess here at home.

Amid the brickbats and the epithets, my industry will continue to perfect its operations so that in the future the leaders of our state government cannot only continue to say that the petroleum industry is not a major polluter, but can also say, without fear of contradiction, that the oil industry is not a polluter . . . period.

While the shortage of natural gas is today on the tip of our tongues and is being dramatized by dire predictions of power failures, brownouts and even rationing, it is simply one piece in a giant puzzle covering the fields of economics, conservation, trade policies, and even the future course that our technology will follow.

If the predicted fuel shortages occur in the northeast this winter, some of the most sound—and perhaps most caustic—advice will come from the chilly living rooms of the constituents of those members of Congress who have, in the name of consumer interest, helped create the crisis we face today.

The senator or congressman who advocated more imports, reduced tax incentives and lower prices in the interest of reducing fuel bills a few cents a month will find little sympathy from the constituent unable to buy the product at any price.

It is unfortunate that it takes a crisis or near crisis to get our feet back on solid earth but this is nothing new.

Supposedly intelligent and well-informed people advocated arms and material shipments to Japan just hours before Pearl Harbor. Others with equally impressive pedigrees and credentials hailed Fidel Castro as a 20th Century Benito Juarez while the firing squads were cleaning their weapons. And we can rest assured that some of our fellow Americans would advocate further restrictions on the petroleum industry right up to the point at which the valves began to close.

We in the petroleum industry are not proceeding under any illusions.

We recognize our responsibility to meet the energy needs of some 200 million Americans and we are aware that our operations are the key to the security of our nation and that of the free world.

We also realize that the support of business, industry, the free enterprise system and—if you please—the establishment, is not going to be easy in the 1970's.

As a matter of fact, I cannot recall when it was ever an easy chore, whether we were concerned with a politically motivated attack by word or in print or with a bomb planted in the dead of night in an oilfield or a skyscraper.

But support it we must and defend it we will. Because I believe from the very bottom of my heart that this great industry that I represent is the very symbol of the system of free enterprise and competitive spirit that made this nation great.

Whether as an engineer, an oilman or just a plain American, I can't recall the day when that wasn't worth fighting for. Can you?

FAREWELL TO VICE CHAIRMAN
ELLY PETERSON

HON. CHARLES E. CHAMBERLAIN
OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES
Tuesday, December 15, 1970

Mr. CHAMBERLAIN. Mr. Speaker, as the Republican National Committee pre-

pare to bid official farewell to our Vice Chairman, Mrs. Elly Peterson, who has devoted so much of herself to the viability of our two-party system in recent years, it is proper that we pause to honor this lovely, indomitable lady. "Elly," as she is affectionately known throughout Republican circles, has served the Republican Party in many, many ways with wisdom, diligence, and grace.

David S. Broder, in his Washington Post column this morning, has paid well deserved tribute to Elly, who is from my home State of Michigan, and I ask unanimous consent that his comments be included in the RECORD.

Mrs. Peterson has announced she will be retiring to Hawaii. She will be greatly missed and I cannot help but wonder if Michigan and Washington—not to mention, Hawaii—will ever be the same again.

The article follows:

TRIBUTE TO ELLY PETERSON

(By David S. Broder)

They are having a party tonight at the Mayflower to say goodbye to Elly Peterson, who is retiring for the second time as assistant chairman of the Republican National Committee. She quit once before to take on the thankless assignment of opposing Sen. Philip A. Hart (D-Mich.), a task the Michigan Republicans were unwilling to entrust to a man in either 1964 or 1970.

She came back to her old job at the National Committee a couple of years ago at President Nixon's request, and this time she says she's quitting for good to join her husband in retirement in Hawaii. One has to be skeptical, for she has politics in her blood and a prudent Hawaii Democrat would keep a close eye on her activities.

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The role of a woman in politics is an inherently difficult one—especially if her forte is organization. Yet through the years there have been women in both parties who have overcome the obstacles and made an enormous contribution to the functioning of our political system. In paying tribute to Mrs. Peterson, the Republicans are acknowledging a debt we all share.

One basic problem all talented women face is the tendency of the parties to shunt them off to some preserve of tea-party irrelevance called "womens' activities." Mrs. Peterson, who has a Helen Hokinson figure but a slalom racers cunning at cutting corners, fiercely resisted stereotyping and by sheer energy and capability won her right to operate at the full range of her talents.

Her greatest achievements probably came as Michigan Republican Chairman under Gov. George Romney. Romney entered office thinking political parties were at best irrelevant and outmoded and at worse downright dangerous. His suspicions were repaid in kind by the suspicions of the old-time Michigan Republicans, who regarded Romney as a loner, a usurper and very probably a dangerous radical.

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It was Mrs. Peterson's fate to serve on the National Committee staff in periods which were hardly conducive to her own brand of progressive Republicanism, first in the years leading up to the Goldwater nomination and in the past two years under President Nixon.

She has, for example, been struggling for the last two years to launch a national program—patterned on her Michigan experience—of opening year-around Republican headquarters and neighborhood service offices in urban ghetto areas. It would be at best a difficult, risky operation, and the political payoff—if any—would be years away.

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But hard-headed as she is, Mrs. Peterson would say you should expect to be frustrated in many of your hopes if you get involved in politics. As an exemplar of the many women in both parties who have shown that citizen politics can be party politics, she richly deserves the tribute she will receive tonight.

THE HONORABLE L. MENDEL RIVERS

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. ARENDS. Mr. Speaker, as the ranking minority member of the Committee on Armed Services, I have been privileged to work closely with our chairman, the distinguished gentleman from South Carolina (Mr. RIVERS). He is a great chairman—one of the greatest.

I did not know until he telephoned me last week to advise he was leaving Washington to undergo heart surgery that he had been suffering from this physical difficulty for some time. He could postpone corrective surgery no longer; and, even then, he did not make the decision until he knew that the major work of his committee for this session of Congress had been completed.

That is the kind of man MENDEL RIVERS is. He is a dedicated man with an unusually high sense of duty, and he invariably performs "over and above the call of duty."

I have gotten daily reports as to his progress, and the latest I have is that he is resting comfortably and nothing has transpired to give us undue cause for alarm. Nonetheless, we are deeply concerned. We wish for him the very best and our prayers are certainly with him.

WELFARE TESTS RIGGED?

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. GROSS. Mr. Speaker, startling indeed is the information provided by Senator JOHN J. WILLIAMS of Delaware and the General Accounting Office, and as reported by the Des Moines, Iowa, Register that inaccurate—perhaps deliberately contrived material—was used to promote welfare legislation in the House of Representatives and the U.S. Senate.

Included in this legislation is the euphoniouly labeled family assistance program more commonly and better described as the start of guaranteed annual incomes.

If the tests that formed the basis for this legislation were rigged as is suggested, those responsible ought to be prosecuted for perpetrating fraud upon the Government.

The newspaper article follows:

WELFARE TESTS RIGGED?

(By Clark Mollenhoff)

WASHINGTON, D.C.—New Jersey tests that were the basis for Nixon administration confidence in the family assistance plan were "rigged," Senator John J. Williams (Rep., Del.) said Saturday.

He told The Register that the record of the Senate Finance Committee will demonstrate that White House Counselor Daniel Patrick Moynihan had a key role in "the rigging" of reports to make them appear favorable.

Moynihan argued that the Office of Economic Opportunity (OEO) reports on the New Jersey graduated work-incentive experiment showed "no evidence that work effort declined among those receiving income support payments."

"On the contrary," Moynihan said, there is "an indication" that those receiving the welfare payments "increased . . . the work efforts."

SEQUENCE TOLD

The Senate Finance Committee record shows the following:

Moynihan was put on notice by Dr. John Wilson, OEO research director, that the test period was too short and the data inadequate.

Moynihan directed that Dr. Wilson prepare the report, and under this pressure the report was prepared last February.

The White House staff used the OEO report to prepare charts to sell the family assistance program to President Nixon and to sell it to the House Ways and Means Committee.

The Senate Finance Committee directed the General Accounting Office (GAO) to examine the OEO report on the New Jersey project. The GAO said the OEO conclusions were "premature," prepared on the basis of "inadequate data," and were "misleading."

Senator Williams said he will make an issue of the "rigged" record when the family assistance program comes before the Senate in the next week.

TELLS OF OBJECTION

Senator Williams said he is certain President Nixon had no knowledge of the manner in which Moynihan and the Department of Health, Education and Welfare used the OEO tests to sell the family assistance plan.

Senator Williams said that he questioned Dr. Wilson and obtained verification that he had objected to using the data, but had given in.

The OEO funded the New Jersey experiment in late 1968. Some parts of the pro-

gram in Trenton, Paterson and Passaic had been under way less than a year when Dr. Wilson was directed to make a report.

Dr. Harold W. Watts, who designed the project, stated in a paper read before the American Economic Foundation in May, 1969, that any reliable result of the New Jersey experiment would not be available until the project had run at least two years, Senator Williams noted.

He said Dr. Wilson had acknowledged that there was a "colorful" exchange with Moynihan at the White House in which Moynihan's temper flared as he criticized economists as "never having an answer until it is too late."

It was in that setting that Dr. Wilson had snapped back: "I'll get some answers."

Dr. Wilson said he told Moynihan of the difficulty of drawing conclusions on the program, but insisted that the report he presented in February, 1970, was his best judgment in the light of the limitations.

DEFINES "REFORM"

Senator Williams said he is in favor of "reform" of the present welfare programs, but that the present family assistance program is not the "major reform" it was hailed as by former HEW Secretary Robert Finch and the present secretary, Elliot Richardson.

"When the term 'reform' is used in connection with legislative proposals it means one of two things," Senator Williams said. "Either it proposes to take away from someone something which he is now receiving but to which he is not entitled, or it is to give someone something which he is not getting but to which he is entitled."

Williams declared that the so-called "reform" of welfare now pending before the Senate is filled with "disincentives" that flow from reports such as the one from New Jersey. He said members of the Senate Finance Committee became aware of the lack of "reform" in the plan, and this explains why the majority of the Republican committee members have been opposed to it.

The fact that the House Ways and Means Committee relied upon the New Jersey OEO report is found in the committee report that states:

"We believe that these preliminary data suggests that fears that a family assistance program could result in extreme, unusual, or unanticipated responses are unfounded.

"Furthermore, we believe these preliminary data from the New Jersey project indicate that a family assistance program is practical. The data suggests that: There is no evidence that work effort declined among those receiving income support payments. On the contrary there is an indication that the effort of participants receiving payments increased relative to the work effort of those not receiving payments," the report said.

The General Accounting Office found "serious questions as to the appropriateness of the conclusions drawn" about the same program.

"The data reflected in the OEO report represent less than a year's activity," the GAO stated. "Moreover, on the basis of the material in the OEO report and the other material to which we were given access, we do not believe the data has been subjected to sufficient analysis to support conclusions from it. Finally, we believe that such conclusion as may eventually be drawn from this data are likely to vary with the plans and strata defined in the experiment. In such cases, premature conclusions drawn from the aggregated data could be misleading."

Senator Williams said the GAO report stated flatly that "it is wrong to conclude" that the persons on welfare roles increased their work effort when compared with those who are not receiving government checks.

"The only evidence we find in the OEO report to support this statement," said the GAO, is a chart that has "defects both in the

underlying data and in the preparation of that chart sufficient to preclude conclusions from it."

The GAO stated that the report it was making could not be based upon access to full data because the OEO placed "constraints on our access to the full data base accumulated during the experiment."

GAO auditors said: "We believe that a number of important qualifications which are omitted from the OEO report are necessary to proper understanding of the issues which the report seeks to address. We found problems in the collection and analysis of data supporting the OEO report—and in the completeness of the presentation of the data in that report.

"Our work proceeded with some difficulty because of the objections raised by OEO and OEO's contractors as to the propriety of GAO's access to data which they considered preliminary and experimental," the GAO explained.

QUESTIONABLE CONCLUSION

In one instance a controversial chart is based on only 318 of the 509 families participating in the experiment in Trenton, Paterson and Passaic.

"The data on 191 of the families (37 percent of the families) was not used by OEO's contractor in preparing Chart IV because of problems in the interviews and coding of the data," the GAO stated. "Based on generally accepted statistical standards, we believe that the conclusions are made highly questionable if drawn from data in which this large an attrition has occurred."

It was noted in the GAO report that the OEO contractors' basis for determining whether family earnings changed was a comparison of weekly earnings.

The study compared the family's weekly earnings in the period prior to the enrollment interview with earnings 10 to 12 months later. The criteria for determining whether a family's earning had increased or decreased was that it must be 20 percent up or 20 percent down to register as either an "increase" or a "decrease." Otherwise, it was registered "not to have changed."

The GAO called attention to the combining of periods of the year and 10 or 11 months in the same chart, and also noted that in one city the comparison was in August and in the other it compared income in January with November and December.

This practice is "a violation of good statistical practice" and it termed the conclusions drawn from the key chart as being "highly questionable."

Senator Williams said the cost figures presented before the House Ways and Means Committee are now "admittedly unrealistic."

In the committee, the administration had initially projected a cost of \$8.2 billion annually, compared to present welfare cost of about \$4.5 billion.

The amended version submitted to the Senate Finance Committee June 23 projects \$9.1 billion—an increase of \$900 million over figures mentioned only a few weeks earlier.

Following the questions raised by Senator Harry F. Byrd, Jr., (Dem., Va.) during the hearings, HEW has now projected costs of \$10.8 billion—a 25 percent increase over estimates made just a few months ago.

MORE RECIPIENTS

Williams asked "what kind of a reform is it" that boosts the number of welfare recipients from 10,436,000 to 23,784,000—a 128 percent increase. He noted that in many states the number of welfare recipients will increase more than 400 percent.

Iowa had 92,300 on welfare rolls as of January, 1970, but under the Nixon administration's program the number would be increased to 235,700—an estimated 155 percent.

Williams noted that an agricultural state like North Dakota had only 16,583 on welfare in January, 1970, but would have 96,900

on welfare under the Nixon administration program—an increase of 485 percent.

South Dakota had 22,110 on welfare rolls last January, but under the bill would boost welfare rolls to 107,400—an increase of 386 percent.

NIGER

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. DIGGS. Mr. Speaker the Republic of Niger will celebrate its Republic Day on December 18. I wish to take this occasion to renew my own friendship for the people of Niger and my respect for its government which, despite many obstacles, is striving valiantly to resolve the problems posed by an encroaching desert and a lack of accessible water.

I was very impressed by Niger's President Diiori Hamani during my visit in April. Recently elected to a third term of office, President Diiori has provided his country with wise leadership. His efforts at economic development have been accomplished with little fanfare but with solid success. I am proud that our own Government has assisted these efforts with the financing of the John F. Kennedy Bridge, which will be a valuable addition to Niger's developing infrastructure. We are honored that the Government of Niger has named the bridge after our late President, who was himself so interested in its completion. It appears to me very significant that the bridge is being inaugurated on Republic Day, a day which celebrates the progress of the past and renews the dedication of a brave people to future success.

Permit me to express, on behalf of the people of the United States, our congratulations to the Republic of Niger on this day, and our best wishes for the future.

UPPER VOLTA

The Republic of Upper Volta celebrated its National Day on December 11 and I, as a recent visitor to that proud country, would like to add my congratulations to those flowing in from all over the world.

Under the present government of General Lamizana, Upper Volta has made impressive progress. It has achieved political stability which provides the basis for democratic legislative elections to be held on the 20th of this month. It has successfully maintained fiscal responsibility at a time of increasingly critical demands on the budget. These are achievements which all governments should admire.

But Upper Volta has not limited itself solely to internal interests. It has taken an increasingly important role in the United Nations. Its initiative and action to strengthen economic ties with its neighbors is especially encouraging. The United States has been happy to associate itself with these efforts both directly and through international organizations.

Therefore, on this proud day, we want to extend our congratulations to the people and government of this friendly nation and our best wishes for continued progress and success.

THE STRANGLING PICKET LINE

HON. DURWARD G. HALL

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. HALL. Mr. Speaker, the recent rash of auto strikes, railroad strikes, and wildcat trucker strikes, not to mention the grape and cabbage negotiations, have contributed much to weaken an already struggling national economy, even more. A most profound and timely analysis of the pressure being generated against the "free marketplace" today, was recently delivered by the president of the U.S. Chamber of Commerce, Mr. Jenkins Lloyd Jones.

Mr. Jones, in an address before the Chicago Association of Commerce and Industry spoke on "The Strangling Picket Line." His apt commentary on labor-management relations today and in the past should be read and reread by all.

The speech follows:

THE STRANGLING PICKET LINE

(Address by Jenkins Lloyd Jones)

I wish to talk about labor and management, and in order to conserve your time let's start with a blunt and sad truism.

There will never be total labor peace under any system of freedom.

Management will never be totally satisfied with labor costs and labor performance, and workers will never be totally satisfied either with wages or working conditions.

Friction between the hirers and the hired is the price we pay for two great blessings—industrial efficiency and individual freedom.

In ancient and medieval days a few artisans were free, but the ancestors of most of us were at best villains sharing crops with or paying protection to some noble fief, and at worst outright slaves. Strikes were not altogether unknown, but you lost a strike and your head simultaneously.

With the beginning of the industrial revolution in the 18th Century the movement of population from the farms to the cities began and more and more farmers became their own proprietors. Rural villenage weakened. But cottage industry weakened, too, and peonage of a new sort moved into the factories.

The Luddites futilely tried to smash the new machinery, but better methods of production were compelling and workers had to go to machines which they didn't own.

Not that the machinery wasn't a general blessing. You could get more cloth for a shilling from a spinning jenny than from a spinning wheel, and, in spite of romantic notions of handicraft, the mass-produced Eli Whitney rifle with its interchangeable parts was as efficient and lot cheaper than the proud product of the gunsmith.

But by the 1850's the factory owners had industrial labor pretty much at their mercy. In America floods of immigrants helped keep wages low and hours long. Westbound ships kept feeding the sweatshops. The lockout could devastate a community. And by various cozy arrangements territories could be divided, prices rigged and sometimes monopoly achieved.

Perhaps the first government attack on totally free enterprise in America was the boiler inspection law. Citizens grew tired of having themselves and their relatives wafled to Heaven on the wings of steam, compliments of rusty boilers fished from sunken wrecks.

Then came the Interstate Commerce Act of 1887, designed to keep railroads from gouging shippers and travelers.

The Sherman Antitrust Law of 1890 was an acknowledgement that the rise of Big Business had presented problems that did not exist when most businesses were little.

The genius of John D. Rockefeller in building the Standard Oil trust forced the law into being. His secret rebates and ruinous price wars were not illegal. They were merely wrong. And Congress slowly and often reluctantly moved to right those wrongs.

In 1906 the privilege of industrial sharpers to poison or shortchange the public with adulterated or rotten food and with dangerous or worthless drugs was curtailed by the first of a long and successively more stringent series of food and drug acts.

In short, government was recognizing that industry neither would nor could police itself in the public interest, that an unprincipled minority would always seek to compound profits by driving competitors to the wall, by rigging rates, setting up cartels, or by unloading shoddy or worse.

In the meantime, the budding labor unions were having a tough go. Union-busting tactics included the blacklist, the use of Pinkertons or federal troops, the easy employment of court injunctions, and the importation of professional strikebreakers.

So, in 1914, when the Clayton Act was passed to improve and strengthen all previous antitrust laws, unions were specifically exempted. Subsequently, however, courts continued to enjoin strikes for a closed shop, secondary boycotts and the picketing of an unorganized plant by persons who were not employed in it.

These dams went out in 1932 with the Norris-LaGuardia Anti-injunction Act, largely written by Felix Frankfurter, then a law professor at Harvard. The Act put a blessing on the widest use of union power. Labor disputes were deemed to exist wherever union leaders said they did. Practically all legal rights of employers to seek injunctions were outlawed, including charges of conspiracy.

This was followed in 1935 by the Wagner Act which approved the closed shop, the union shop and admonished employers to bargain "in good faith."

"In good faith" sounded fine, but there was created simultaneously the National Labor Relations Board, and the history of this board, now well documented over a third of a century, reveals it as probably the least judicious judicial body ever created in this country.

NLRB members have repeatedly indicated that they conceive their function as the promotion and preservation of union power. "Unfair labor practice" as determined by this board has too often seemed to be a refusal to bow to union demands.

With legislation setting union leadership above laws that applied to all other groups of citizens, plus the patent bias of the NLRB, it was not remarkable that union activity not only burgeoned, but that it was yanked into new channels.

The first casualty was, quite naturally, the doctrine of voluntarism. In the last speech of Samuel Gompers, read at the A.F.L. El Paso convention in 1924, he said:

"So long as we have held fast to voluntary principles we have sustained our forward progress and we have made our labor movement something to be respected."

The New Deal helped kick the principle of voluntarism out the window and the era of compulsion began.

But Gompers in the same speech said something else, sadly prophetic. Listen:

"The very success of our organization has brought additional serious dangers. Office in the labor movement now offers something in addition to service—it offers opportunity for the self-seeker who sees an instrumentality for personal advancement both in the economic and in the political field."

As soon as the new labor laws permitted union leadership to issue or withhold permits to work, as soon as the rank and file membership found so-called "voting" being held in a show of hands in union hall with the goons lining the walls, and as soon as dissident

members could be disciplined by the lifting of their cards or the imposition of arbitrary fines, things began to happen fast.

This was the climate that produced Jimmy Hoffa. It produced Willie Bloff and the famous Hollywood "sweetheart contracts" with equally unprincipled movie moguls. The Mafia wasn't long in sensing the opportunity. The old hit-and-run waterfront gangs moved into the dock unions and a system of scientific and leisurely looting began. Intimidation stopped at nothing, not even murder.

By 1947 abuses of union power had grown to the point where Congress passed, over Harry Truman's veto, the Taft-Hartley Act, labeled by the unions as the "slave labor law."

Actually, Taft-Hartley was a mild modification of the special privileges inherent in the Norris-LaGuardia and the Wagner acts. It held that unions, too, could commit unfair labor practices if they coerced an employee, took his card for anything except nonpayment of reasonable dues, and indulged in secondary boycotts. But the union shop, i.e., the requirement that any new employee must join and pay dues to the controlling union, remained.

The union shop has been vigorously defended on the grounds that it prevents the "free rider." The "free rider" is defined as one who enjoys all the benefits achieved by union action without paying dues to support the union.

But it's not quite that simple. The union shop also means that the employee is subject to union discipline on matters which may have nothing to do with his competence as a worker. His dues can be used for political action with which the worker may not agree. He can even be harassed for doing his work too well. He must submit to total union discipline, for his redress in the courts is slow and uncertain while the reaction of the leadership to any insubordination is swift and sharp.

The idea, still fondly held in many quarters, that the union shop permits any worker to take any available job if the boss likes him and he agrees to pay union dues dies hard. But it isn't that way.

Unions can, for example, create artificial famines of labor in order to guarantee current members rich overtime. The gimmick is called "competence." Many trades which have been well taught to young men in our armed services in a matter of weeks are in the hands of unions that require apprentice periods of from three to seven years.

The building trades need to recruit 280,000 new construction workers a year. About 16,000 were actually passed through apprenticeship during the past 12 months.

Although 80 per cent of construction's common labor is black, only about four per cent of the major union memberships are black. So there's this big broo-ha in Chicago and Pittsburgh with marchers and counter-marchers and confusion. And George Meany last month warned the construction unions not to lower their standards.

Now every fair-minded person ought to be with George. To hire an incompetent carpenter just because his skin is black is reverse racism and a fraud upon the hirer. But the tiny percentage of Negroes so far admitted to the building trades exceeds the limits of funny coincidence. It is job monopoly for the favored few in the holy name of protecting the workingman.

The National Association of Home Builders doesn't buy the union theory that the recent fall-off of new housing starts can all be laid to higher interest rates. It said recently, "The trade unions are not only responsible for racial discrimination but for public discrimination. By trying to protect the number of jobs available at a given time, they are adding to the shortage of manpower and adding to the cost of housing."

High interest rates affect those who buy mobile homes, too. But the rocketing substitution of mobile homes for on-the-site housebuilding can only be explained by increased exploitation of the housebuyer.

The Council of Economic Advisers has pointed out that because of strikes, slow-downs, featherbedding, work restrictions and job-hopping the average productivity of construction labor declined .3 per cent between 1959 and 1966 in spite of improved materials and tools.

Dayton, Ohio, carpenters have a contract that will soon bring them \$17,600 a year. Steamfitters in St. Louis will make \$20,900 for a 50-week year without overtime. A new auto plant being built in Lordstown, Ohio, has suffered seven wildcat strikes and is six weeks behind schedule. In an effort to catch up the company has paid \$2 million in overtime. Some carpenters have been making \$661 a week.

The excuse for all these wage gouges is inflation. But nothing is said about the role of such wages in inflation. The cost of an industrial building or a retail store is not merely the concern of the owner. It is added to the cost of the goods sold. Every customer shoulders his part of the price of laying bricks.

Nor has sufficient attention been paid to the effect wage costs that outrun productivity may have upon future unemployment. When an employee is locked into a three-year contract of sharply rising hourly wages he can only stand good news. If business slumps how else can he meet his promised hourly wages except by heavy layoffs?

Or consider the implications to world trade:

Where union wages have far outrun the worker's productivity the difference is naturally added to the sale price. This stimulates foreign imports. No one is asking American labor to take a Tokyo or Hong Kong wage. But unless we pay some attention to the costs of what we make we're not only going to have to get out of world markets but we must heed the call, already being voiced by some unions, that we go back to high protective tariffs.

The last time America proceeded on this theory with the old Smoot-Hawley Tariff Act we triggered a world depression.

For a long time now it has been a "liberal" article of faith that the higher the wage the greater the underpinning of the economy. The theory has it that the more money that is put into the hands of labor the greater the national purchasing power, the broader the market and the higher the general prosperity.

This is the "trickle up" theory as opposed to the old "trickle down" theory in which industrialists argued that any policies that gave them higher profits were beneficial to everyone since more men could be hired and more money paid to suppliers.

The "trickle-downers" have long since been discounted. It is time the "trickle-uppers" got out of economic kindergarten, too.

If rewards are to be granted without regard to contribution then the trickle up theory would work equally well with a subsidy to blue-eyed babies or left-handers or girls named Mary and guys named John. Any subsidy that has no relation to risk, enterprise, skill or just plain hard work is simply a tax upon all citizens.

Out of the trickle up delusion comes that stubborn "liberal" dogma that since union activity is most efficient at getting wage improvements all unionism is beneficial to the economy. How many preachers, politicians and professors have been running around urging everyone to boycott California grapes because growers have resisted efforts to organize the pickers?

Yet if a widget factory is struck this month

it can go back to making widgets next month. If a vineyard is struck the week the grapes are ripe it must settle now on strikers' terms or lose a year's production. How much more are the preachers, politicians and professors willing to ask the general public to pay for food if this kind of leverage is imposed against agriculture? And what are the opportunities for blatant extortion?

The idea that union extortion is a something that can be taken care of by Elliot Ness is dangerously unreal.

The enormous draw-down of criminally controlled unions, not merely in tax-free dues, but in tax-free extortion and theft, has put the gangs in the investment business.

We know about the rapid spread into legitimate business of Cosa Nostra. Unhappily, Cosa Nostra has found out how to run legitimate business profitably, but it has never discovered how to run legitimate business legitimately.

Once the mob moves in, competitors' trucks have a way of getting hijacked. Competitors' warehouses are looted or burned. Competitors' customers are strong-armed.

In many cases, the mob that runs the business also runs the union that staffs the business. Here is one place where the company boss seems to be king. He gets union contracts with wonderful terms. But his competitors are repeatedly struck. Some simply go broke. Some capitulate with a distressed sell-out.

It is argued that few unions are like that. This is correct. Few businesses in the old days conducted themselves like the railroad barons or Standard Oil or the purveyors of rotten food. If we never passed any laws unless the majority were out of line we'd have very few laws. Law is designed to control the rapacious minority.

What has happened to us is that the free marketplace is in danger of breaking down. The free market place should be self-adjusting. When a man overprices his goods or services free competition should force him to reduce these prices or lose his customers. It was the effort by a minority of business to circumvent these forces by antipublic practices that brought forth antitrust laws and government regulation.

But labor today is undercontrolled. In a cozy combine with politics it has assumed the mantle of special privilege. It is able to levy taxes on the majority of wage earners who remain nonunion by demanding pay for no work, by closing the doors to jobseekers, by creating artificial labor scarcities, by forcing up prices by imposing wage boosts unrelated to productivity or profits, and by endangering life insurance, fixed incomes, pensions and social security by adding pressure to the debauchery of the currency.

Bertram Powers, head of the New York typographical union, now holds unprecedented power over what New Yorkers shall read. Four newspapers have died in the past 10 years. Three are left.

His latest demands include a four-day, 27-hour week, complete jurisdiction over computer programming, and a free contribution by the publishers to the union treasury amounting to five per cent of the gross payroll.

In short, Mr. Powers, who has never submitted himself to any general electorate, is in a position to license the press by busting it selectively.

The Chamber of Commerce of the United States believes that unless this special privilege ends the economic future of all Americans is in trouble. To that end it has a few suggestions:

It believes that workers should have the right to a secret ballot before bargaining rights are granted and whenever a union's majority is questioned.

It believes workers must be freed from union fines.

It believes that picketing should be restricted to that party which has a dispute with the union, that general contractors should not be picketed if the argument is with a subcontractor, that retailers should not suffer pickets directed at a manufacturer, and that progress isn't served by pickets directed against new and improved products or industrial processes.

It believes that blackmail picketing designed to muscle a union into a plant before it has won a bargaining election is an outrage.

It believes that if a union has a right under free speech to denounce an employer to his employes the employer has a right under free speech to reply and defend himself.

It believes that strike votes should be taken by secret ballot and the qualification of voters and the tabulation of votes be supervised by a neutral agency.

It believes that the NLRB should re-examine its theory that when an employer doesn't make concessions he is refusing to bargain, but when a union refuses to make concessions it is standing on principle.

It believes the NLRB should quit tailoring bargaining units to fit the largest area the union thinks it can win.

It is mystified by the NLRB contention that the buyer of a business is liable for the seller's unfair labor practices. It sounds too much like an attempt to make a business unsalable if it has dared to dispute a union.

It is further mystified by the NLRB policy of forcing the buyer of a business to operate under a seller's labor contract without a chance at a new negotiation. An employer who has foolishly signed a ruinous labor contract thus has no choice but to try to sell under conditions few buyers would accept.

It believes that unions should be under just as much judicial compulsion to honor contracts as employers are.

Finally, the U.S. Chamber sees little hope for justice in labor disputes as long as the NLRB handles them. One suggested alternative is to let the NLRB conduct representation elections but leave unfair labor practice cases to the U.S. District Court, possibly after prior screening by special masters in chancery.

Another alternative is Senator Griffin's plan for replacing the NLRB with a special 15-man labor court, each judge serving a 20-year term.

The U.S. Chamber believes either plan would be an improvement.

At the outset of my remarks, gentlemen, I voiced the supersafe truism that there would never be total labor peace under any system of freedom. There is no way of telling precisely what a profit should be or a wage should be. Except in the most routine and repetitive jobs it is difficult to gauge a man's economic contribution in terms of pennies per hour.

But we know what goes into a commodity. Something we call capital goes into it, and this capital, if it is in the form of common or preferred stock demands dividends, which may or may not be paid, and if it is in the form of loans or bonds it demands interest which had better be paid or else! The value of the stock and the cost of the lent money are determined by the free play of the stock and money markets.

Management goes into the commodity, and how much management takes out of its production is limited in general by the going price in a free market which such skills and experience can demand.

Raw materials, plant and machinery also go into the commodity, and the cost of all these are determined by a free market, guaranteed by the antitrust laws.

And, finally, labor goes into the commodity. If the price of labor, alone, is rigged without regard to its skill or scarcity, if the price can be artificially kited by restrictive

practices that are illegal in all other fields, then the free market is in trouble.

There is a difference between collective bargaining and collective bludgeoning. There is a difference between a price earned and a price imposed. That was why antitrust laws were zeroed in on predatory capital. And predatory unions are no holler.

The U.S. Chamber thinks it's time, in the interest of all Americans, that U.S. labor law climbed down off its double standard.

FEDERAL LAWYERS OF THE POOR

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. REID of New York. Mr. Speaker, one of the most successful and beneficial Federal programs developed in recent years has been the legal services program administered by the Office of Economic Opportunity. In its 5 years of existence it has aided many thousands of disadvantaged clients throughout the country by securing for them their legal rights in court in a wide variety of cases. By its very success the legal services program has given hope to countless persons, who might otherwise remain alienated and discouraged, that the American system can work for them.

In spite of its success, or perhaps because of it, the legal services program has been troubled recently by threats to its professional independence. I am pleased to note that yesterday the Office of Economic Opportunity rescinded its newly issued controversial regulations which would have seriously impaired the independent operation of the program. Insofar as this action restores the professional integrity of the legal services program, it is commendable.

The continued vitality of the legal services program requires that it remain immune from outside pressures. The following article written by Mr. Terry Lenzner, former director of the legal services program, which appeared in the New York Times of December 15, 1970, squarely addresses the problem. I am pleased to include it in the RECORD and commend it to the attention of my colleagues:

FEDERAL LAWYERS FOR THE POOR

(By Terry Lenzner)

WASHINGTON.—In 1965, we embarked on a bold experiment to transform the minimum private provision of legal aid into a major public delivery of legal assistance to the poor. Since then, the O.E.O.'s Legal Services program has grown to \$60 million employing 2,000 attorneys in every state except North Dakota. It includes six centers supplying specialized assistance in consumer, housing, education, juvenile, health and welfare law. Over one million cases are handled a year. The cost to the American taxpayer is \$58 per case.

Millions of poor Americans living in squalid slums, on reservations and in migrant camps are, for the first time, afforded access to the system of justice. Welfare agencies began to respond to the urgent needs of recipients, tenants began to receive adequate facilities and appropriate relocation housing, boards of education no longer assumed the sons and daughters of our clients should be

assigned automatically to vocational classes, and farmers began to provide sanitary field conditions and minimum wages.

But the willingness of able and dedicated "storefront lawyers" throughout the country to protect the poor from deprivations by powerful economic interests and city, state and Federal agencies has resulted in recent attempts to limit substantially the right of the poor in our courts.

While for nearly 200 years, railroads, public utilities and other substantial private interest groups have freely used the courts to their advantages by challenging and overturning countless laws and regulations, the right of the poor to that same system is being choked off by politicians and bureaucrats who are in the business of rendering decisions which frequently adversely affect persons living in poverty. Legal service cases have threatened those governmental institutions and officials who thought they were above the law because no one called them to account.

When the California Rural Legal Assistance program brought an injunction against the U.S. Department of Labor to enforce its regulations restricting the use of Mexican laborers—thereby saving California taxpayers and farmworkers \$131 million a year in welfare support and wages—the large farmers of California sought to protect their private interest by seeking the aid of Governor Reagan and Senator Murphy. When poverty lawyers in 26 states attempted to insure that their clients obtained food stamps denied by those states, an official in the Department of Justice called these suits "politically motivated."

When an attorney in Camden, N.J., was successful in mandating the city to provide adequate relocation facilities for persons dislodged by a highway, the Mayor sought to fire him and shut down his program. When the only significant poverty law firm in Mississippi won too many victories against discriminatory practices, the chairman of the state Republican party complained to Washington and tried to divert the program's funding to his bar association.

And that is just the tip of the iceberg of outraged officialdom caught acting illegally.

The attack upon the poor's right to judicial review of their grievances has now reached an all-time high. The Nixon Administration has made it increasingly evident that it will trade the right of the poor to justice for potential votes. It has attempted to kill or emasculate programs for the elderly poor in Washington, D.C., for black poor in Jackson, Miss., for Indian poor on the Navajo reservation, for white poor in Appalachia, and for migrant poor in Florida and Colorado. The Administration is presently placing the lawyers in Legal Services programs under the authority of nonlawyers who are beholden to state and local politicians. This week it is labeled decentralization; last week it was regionalization. Either way you slice it, effective advocacy for the poor is endangered.

The Senate went on record last year in favor of Senator Murphy's amendment that allowed Governors to veto lawsuits of attorneys that displeased them. The Senate today will have to consider an amendment proffered by its most powerful committee—Finance—to deny funds to any poverty lawyer who dares question the validity of public assistance laws or regulations.

Governors Reagan of California, Hearnes of Missouri, Kirk of Florida, McKeithen of Louisiana have all threatened or in fact exercised veto power to control the right to bring lawsuits on behalf of the poor. Thus, members of both the executive and legislative branches of government at all levels have increasingly sought to make it difficult for poverty lawyers to obtain access to the system of justice. Can the Constitution and the concept of judicial review withstand this bipartisan effort to foreclose the poor from the courts?

I am afraid that the answer may be "No" and that the most innovative domestic program of the last five years may be doomed—unless the partners and associates in private law firms combine with poverty lawyers and their clients to persuade the Congress and the American public of the need to protect the Legal Services program from political pressures that destroy the integrity of the attorney-client relationship. Whether Legal Services remains within the poverty program or is placed outside as a separate entity, it must be protected from the volatile political buffeting it has experienced during the last year. For what matters now is that the poor retain their unfettered right to question what is done unto them in the name of government.

THE RIMS—BILLINGS' TRADEMARK

HON. JOHN MELCHER

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. MELCHER. Mr. Speaker, whether viewed from the ground or in the air a unique and spectacular formation of sandstone cliffs known as the Rims nearly surround and are the trademark of the city of Billings in the Yellowstone Valley of Montana—a formation of great geological historical interest as well as human historical interest.

The formations tell the geological history of the unusual circumstances under which they were formed over a period of 100 million years. The walls bear the carved initials of Merriweather Lewis, which he engraved in the sandstone during the historic Lewis and Clark expedition up the Missouri River and across the mountains to the Northwest.

There are other historic significances which have caused Senator MIKE MANSFIELD and I to request the National Park Service to study the Billings rimrocks and the best means to assure their preservation as a national historic and recreational area. It is urgent that their preservation be undertaken soon, for there is increasing pressure on them for subdivisions and commercial uses.

I offer for the RECORD a paper, *The Geological Evolution and General Ecology of the Rims*, by George Darrow, an expert in geology, who has studied them extensively, which may assist those interested in preservation of unique, scenic, and scientifically valuable sites in understanding the significance and worth of the Rims.

THE RIMS—THEIR GEOLOGICAL EVOLUTION AND GENERAL ECOLOGY

I. THE EVOLVING LANDSCAPE

(1) Sedimentation and subsidence

The geological evolution of the landscape which now encircles Billings began roughly 100 million years ago. During the Upper Cretaceous period of geologic time, a shallow arm of the ocean extended across the region. In this trough were deposited the muds and silts eroded from the bordering uplands. These were compacted, in time, into the grey and black marine shales of the Colorado formation.

As the continent restlessly shifted with the recurring pulsations of geologic forces, the sea retreated and the shore advanced into the trough. Rivers carried sand to the

shoreline from distant highlands. Ocean currents and shifting tides built beaches along the shoreline then as now.

When the shoreline advanced swiftly, thin sandstone beds were deposited. When the trough subsided once more, the shoreline retreated again, and ocean muds were superimposed on the beach sandstones. Thus were deposited the alternating, thin-bedded sandstones and shales of the Telegraph Creek formation.

These deposits comprise the basal formation of the Montana Group, which records in its lithified sediments the geologic history of this region during Upper Cretaceous time. The younger formations in this Group, the Eagle sandstone, the Claggett shale, the Judith River sandstone and the Bearpaw shale reflect the rhythmic advance and retreat of sea and shore. When the shoreline paused in one location for prolonged periods of geologic time, thick sandstone beds accumulated.

(2) The Eagle sandstone

The most spectacular accumulation of sandstone in the Montana Group occurs in the Eagle sandstone formation. A continuing influx of sand flooded into the sea trough during this period, accumulated on broad beaches, subsided, and accumulated again. In all, 250 feet to 300 feet of sandstone was deposited in the Billings area. This light-buff colored, coarse-grained sandstone was originally named by early day geologists who found its outcrops at the mouth of Eagle Creek, along the Missouri River forty miles below Fort Benton.

(3) The Virgelle member

The massively bedded, cliff forming lower member of the Eagle formation is the Virgelle sandstone. The singular expression of the patient processes of sedimentation, persisting throughout a prolonged pulse of geologic equilibrium, produced a sandstone deposit unique in this region. Breached by erosion, we know it today as *The Rims*.

The massive cliffs of the Virgelle member have their maximum topographic expression in the Billings area. Sheer cliffs 125 feet to 140 feet high are a visible record that this area was once a depositional center for the sand carried into the Cretaceous sea by ancient, unnamed rivers. Recorded before records, the massive manuscript of geological history speaks eloquently in the bold escarpment we call *The Rims*.

(4) Revolution and revitalization

Younger layers of shale and sandstone were deposited above the Eagle sandstone. Their weight compacted and indurated the sediments underneath. The sand grains were firmly cemented together and the silty muds became thinly laminated, fissile shales. Finally the era of deposition came to an end. New forces were stirring in the earth. With the onset of the Laramide Revolution, a period of uplift and mountain building began. The Rocky Mountains slowly rose skyward out of the shuddering earth and the shallow sea trough was replaced with the arched backbone of a revitalized continent.

(5) The Pryor Mountain arch

Among the segmented vertebrae of this great mountain backbone are the Pryor Mountains. The same tectonic forces of structural deformation which thrust up the Pryors also upwarped a broad structural arch dipping gently northwestward from the block-faulted mountains. All of the geologic formations previously laid down were gently folded over this arch. The axis of the arch extended northwest between the present-day sites of Billings and Laurel.

(6) Character from erosion

With structural uplift came a renewed vigor of erosion. The ancestral streams then flowing over the most recently deposited sediments began actively downcutting. Proc-

esses of degradation superceded processes of deposition. The softer shales were eroded most readily, while the sandstones were more resistant. Ice ages came and went. Torrents of melt water from alpine valley glaciers renewed the vigor of the downcutting.

From this erosion, relentlessly persisting through aeons of geologic time, and still continuing, came the forms of our present landscape. From the interplay of selectively concentrated erosion and variable rock texture was shaped the character of our land.

(7) Encircling cuestas

Encircling the Pryor uplift, concentric bands of alternately soft and resistant rock formations were exposed. The resistant rocks, progressively younger away from the central uplift, formed inward-facing cuestas. Around the northwestern margins of the Pryor arch, the resistant Eagle sandstone and its massive cliff-making members, the Virgelle, formed a great, open "U" facing the central uplift. This is the most striking and conspicuous of the cuestas surrounding the Pryor Mountains. We refer to it as *The Rims*.

(8) The Billings Basin

Entrenched in its course, the Yellowstone River has cut northeast across the Pryor arch. Slashing through a narrow breach in the Eagle sandstone cuesta two miles southwest of Park City, the Yellowstone could bite into the softer shales of the Colorado formation. Its flow augmented by the Clarks Fork below Laurel, the Yellowstone carved out a broad valley basin that the pioneers called the Clarks Fork Bottoms. Stretching for over twenty six miles within its enclosing cuesta of Eagle sandstone, this fertile valley contains some of the most productive soils in the state. Leaving the valley through a narrow notch in the cuesta just below Billings, the Yellowstone flows through a scenic valley cut into the younger formations of the Montana Group.

II. THE RIMS

(1) The rims defined

The Rims constitute the cuesta formed by the Eagle sandstone formation as it encircles the northwestern tip of the Pryor Arch. The greatest portion of the spectacular cliffs occur on the northwest side of the Billings Basin, overlooking the Yellowstone River valley. A notable segment of the massive cliffs extends across the river into the Indian Caves area. The area in which the massive cliffs form a "U" shaped cuesta coincides with the maximum depositional thickness of the Virgelle member of the Eagle sandstone.

(2) Geological uniqueness

The Rims are the product of a unique geological evolution. Dramatic circumstances of deposition in the geologic past combined with localized structural uplift to give a distinctive character to the preserved geological record. Coincident with these features are the unique events in the history of the Yellowstone River as it excavated the cuesta and formed the Billings Basin. These interacting geologic processes are responsible for creating a unique inter-relationship between the scarp and the river, which comprises a rare and unusual landform feature.

There is a further component of topographic uniqueness: *The Rims*, of course, offer an unparalleled viewpoint from which to overlook the river valley and the city of Billings. But, unlike viewpoints elsewhere along the Yellowstone valley, *The Rims* offer a superb view of the Beartooth Mountains some sixty miles distant. This is because the Clark's Fork valley, entering the Billings Basin from the southwest, has carved a "slot" through the intervening uplands that preclude this view elsewhere.

(3) Distinctive character

The Rims are dissected by several minor streams entering the Billings Basin from the north. Notable among these are Cove Creek

and Canyon Creek, with Canyon Creek being the only perennial stream. Each of these comprises a major reentrant in the cuesta. Numerous small "coves" occur where storm runoff pours over the top of *The Rims*. Huge slabs of Virgelle, left unsupported when the underlying Telegraph Creek formation crumbled away, have broken off the cliff face. These huge blocks have tumbled down slope to create an endless variety of rock forms which have intrigued generations of Billings children.

Ledges near the top of *The Rims* are formed in the upper, less-massively bedded Eagle sandstone. Natural footpaths are provided by the ledges and the smooth "pavement" of the cliff top. Characteristic "beehive" erosional forms occur in the thinbedded sandstones of the uppermost Eagle. Shallow caves are found beneath overhanging arches where storm waters pour over the rims during occasional cloud bursts. These storm waters, over a span of geologic time, have dissolved the cementing material binding the sand grains together.

(4) Plant and wildlife communities

The plant life found on *The Rims* is an excellent example of a ponderosa-juniper climax community of the Transition Zone. The rugged beauty of the jack pines (*pinus ponderosa*) and the Rocky Mountain juniper (*juniperus scopulorum*) finds root in cracks and the shallow soil atop *The Rims*, along ledges and on the talus slope. The ground cover consists of a low, spreading juniper (*juniperus horizontalis*), yucca, sagebrush and various grasses.

The wildlife community includes deer, rabbits, chipmunks, porcupines, lizards, snakes and birds, including red-tailed hawks and occasionally eagles. It seems only fitting that one should find eagles flying over the soaring cliffs of Eagle sandstone.

(5) Land use history

Long before Billings occupied the broad, sheltered valley nestled below the enclosing *Rims*, it was choice wintering area for buffalo, elk and Bighorn mountain sheep. This abundance of game undoubtedly sustained the dwellers of the Indian Caves 10,000 years ago. The railroad utilized the notches in the Eagle cuesta which had been cut by the river, and pioneer settlers were attracted to the basin by the same natural features which had enticed the buffalo before them. The requirements of a growing community for firewood soon denuded *The Rims* of their oldest and largest ponderosa along the cuesta near the townsite. Stumps as large as eighteen inches in diameter can still be found in this area. Clearly visible today is the marked increase in the number and size of trees in the area west of the airport water tower. The scenic quality of *The Rims* west of this point is readily apparent from the valley floor below.

(6) Fragility

The Rims are massive, but as the interface between upland and valley, they are a critical strand in a web of ecological relationships. As an undisturbed natural area they are more than an amenity. They are a treasure. As a site for development they are replete with hazards and susceptible to rapid destruction of their unique quality. The slopes below *The Rims* are prone to both falling rocks and continued slumping of the landslide areas already formed. The soils developed on top of *The Rims* are thin, light, sandy soils. Once the fragile plant cover has been breached, the underlying soils quickly blow out. Observe the deep tracks where unregulated vehicle use has cut through the plant cover and exposed tree roots in the park area near the Zimmerman Trail. Continued misuse will quickly denude the entire area.

(7) Significance

The Rims are the distinguishing natural feature which gives a sense of identity to the whole population of greater Billings. The

natural forms of erosion-sculptured cliffs and wise, old, gnarled trees along the skyline offer a refreshment which has become part of the daily lives of those who pass below. They are an integrating factor which gives a unifying coherence to the community below and behind them. They shelter seventy thousand people from bitter winter wind as once they sheltered the buffalo. They introduce a linear continuity of natural diversity and wildness into intimate contact with the work and life of a bustling, modern city. Generations of children have discovered among these rocks an ever new realm of play. Lovers and joggers, picnickers and sightseers all know the enduring appeal of *The Rims*. Without this escarpment, preserved undiminished and undefiled, Billings would cease to be much of what it now is.

(8) Recommendations

It is recommended this geologically unique natural area be given the necessary protection to preserve it as the distinctive "totem" of the city of Billings. As one of the few major landscape elements remaining in a restorable natural state within the metropolitan area of any United States city, it is in the national interest to preserve the ecological integrity of *The Rims*. Such urban natural areas, in intimate proximity to large population centers are all too rare. The diversity of unique natural landscapes in urban areas is part of our national heritage. The existing opportunity for the timely preservation of *The Rims* should not be forfeited.

It is recommended that an effort be made to rehabilitate existing construction scars and that all possible alternates be thoroughly examined and seriously considered before making any irreversible intrusions on the integrity of *The Rims*.

It is recommended that reforestation with native species be attempted in the denuded areas and that suitable management measures be initiated to halt existing land abuses. At some time past there was an opportunity lost to preserve the magnificence of the Hudson River Palisades. Billings cannot disregard the need to preserve its "totem."

ANNUAL REPORT—NATIONAL MILK PRODUCERS FEDERATION

HON. ROBERT DOLE

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Tuesday, December 15, 1970

Mr. DOLE. Mr. President, the 91st Congress has approved a variety of legislation of significance to agriculture.

Although such legislation has not been perfect, the ultimate result, I believe, will assist the farmers of the Nation.

Today I would like to cite especially legislative action relating to an important segment of agriculture, dairying.

At the annual convention of the National Milk Producers Federation, Patrick B. Healy, secretary of the federation, recently reviewed major legislative action relating to dairying. During this session, incidentally, the federation has worked closely with members of the agricultural committees of both the Senate and the House of Representatives in efforts to advance realistic, workable laws relating to dairy farmers. In addition, as a major voice of dairying, the federation has steadfastly supported effective general farm legislation.

As a succinct review of major legislation relating to dairying in the 91st Congress, I ask unanimous consent that Mr.

Healy's report be printed in the Extensions of Remarks.

There being no objection, the report was ordered to be printed in the Record, as follows:

SECRETARY'S ANNUAL REPORT

A NEW FEDERATION

For 1970 the Federation has experienced a remarkably successful year on three fronts: Achieving greater unity and coordination within the Federation;

In creating an unequalled record of legislative and administrative accomplishment; and

In mobilizing new efforts—and striking out in new directions—to brighten the economic outlook of dairying.

GREATER UNITY WITHIN THE FEDERATION

In accordance with the spirit of our 1969 convention, an all-out effort was made to strengthen unity and improve coordination among member cooperatives of the Federation, and between members and the Washington office.

Our record of success is one in which we can take great pride. Time after time members of the Federation—at crucial points of consideration in legislative and administrative matters—have responded quickly and effectively in support of the interests of dairying. Examples of such effective response include: Action prior to crucial votes on the Agricultural Act of 1970—containing important dairy provisions; action prior to a decision by the Secretary of Agriculture on the support price for manufacturing milk—which was increased 38 cents per hundred-weight; mobilizing Congressional opposition to issuance of standards for imitation milk by the Food

We were successful—by hard work in coordination with members—in obtaining four provisions of real significance to dairying in the Agricultural Act of 1970. These include:

Amendment to the Agricultural Marketing Agreement Act of 1937 authorizing three methods for distributing returns from the sale of milk among dairy farmers:

The Class I Base Plan is designed to enable each individual dairy farmer to know with reasonable certainty how much milk he can deliver to the market at a Class I Base Price (determined by delivering during a representative period, adjusted to reflect fluid milk sales.) This permits him to deliver as much or as little milk as he pleases in addition to the base amount, knowing that he will receive the lower manufacturing milk price for such deliveries. He is assured, also that the price for his base deliveries will not be unduly affected by over base deliveries by other dairymen.

The new Class I Base Plan amendment is an improvement over the original authorization enacted in 1965. It enables established dairy farmers to share the benefits of market growth; under the 1965 amendment this was set aside for new producers and the alleviation of hardship. It also provides a means for new producers to earn a base, and thereafter participate in the market in the same manner as other producers.

Class I bases are determined from a representative period of one to three years and will be updated each year.

The Seasonal Base Plan is designed to encourage increased deliveries of milk during that time of year when milk production costs are high and deliveries short in relationship to consumer requirements, and to discourage deliveries during the time when conditions are most favorable for milk production.

The authority for seasonal base plans was in the Agricultural Marketing Agreement Act, prior to adoption of the 1965 amendment. The 1970 authority, however, is improved in that seasonal bases need not be reestablished each year.

The Louisville Plan also is designed to encourage increased deliveries of milk during months when milk production costs are high and deliveries short in relationship to consumer requirements, and to discourage deliveries during the time of year most favorable for milk production. This is accomplished by a seasonal adjustment in the uniform, or blend, price without seasonally adjusting Class 1 prices paid by handlers.

Enactment of the amendments to the Agricultural Marketing Agreement Act required constant efforts by the Federation and its members throughout the year. The amendments were designed only to provide authority under which the Secretary of Agriculture could promulgate order provisions after public hearings. The Senate version of the bill, however, attempted to include in the amendment a specific exemption from regulation of producer-handlers. As the bill finally emerged, it simply stated that there should be no change in the legal status of producer-handlers.

Unfortunately, the Conference Report contains a gratuitous statement that the Department should not change its present policy concerning the regulation of producer-handlers. The need to regulate and pool the milk of producer-handlers will require our attention next year. The Federation membership insists that the Department of Agriculture, in exempting producer-handlers from pooling, is wrong and grossly unfair to dairy farmers and their cooperative associations.

BUTTERFAT REMOVED FROM MANDATORY PRICE SUPPORT

The Farm Bill of 1970 amends the Agriculture Act of 1949 by removing the requirement to support the price of butterfat at mandatory levels. This amendment was advocated by the Federation and in no way changes the obligation of the Department of Agriculture to support the price of milk within the limits of 75 to 90 percent of parity.

The purpose of removing butterfat from the commodities subject to mandatory price supports is to give the Secretary more latitude in establishing relative purchase prices for butter and nonfat dry milk, in keeping with industry trends.

Back in 1949 when the price support program was first enacted, it was important and necessary to support the price of butterfat as well as milk because of the volume of butterfat marketed as farm-separated cream which could only be made into butter. In recent years, however, marketings of farm-separated cream have diminished and they now represent less than 1.5 percent of all milk marketings by farmers. This small percentage of the market should not stand in the way of efforts to improve the competitive position of butterfat.

The amendment, as contained in the 1970 Farm Bill, marks but one move to improve the competitive position of butterfat for all uses, whether sold as butter, other dairy products, or fluid milk. However, it will be necessary for the Federation and the Department of Agriculture to carefully review production and marketing statistics to determine just what the relative purchase prices of butter and nonfat dry milk should be under the Price Support Program, now that each can be established at discretionary levels.

At first glance, it appears the price of butter could be reduced, for practical purposes to a free market basis, and that the slack could be taken up through the purchase price of nonfat dry milk. Such an approach, however, completely overlooks the competitive position of nonfat dry milk.

We plan in the near future to appoint a committee, primarily of management people actively engaged in the production of butter, nonfat dry milk, dried whey, dried butter-milk and other milk ingredients, to recommend to the Department of Agriculture rela-

tive purchase prices for butter and nonfat dry milk under the Price Support Program, to become effective April 1, 1971.

PESTICIDES INDEMNITY PROGRAM

The Farm Bill of 1970 extends authority under which the Secretary of Agriculture may reimburse dairy farmers for milk removed from the market because it is contaminated, through no fault of the farmer, with residues of pesticides approved for use by the Federal Government.

For fiscal year 1970, the authorization for this program was \$200,000. In the new budget, no funds were recommended. Through work with members of Congress, however, \$500,000 was approved for the new year. The Agricultural Act of 1970 also extends coverage of the Indemnity Program to dairy plants.

In supporting this program, the Federation maintains that dairy farmers must be protected from residue incidence in their milk as long as pesticides are registered and made available for use. There is no way a farmer can be assured his milk will not contain residues due to air drift, water supplies, in purchased feed, or other reasons.

The Pesticides Indemnity Program is an economical insurance for dairy farmers, and assures consumers milk and dairy products are free from pesticide residues.

DAIRY PRODUCTS TO ARMED FORCES AND VETERANS HOSPITALS

The 1970 Farm Bill authorizes the Commodity Credit Corporation to donate dairy products acquired under its price support operations to the military and the Veterans' Administration hospitals. This authority extends a program begun many years ago.

Besides making good use of dairy products acquired under the Price Support Program, this program removes these products from inventory so they do not depress market prices.

Over 42 million pounds of butter were transferred during fiscal 1970.

FARM COALITION

Early in 1970, the Federation joined a coalition of farm organizations formed to strengthen support for farm legislation. In our judgment, this was the best way to obtain farm legislation because of the practice by Congressmen to group farm measures in a single bill covering several commodities.

The Coalition did a lot of good work in the early stages but, in the end, all organizations were not in agreement in support of the farm bill. Many groups took positions that were neutral or in opposition to major provisions.

During the development of the Agricultural Act of 1970, the Federation and its members comprised the only nationwide farm organization to consistently support the bill during all crucial stages of its development.

We cooperated with the Chairmen and members of the respective Agricultural Committees in the House and Senate, as well as with the Secretary of Agriculture. Prior to each vote in either House, Federation members worked effectively in support of the dairy provisions. Because of the hard work and the display of team effort, we succeeded in obtaining important legislation for dairy farmers and, at the same time, gave vital support necessary for passage of the Agricultural Act of 1970, a general farm bill.

PROGRAMS REQUIRING APPROPRIATIONS

At the time of printing, final action had not been taken in Congress. Consequently, only the amounts of appropriations as approved by the Senate and the House separately are available.

In addition to needed changes in existing laws, new appropriations were required for other ongoing programs beginning July 1, 1970.

For example, the nation has developed a variety of significant Child Nutrition pro-

grams. These include School Lunch, School Breakfast, and Nonschool Food Programs.

Child Nutrition appropriations:
Amount passed by Senate..... \$540,332,000
Amount passed by House..... 328,573,000

THE SCHOOL LUNCH PROGRAM

The School Lunch Program provides lunches for about 20 million of our 51 million school children. Under the School Breakfast and Nonschool Food Programs millions of additional meals are served.

This year Congress approved a moderate expansion of these programs. Because a half-pint of milk is served with School Lunches, School Breakfasts, and other nutrition programs, these continue to be significant to dairying.

FOOD STAMPS

With a growing consciousness of hunger and malnutrition problems, the nation is expanding other food and nutrition programs. Congress has substantially expanded and liberalized the Food Stamp Program. The bill provides for direct distribution of CCC commodities where there is also a Food Stamp Program in operation as supported by the Federation.

For families with limited resources, Food Stamps provide an important supplement for improving the daily diet. However, there is also a need for improving nutritional education. Through such education, low-income families can use the stamps more wisely in meeting nutritional needs. The major question before Congress now is not whether there will be a Food Stamp Program but, rather, how much money will be appropriated—and what guidelines will be established for use of Food Stamps.

Food Stamps appropriations:

	Million
Amount passed by Senate.....	\$1,750
Amount passed by House.....	1,250

MASTITIS CONTROL

Of significance to dairying, also, is the Mastitis Control Program. Mastitis continues to be a major cause of economic loss to the nation's dairy farmers. Losses occur through shorter productive lives for affected cows, a loss of milk production, and culling of mastitic cows from dairy herds.

Because of such losses and the need for more effective control methods, Congress approved funds to develop a more effective Mastitis Control Program.

Mastitis Control appropriations:

Amount passed by Senate.....	\$893,300
Amount passed by House.....	593,300

ERADICATION OF BRUCELLOSIS

The occurrence of brucellosis in dairy cattle also results in tremendous losses for dairy farmers annually.

Through the Eradication Program, however, this costly disease is being eliminated. Congress approved funds to support this program.

Eradication of Brucellosis appropriations¹:

Amount passed by Senate.....	\$26,582,000
Amount passed by House.....	26,582,000

¹ Small amount of tuberculosis funding included.

SCHOOL MILK

The Federation waged an all-out fight to head off an Administration attempt to kill the School Milk Program by leaving it unfunded.

Without a doubt, this was one of our most impressive victories during the past year. When this battle started, it seemed that we faced insurmountable odds. Aligned against us was the prestige and power of the White House and the U.S. Department of Agriculture.

In our documentations in support of the School Milk Program, we proved conclusively that Congress intends the School Milk Program for nutritional purposes, not welfare.

We also prepared additional facts showing what would happen to milk consumption under the President's intent of making the School Milk Program a welfare program.

We pointed out there are over 9.3 million children in schools with no feeding programs, of which about 1.5 million are poor. If only poor children receive milk as demanded by the President, over seven million children would be without a feeding program or half-pint of milk under the School Milk Program unless purchased by the children without any reimbursement by the Federal Government.

We also pointed out the millions of children who are in the near-poor group who would lose the benefits of the milk program.

Finally, we showed how the cost to the Federal Government would be increased because of the increased price support purchases of dairy products as a result of decreased milk consumption.

All through the months of July and August 1970, no plans were formulated in the Department of Agriculture to continue the program. The opening of schools throughout the nation was rapidly approaching. School administrators were uncertain what arrangements to make concerning the program. The period of anxiety continued.

As a step to get some action, the Federation sent a letter to the Secretary of Agriculture Clifford Hardin, urgently requesting that he announce the Department's plans for administering the program, the reimbursement rate, and other facts necessary for its successful operation.

The Federation sent a letter to all our members urging them to write their mayors and governors asking them to contact President Nixon and recommend continuation of the program.

Finally, efforts by the entire membership of the Federation turned what could have been a tragic loss into a victory.

On September 8, 1970, Secretary Hardin announced the continuation of the program.

Million

Amount passed by Senate.....	\$104
Amount passed by House.....	104

GOVERNMENT AGENCIES

On the Federation's complaint, the Justice Department has instituted an investigation into a violation of the Federal filled milk law. The investigation is being made by a United States Attorney.

The Federation also is working with state and Federal officials in an effort to stop the marketing of imitation sour cream.

LEGISLATION IN 1971

The present Congress comes to a close this year, and the 92nd will convene early in January. This will give us a new and a fresh beginning in our quest for legislation.

Although many programs of interest to the membership will not require enactment of new legislation during the First Session of Congress, steps must be taken to secure appropriations to finance them. There are many, including the Special Milk-Program for Children, School Lunch, and other food distribution programs; eradication of animal diseases, such as brucellosis, tuberculosis, and mastitis; the Pesticide Indemnity Program, the many regulatory programs, and others.

Appropriations for all programs run through June 30, 1971. None of the funds for the Fiscal Year beginning July 1, 1971, can be taken for granted; and without appropriation of sufficient funds, the existence of a law which requires expenditures is meaningless. The competition for public funds becomes greater with each succeeding year, and the Federation, perennially, is confronted with this task of securing appropriations for programs of interest to dairymen.

With the convening of the new Congress, we will also be obligated to seek re-introduction of legislation to further goals which still are pending. A major item among these

will be a new Dairy Import Act, patterned after the one which has been before the present Congress.

The Dairy Import Act has not been acted upon, but its very presence as a "live" issue has been the catalyst for securing several improvements in the control of imports under present law.

We have been exploring the needs of dairy cooperatives for improving their bargaining position, and it is time to begin our legislative effort. We have several proposed amendments to the Agricultural Marketing Agreement Act of 1937, as reflected by resolutions before this Convention. These involve authority for marketing order advertising programs, means of equalizing raw product costs for handlers who purchase milk from producers and from other sources, provisions for reimbursing cooperatives for services performed, a review proceeding for complaints of producers before they are taken to the Federal courts, the possible need for authority for a manufacturing milk order without minimum prices, and authority for transferring funds to stand-by pools. It will be necessary to eliminate the terminating date from all dairy provisions of the 1970 Farm Act.

In addition to legislation which we initiate ourselves, there will be countless proposals requiring evaluation, modification, and ultimately support or opposition.

As mentioned, 1970 has been a remarkable year in the securing of favorable legislation. The first year of the 92nd Congress in 1971 may not be as favorable. Many weeks in the First Session are spent organizing the new Congress and making Committee assignments. This is followed by study and hearings on proposed legislation, with final enactment or rejection later, and often during the Second Session.

PESTICIDES

The Federation took exception to an attempt by the Environmental Defense Fund to replace finite tolerances for DDT with zero tolerances. We also opposed a number of suggested alternatives for working towards zero tolerances. A statement was filed with the Food and Drug Administration which strongly urged the Secretary that it was absolutely essential to producers that the present tolerance applicable to milk at 0.05 part per million be maintained.

IMPORT CONTROLS

The picture with respect to import controls during the past year has been much the same as it was over the past 15 years.

Basically, it can be described as too little and too late, again and again. Nevertheless, considerable progress was made on this front in 1970.

FOREIGN NATIONS

Because of lower production costs and extremely high export subsidies, foreign countries can take over our domestic market if it is not protected by import quotas.

To be blunt but realistic, foreign countries have taken every opportunity to evade our import controls, and to dump their surplus production on our shores.

THE MONTEREY MASQUERADE

Cheddar cheese import quotas have been established for many years. The present quota is 10 million pounds per year. More recently, when imports of Colby cheese were used to evade the Cheddar quota, a quota of six million pounds was established for American-type cheese, including Colby.

These quotas were not effectively controlling imports, and in January 1969, an additional quota was added to limit total imports of cheese classified as "other," in the amount of 25.1 million pounds.

New Zealand then began shipping Cheddar cheese mislabeled as Monterey. Although we complained bitterly to the Customs Bureau, it continued to pass the mislabeled Cheddar cheese free of the Cheddar quota.

Eventually, the Federal Food and Drug Administration stepped in and required the New Zealand cheese be properly labeled as Cheddar. The Customs Bureau continued to pass the Cheddar cheese under the quota for "other" cheese and announced that it would continue to do so until January 7, 1971.

A BUSY YEAR OF HEARINGS

There were two Congressional and three Tariff Commission hearings held during the year on foreign trade.

The Federation presented statements to the House Ways and Means Committee in June and to the Senate Finance Committee in October.

In July a comprehensive statement was presented to the Tariff Commission on the urgent need for import controls on butter-fat-sugar mixtures labeled ice cream, low-fat chocolate and low-fat cheese.

In August we appeared before the Commission during a study being made at the request of the House Ways and Means Committee on imports of Swiss, Gruyere, and "other" category cheese priced at 47 cents or more, lactose, chocolate, and New Zealand cheese.

In November we participated in a hearing held by the Commission at the President's request on the competitive position of U.S. industries with respect to imports.

THE TARIFF COMMISSION REPORT

The Tariff Commission hearing was limited on the request of the Secretary of Agriculture and the President, to ice cream, low-fat cheese, low-fat chocolate crumb and animal feeds.

These items, with the exception of some low-fat cheese, are not normal historical imports. The imports developed and increased rapidly when import quotas closed other avenues of entry.

The Commission found that a representative period for these imports was 1963 through 1965 and recommended a zero quota for all of them except low-fat cheese. It recommended an annual quota of 100,000 pounds for the low-fat cheese.

In this decision, the Commission did not reward foreign nations and the importers for their evasion efforts by granting large quotas based on evasion imports, as has been done so many times in the past. For this, we are most grateful and commend the Commission for dealing realistically with the import problem presented.

The recommendation of the Tariff Commission has not yet been acted upon by the President, although the Federation and the membership repeatedly have urged him to do so.

This decision leaves unresolved the greatly increasing imports of certain cheeses priced at 47 cents per pound and over and also the increasing lactose imports.

EXPORT SUBSIDIES

Foreign nations are using heavy export subsidies to dump their surplus dairy products into world trade channels and undercut our domestic markets.

As of January 1970, export subsidies used by the European Community for skim milk powder exceeded the average c.i.f. Rotterdam price by 62 per cent; for whole milk powder, by 211 per cent. For butter, the export subsidy was almost five times the Rotterdam price.

In March 1970 the support price for butter in the European Community was 78 cents per pound. At the same time butter for processing into export products was sold for 11 cents per pound.

The butterfat-sugar mix labeled ice cream shipped to the United States in great quantities contained 20-24 percent butterfat, carrying an export subsidy of 78.93 cents per pound. It was similarly overloaded with non-fat milk solids with an export subsidy of

9.98 cents per pound. These are the export subsidies—not the price of the commodity.

COUNTERVAILING DUTIES

The Secretary of the Treasury is required by law to collect countervailing duties on imports equal to the amount of the export subsidy used by the exporting nation.

In July 1968 we requested that countervailing duties be placed on some dairy products. More than two years have elapsed and the Secretary of the Treasury has not collected a single countervailing duty on any dairy product.

Failure to collect the duties prescribed by Congress and required by law has resulted in millions of dollars lost to the United States. This loss is continuing every day the Secretary of the Treasury fails to act.

ECONOMIC FORMULA

An Economic Formula was designed as a means of keeping Class I milk prices in marketing orders in line with general economic conditions, and has been a goal of the membership for several years.

The proposal for an Economic Formula in all orders had its beginning at the St. Louis convention in 1968. Immediately following the convention, a Class I Price Policy Committee was appointed to develop and achieve the Formula. The committee selected a Task Force of highly qualified economists and marketing specialists from among the membership and land grant colleges. This Task Force researched, constructed the Formula, and developed the rationale in its support. After the work was completed, the Class I Price Policy Committee, the Executive Committee, and the Federation Board of Directors approved the Formula.

The Federation then filed a petition requesting a public hearing to consider incorporation of the Economic Formula in all orders. This hearing was held in Clayton, Missouri, January 17-20, and in New York City, February 17-19, 1970.

In preparing for the hearing, the Federation discussed the Formula and consulted with member associations, general farm organizations, industry organizations, and others. All firmly supported the effort. The hearing was a masterpiece of organization and development. Witnesses fully explained the proposal and demonstrated its need. The interim between the two sessions of the hearing provided the Department of Agriculture opportunity to review the testimony and exhibits, and to question Federation witnesses on points which needed clarification or additional testimony.

Following the hearing, the Federation submitted its supporting brief. Four months later, we were disappointed when the Department issued a ruling against the Formula, but indicated a willingness to reopen the hearings for submission of additional testimony.

In a second brief, the Federation has insisted that the hearing record is complete, that it justified the Formula in every respect, and there is no need to reopen the hearing. The brief has called on the Department to issue its final decision incorporating the Formula in all orders effective January 1, 1971.

MANUFACTURING MILK ORDER

Progress was made in developing a manufacturing milk order during the year and a draft order was prepared and submitted to the Department of Agriculture for study.

Following revision of the proposal, which will be completed in the near future, we anticipate that the Manufacturing Milk Order Committee will recommend the Federation join with interested member cooperatives in a request for a hearing on a manufacturing milk order.

MARKETING COURT DECISIONS

A special Task Force on Court Decisions Affecting Dairy Marketing has been appointed this year to examine the court decisions on Federal milk marketing orders and the Agricultural Marketing Agreement Act of 1937. The Task Force is appraising the Act in light of current marketing developments and as it has been affected by court decisions.

REGIONAL MEETINGS

One of the Federation challenges is to maintain close contact with the leadership among its members. This is necessary to keep the membership informed and to solicit their advice.

As a method of communication, we hold regional meetings. During the past year, such meetings were held in: Albany, New York; Baltimore, Maryland; Chicago, Illinois; Cincinnati, Ohio; Dallas, Texas; Hudson, Wisconsin; Kansas City, Missouri; Orlando, Florida; and Sacramento, California. Additionally, staff members appeared before a great number of annual meetings of members and at other dairy and agricultural gatherings.

Through the regional meetings, the Federation has opened sessions to representatives of general farm groups, government agencies, colleges, industry groups, and others to obtain widespread understanding and support for programs sought by dairy farmers.

RICHARD M. HOYT

The membership was saddened by the death of Richard M. Hoyt on December 18, 1969. He had been a valued member of the staff since July 1, 1966.

Richard Hoyt was a scientist without peer in the dairy industry. Over the years he assisted many member organizations in seeking solutions to technical problems. He was always in the forefront with up-to-date and reliable scientific data when needed by the Federation.

As a token of our appreciation for his contributions to the dairy industry and to encourage excellence in this field, a scholarship award in memory of Richard M. Hoyt is being funded by the Federation, and will be awarded annually by the American Dairy Science Association to an outstanding graduate student in dairy technology and related fields.

CHALLENGES AND PROBLEMS AHEAD

Despite an unusually successful year, dairying faces its share of problems and challenges ahead. These include:

Maintaining adequate prices to dairy farmers;

Strengthening the Agricultural Marketing Agreement Act of 1937 and the bargaining rights of cooperatives;

Protecting cooperatives against unfair tax laws—expected to come up in the next Congress;

An annual fight to continue the Special Milk Program for Children;

Opposing legislative or administrative actions relating to pesticides and chemicals that would adversely affect dairying;

Ensuring the needs of dairy farmers in any labor legislation; and

Opposing efforts to repeal or weaken countervailing duties law.

In the past, dairy farmers and their organizations have mainly reacted to conditions set by other forces and influences in the economy and in the environment.

For the future, we are determined, by fore- planning, to devise new, innovative, practical ways to adapt to changing conditions, to resolve problems, to exploit new opportunities, and to meet new challenges. To the degree possible, we will avoid being pawns of fate tossed about in the turbulence of our times. Rather, we will be working hard to mobilize our talents and resources to establish our own goals.

"YES" TO MOTION PICTURE CODE

HON. FRED B. ROONEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. ROONEY of Pennsylvania. Mr. Speaker, since its inception over 2 years ago, the motion picture code and rating program of the Motion Picture Association of America has attempted to inform the moviegoing public of the general nature of films presented to them. On November 3, 1970, the president of the association, Jack Valenti, addressed the National Association of Theater Owners at their annual convention in Bal Harbour, Fla.

In that speech, he announced the results of a survey of public attitudes toward the motion picture industry's voluntary film-rating system. I insert in the RECORD at this time the text of Mr. Valenti's speech and highlights of the Opinion Research Corporation 1970 survey on code and rating system:

THE PUBLIC VOTES "YES" FOR THE RATING SYSTEM

(By Jack Valenti)

At your 1969 National Convention in Washington, I reported on the results of a nationwide survey made for the Association by the Opinion Research Corporation of Princeton, New Jersey on the American public's attitude toward the industry's voluntary film-rating system. The results, as you will recall, showed that the rating program, then only a year old, stood high in the public's view.

The Association commissioned the Opinion Research Corporation to conduct a followup survey this year, and the results have just been compiled. I want to share highlights with you.

These are the most important results of the 1970 survey:

Sixty-four percent of moviegoing adults, age 18 and over, find the rating program to be "very or fairly useful" as a guide for deciding what movies children should see. This is a gain of six percent over 1969.

Seventy-two per cent of moviegoing teenagers, aged 12-17, find the system to be "very or fairly useful," also a gain over 1969, by two per cent.

The survey analysts tell us that these high 1970 percentages—this range of 64 to 72 per cent—are "of remarkable magnitude" in any testing of the country's views on controversial public issues.

A moviegoing public which holds the industry's ratings to be of such usefulness must also have a commanding awareness of the rating program. The survey shows:

Eighty-seven per cent of moviegoing adults are aware of the program in terms of the audience for which the rated movies are suitable. This is an increase of ten per cent over 1969. Thus, almost nine out of every ten of these adults now report knowledge and awareness of the ratings.

Eighty-eight per cent of moviegoing teenagers are aware of the ratings. This is a gain of 11 per cent in 1970 over 1969.

So by our combined efforts all of us have succeeded well in our objective—our continuing mission—to make the ratings known.

This could be a time for self-congratulation by you in the National Association of Theatre Owners and by us in the Motion Picture Association, for we have lived these two years together in operating the rating system. To do so would be entirely within

the realm of honesty and propriety, but I think we can refrain from self-praise.

In this scientifically-sampled survey, the American public speaks to us about ratings. Let our task be to continue to manage and to live up to the rating program in a manner that will continue to warrant the public's favor.

I would not wish to gloss over any negative findings in the survey. One has developed as the very result of the success of the ratings in achieving greater awareness and usefulness in the past year. It is this:

Twenty-four per cent of adult moviegoers report in 1970 that they find the program "not very useful," compared to 16 per cent in 1969.

Nineteen per cent of moviegoing teenagers in 1970 find the ratings "not very useful." The comparable figure in 1969 was 13 per cent.

The Opinion Research analysts say "this is understandable," and explain:

"As more people become aware of the system, more people at least make an attempt at using it; and not everybody can be convinced that this system, or any other for that matter, meets their needs. Thus, as more people become aware of the system they not only become aware of its strengths but they also become aware of its weaknesses; and thus one should expect a rise in the proportion of the total public who find the system not very useful."

There is another finding that gives evidence of the industry's good faith and of the public's acceptance of the rating program. The 1969 survey found that the then-used M rating was the least understood of all the categories. Only eight per cent of the total public, age 12 and over, had correct knowledge of it. To try to turn this weakness into a strength, and to be of more help to parents, the industry last March 1 changed the M to GP.

What has been the effect? The survey reports:

Forty-four per cent of moviegoing adults now correctly identify the admissions policy of "GP." This is a rise of 33 per cent from the 11 per cent correctly identifying the "M" in 1969.

Fifty-four per cent of moviegoing teenagers now correctly identify "GP," compared to 15 per cent correctly identifying the "M" in 1969, an increase of 39 per cent.

That the GP symbol has been correctly impressed on so many people within a relatively short period of time, say the research analysts, "is another indication of the increased awareness of the rating system and the increased use being made of it."

Here, now, is another finding of the Opinion Research survey that could have great significance in the months ahead. I cannot tell you with precision if this trend will continue, but it is quite enlightening.

In reporting new trends in yearly theatre admissions between 1969 and 1970, the survey says there is:

An indicated decline of five per cent in attendance among younger persons, ages 12-29, from 77 per cent of total yearly admissions in 1969 to 72 per cent in 1970.

An increase of seven per cent in attendance among older persons, ages 30-59, from 19 per cent of total yearly admissions in 1969 to 26 per cent in 1970.

Other findings of the survey include:

The incidence of awareness of the ratings increases with age to a high of 92 per cent for ages 25-29 and then declines to 46 per cent for those 60 or older.

There is now no material difference in awareness between people living in larger cities and those in smaller cities.

Although one-third of the adult public indicated a rating has no effect on the de-

cision to see a movie, there is a tendency to want to see a film if it is rated G and less desire to see a movie rated R and X.

The report by the Opinion Research Corporation is based on 2,573 personal interviews with a nationwide probability sample of 2,098 adults age 18 and over, and 475 teenagers age 12 to 17. Interviewing was conducted in the field during the period July 18 to August 5, 1970, about a month earlier than the similar survey in 1969.

An independent poll taken in Utah by the Intermountain Polling Research Associates of Salt Lake City parallels in a substantial way the results of the survey by the Opinion Research Corporation as to the value of the rating system in the public's mind. The Utah results, published in late September, reported that 75.3 per cent of the public found the ratings to be "very" and "somewhat" helpful.

I have always tried to be candid and objective in appraising the rating system. You and I both know that the rating system is not perfect. No program which deals in subjective opinion can ever be 100 per cent correct. But I feel about our voluntary rating system as Winston Churchill did about governments. Once he said: "Democracy is the worst form of government there is, except for all the others."

The voluntary film-rating system is the sanest approach free men can devise to inform parents about the content of movies, and let parents make judgments for their children. Do we not all agree that adults ought to be free and see and read and think what they choose? Do we not all agree that our primary concern is for children? Do we not all agree that if we can give parents honest opinions about the content of movies, the parent is wise enough to make decisions for his family?

But all of this is not to say we cannot improve on what we are doing.

I tell you quite honestly that I think the three biggest problems we have are:

One, we must make our ratings more accurate, more informative. The Code and Rating Administration is constantly striving to do that. They will make mistakes in ratings. I know of no group or body in this land, elected, appointed or anointed that is free from error. But they are trying to do better.

Two, exhibitors must tighten their enforcement of the ratings at the boxoffice. Exhibition has done a splendid job so far. But we must do even better. Ratings, no matter how accurate collapse if they are not enforced at the boxoffice with all the scrutiny that we can summon.

Three, exhibition must monitor trailers with far more effectiveness. A family viewing a "G" rated movie is outraged when an unedited trailer for an "R" or "X" movie is shown. I believe that we have made valuable strides in this area, but the public has a right to expect us to do even better.

A SUMMING UP

From these judgments of the American public what general conclusions are we justified in drawing about the rating system on this, its second anniversary? These, I believe:

1. The system, fulfilling a demonstrated public need, has heightened the standing and stature of the film industry in the local and in the national community.

2. It has largely taken the guesswork out of the parents' task of selecting films for their children to see or not to see.

3. It has demonstrated that voluntarism, conscientiously adopted and pursued, is superior in every way to legalism, that is, to censorship or any other restraints on expression by law.

4. It has, by invoking the American tradition of self-discipline, fortified the consti-

tutional principle of freedom of expression for creators in film.

The public has, thus far, voted "YES" for our rating system. Their conclusions will be justified as long as we in the industry continue to honor them in our acts.

HIGHLIGHTS OF OPINION RESEARCH CORPORATION 1970 SURVEY ON CODE AND RATING SYSTEM

The findings are based on personal interviews with a nationwide probability sample of 2,573 persons—composed of 2,098 adults age 18 and over and 475 teenagers age 12 to 17. Interviewing was conducted during the period of July 18 to August 5, 1970.

The previous study was conducted from August 13 to September 10, 1969 by way of personal interviews among a nationwide probability sample of 2,622 persons—composed of 2,000 adults age 18 and over and 622 teenagers age 12 to 17.

1. The public's awareness of the motion picture industry's voluntary rating system has increased significantly since September 1969, with both adults and teenagers.

"As far as you know, does the motion picture industry have any kind of system or code for rating the contents of movies in terms of the audience for which they are suitable?"

[In percent]

	Yes		No		Don't know	
	1969	1970	1969	1970	1969	1970
Total public, age 12 and over.....	58	73	11	8	31	19
Moviegoing public.....	(1)	87	(1)	5	(1)	8
Adult public, age 18 and over.....	56	71	11	8	33	21
Moviegoing adults.....	77	87	9	5	14	8
Teenagers, age 12 to 17.....	73	85	8	6	18	9
Moviegoing teenagers.....	77	88	8	5	15	7

¹ Not tabulated in the 1969 survey.

2. The proportion of the public who understand the GP symbol is greater than that for any symbol a year ago.

Knowledge of the GP symbol is quite good. About a third of the public age 18 and over and close to half of teenagers correctly identify the admission policy of GP. That this symbol has been correctly impressed on so many people within a relatively short period of time is another indication of the increased awareness of the rating system and the increased use being made of it.

ACCURATE KNOWLEDGE OF MEANING OF SYMBOL

[In percent]

	1969				1970 GP
	G	M	R	X	
Total public, age 12 and over.....	15	8	12	9	34
Moviegoing public.....	(1)	(1)	(1)	(1)	46
Adult public, age 18 and over.....	14	7	10	16	32
Moviegoing adults.....	21	11	17	25	44
Teenagers, age 12 to 17.....	22	13	19	31	47
Moviegoing teenagers.....	23	15	21	34	54

¹ Not tabulated in the 1969 survey.

3. The adult public's attitude toward the usefulness of the rating system as a guide to what movies children should see has been affected by increased awareness of the rating system.

The number of people who say they use the rating system as a guide in deciding what movies children should see and who express opinions regarding its usefulness is greater than it was in September 1969.

EFFECT OF RATING ON DECISION TO SEE MOVIE

Rating:	[In percent]					No opinion
	No effect on decision	Very likely to want to see it	Fairly likely to want to see it	Fairly unlikely to want to see it	Very unlikely to want to see it	
G.....	36	20	16	4	7	17
R.....	38	7	7	9	23	16
X.....	31	8	5	8	31	17

Note: Adult public age 18 and over.

At the same time, however, the proportion of people who say the system is not very useful has also risen. This is understandable. As more people become aware of the system, more people at least make an attempt at using it; and not everybody can be convinced that this system or any other, for that matter, meets their needs. Thus, as more people become aware of the system they not only become aware of its strengths but they also become aware of its weaknesses; and thus, one should expect a rise in the proportion of the total public who find the system not very useful.

"How useful do you think this rating system is as a guide for deciding what movies children should see—very useful, fairly useful, or not very useful?"

4. As in 1969, teenagers—as a group—are inclined to find the ratings more useful as a guide to children's moviegoing than are adults.

"How useful do you think this rating system is in helping parents decide what movies their children should see—very useful, fairly useful, or not very useful?"

[In percent]

	Very and fairly useful combined		Not very useful		Have not used; no opinion	
	1969	1970	1969	1970	1969	1970
Adult public, age 18 and over.....	41	50	12	22	48	28
Moviegoing adults.....	58	64	16	24	26	13

5. That a movie is rated R or X does not make people more likely to want to see it according to their testimony. A rating of R or X either has no effect on people's desires to see the movie or actually makes them less likely to want to see it. A movie rated G, on the other hand, is much more likely to attract people than is either an R or X rating—again, according to people's testimony.

[In percent]

	Very and fairly useful combined		Not very useful		Have not used; no opinion	
	1969	1970	1969	1970	1969	1970
Teenagers, ages 12 to 17.....	68	66	13	19	20	15
Moviegoing teenagers.....	70	72	13	19	17	9

The following table presents 1970 and 1969 comparisons of percents of total yearly admissions by age groups. These estimates were developed from response to a question on how often each person attends movie theaters in a year.

YEARLY MOVIE ADMISSIONS

Age:	Percent of total yearly admissions		Percent of population 1969-70
	1970	1969	
Total public, age 12 and over.....	100	100	100
12 to 15 years.....	16	18	10
16 to 20 years.....	27	31	12
21 to 24 years.....	16	16	8
25 to 29 years.....	13	12	9
30 to 39 years.....	12	10	14
40 to 49 years.....	8	6	16
50 to 59 years.....	6	3	13
60 years and over.....	2	4	18

	1970	1970
	percent of total yearly admissions	percent of population
12 to 16 years.....	21	13
17 years and over.....	79	87
12 to 17 years.....	26	15
18 years and over.....	74	85

Since Mr. Valenti assumed his position almost 4 years ago, he has made major steps to upgrade the industry's production code. This movie-rating code reflects the industry's concern, and Jack Valenti's personal concern, for children and the effects of various types of movies on their future growth. I applaud this code, as it favors freedom of choice rather than legal suppression, direction rather than coercion. I urge the association to continue its fine work.

INGLIS HAM CLUB

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. EILBERG. Mr. Speaker, Philadelphia City Representative and Director of Commerce S. Harry Galfand will send holiday greetings to Gen. Creighton W. Abrams, commander U.S. Military Assistance Command, Vietnam, and commanding general U.S. Army, Vietnam, via "ham" radio on Tuesday, December 15, at 9:15 a.m., from the Inglis House Ham Radio Club, 2600 Belmont Avenue.

The message will be sent on behalf of Mayor James H. J. Tate and the people of Philadelphia. It will be transmitted by Chester Shipley, Artemas, Pa., who is a resident at Inglis House, home for the chronically ill and disabled.

Shipley, is one of 10 residents at the Inglis House studying amateur radio communications under the direction of Paul R. Behrman, who coordinates the free "ham" radio message center in City Hall Courtyard during the holidays.

This is the first time the Inglis House Ham Radio Club will join with other radio operators in this area to send Christmas and Chanukah greetings to servicemen and women in the United States and overseas. Under Behrman's tutelage, nine of the Inglis students now

have their novice licenses and are going for their general licenses. Behrman said that holders of novice licenses communicate by code which is "great for people with voice difficulties."

All 10 members of the Ham Club will be present at the ceremony on Tuesday, and will be available afterwards to send holiday greetings to servicemen and women from the residents of the Inglis House.

Carl E. Cluesmann, executive director of Inglis House, and Mrs. Carabelle O'Brien, assistant executive director, also will be present.

THE THREAT

HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. SCHMITZ. Mr. Speaker, the following address delivered by Brig. Gen. Harry N. Cordes, deputy chief of staff for intelligence, Strategic Air Command, on November 17, 1970, needs no prolonged introduction. It is a short, easily understood, summary of the Soviet Union's military strength, highlighting some of the most significant aspects of the fast increasing Soviet strategic forces.

General Cordes' forecast of the magnitude of the threat which will confront us by 1975 is appalling. It is even more appalling when coupled with the fact that there are many people who are intent on reducing our own strategic forces still further. Secretary of Defense Laird has repeatedly tried to emphasize that the defense budget as presented was a rock bottom, bare boned, minimum that left us at the point of prudent risk. The budget has been cut with the resulting cut in strategic forces following. We are therefore past the point of prudent risk.

If the Soviets continue to develop and deploy their forces as now expected—and we should remember that our predictions of future Soviet strength have been quite regularly on the low side, their energy surpassing our estimates—this is how things will look by 1975.

The Soviets will have as many as 2,000 land-based ICBM's in hardened sites. If we consider the fact that in the last 4 years the Soviets have increased their ICBM force by a factor of five this figure of 2,000 does not seem unlikely since they have approximately 1,400 ICBM's operational at this moment.

The Soviets may have as many as 800 operational SLBM's by the mid-1970's. Neither does this seem unlikely since in the last 5 years the Soviet sea-launched ballistic missile threat has tripled. If we were to factor in the Soviet submarine base now under construction in Cuba the danger level would rise proportionately due to the longer on station time of whatever size submarine fleet the Soviets will have at that point.

By 1975 the enemy may have as many as 2,000 antiballistic missile launchers completely operational. The Soviets have

recently completed tests with satellites designed to knock out our reconnaissance satellites as well as successfully testing their orbital bombs—in violation of the space treaty.

And on it goes. There is much more and I strongly urge all my colleagues to study this strategic estimate made by the deputy chief of staff for intelligence of the Strategic Air Command. What the Congress does today by way of providing the funding necessary for the maintenance and development of our own forces will determine what the United States has with which to meet this awesome growth of Soviet might.

Many people seem to feel that in a republic it is impossible for some reason to provide for the defenses necessary to maintain the safety of the people. Many people seem to feel that it is impossible to engender popular support for anything but the most immediately perceptible problems. This need not be the case.

Those of us who are elected Representatives and have access to information which the average citizen does not normally get through the regular media must make it our business to explain the danger. We must make it clear that the danger of air pollution fades when compared to the danger of Soviet bombs bursting in air—our air. We must underline the reality of the day. This reality is growing and ominous Soviet power.

The presentation by General Cordes is an excellent brief rundown of the threat and should provide the facts necessary to show all concerned citizens how grave the situation really is.

I insert in the RECORD the following address:

ADDRESS BY BRIG. GEN. HARRY N. CORDES
SAC SHIELD

Good afternoon, distinguished guests and members of the American Ordnance Association. It is an honor and privilege to be with you today.

SOVIET-CHICOM STRATEGIC THREAT

This subject, "The Soviet and Chinese Communist Threat," is one of real concern to all of us. This presentation will highlight the most significant aspects of the growing Soviet strategic offensive and defensive forces and the emerging Chinese communist threat.

THREAT TOPICS

The subjects indicated here will be discussed.

ICBM FORCE

The expanding Soviet strategic threat is reflected in the rapid growth of their ICBM inventory. In only four years, the Soviets have increased their ICBM force by a factor of five. The result is an ICBM force of about 1400 launchers, and deployment is continuing.

SS-7 AND SS-8

Since initial deployment in the early 1960's, the Soviets have developed a number of ballistic missile systems. Two of the earlier systems, the liquid fueled SS-7 and SS-8, were deployed in only limited numbers. However, their retention in the ICBM inventory emphasizes the Soviet propensity to hold on to older, proven systems, even as new systems are deployed.

SS-11

The SS-11 is one of three ICBM systems still being deployed. It is deployed in larger numbers today than any other Soviet system, and by 1972, could equal our total land based ICBM inventory of 1054 missiles.

Recent developments have included tests of a new reentry vehicle, with improved accuracy and penetration aids. In August, Secretary of Defense Melvin Laird revealed that two extended range tests of the SS-11 into a Pacific Ocean impact area, may have carried as many as three reentry vehicles. Thus, multiple reentry vehicles are a possibility for the SS-11 system.

SS-13

The SS-13 is the Soviet's first operational solid propellant ICBM. Deployment thus far has been limited, and we are uncertain about SS-13 force goals. However, it could provide the technology for future mobile ICBM systems such as the "Scrooge" which was mounted on a mobile transporter first displayed in Moscow in November 1965.

A mobile system could be deployed in the near future.

SS-9

Last but by no means least of the ICBM systems being deployed is the powerful SS-9 system.

The SS-9 is the largest and most versatile missile in the Soviet ICBM inventory. This large, liquid system is deployed in about 300 silos and has been seen in a variety of strategic roles. As an ICBM, the SS-9 is capable of delivering a single 25 megaton warhead, or, combinations of smaller megaton-range multiple warheads.

Multiple reentry vehicle tests, using the SS-9 booster, were initiated in 1968. As already tested, the system can carry three 5-megaton warheads to a range of over 5,000 nautical miles. Shown is photography of the reentry phase of one of the multiple reentry tests.

Another variant of the SS-9 has been tested as a fractional orbit bombardment system, or Fobs.

The actual extent of diversification in the operational deployment of the SS-9 system cannot be determined. However, it can be said with assurance that this large payload missile, with its proven versatility, provides a variety of options for deployment or employment.

ICBM GROWTH

The Soviets have surpassed the U.S. in numbers of land launched ICBMs and deployment is continuing. Of even more significance is the advantage held in total payload and the current emphases on multiple reentry vehicle testing. Based on the level of activity in recent years, the Soviets could achieve a force of well over 2,000 hardened ICBMs by 1975.

MR-IRBM FORCE

The Soviets have also deployed over 650 liquid fueled medium and intermediate range missile launchers. These missiles, designated the SS-4 and -5, are mainly deployed along the western USSR border, although deployment has also been noted in the eastern USSR.

The MR/IRBM force has remained fairly constant over the past 10 years. However, indications are that it may be replaced by a solid fueled mobile system, such as the Scamp.

While not a direct threat to the United States, the MR/IRBM force, including re-fire capability, represents a threat of over 1,000 missiles to our overseas forces and bases, as well as to our allies.

SLBM FORCE

Turning now to the Soviet sea launched ballistic missile threat, a situation exists similar to the ICBM growth. In less than five years, this threat has tripled.

OLDER SUBMARINES

The first ballistic missile carrying sub, the Z-class, was operational in the mid-1950's. This was followed by the G-Golf and then the H-Hotel class. The Hotel class was the Soviet's first nuclear powered ballistic missile

submarine. The missiles associated with these submarines have ranges on the order of 500 nautical miles.

YANKEE CLASS

By far the most significant factor in the expanding SLBM threat has been the development of the Yankee class nuclear powered sub. Like our Polaris subs, the Yankee carries 16 missiles each, with a range of about 1,500 miles. At least 13 of the Y-class boats are considered to be operational. However, we believe about 25 more are presently being outfitted or under construction, and the build rate is about 6 to 8 per year.

In addition, testing is underway on a new, longer range missile that could double the present strike range. This new naval missile may be the Sawfly which was first displayed in a 1967 Moscow parade.

SLBM GROWTH

Today, the United States still has the advantage in numbers of sea launched ballistic missiles but the Soviets are rapidly closing the gap. With an estimated construction rate of 6-8 Yankee subs per year, the Soviets could equal our Polaris and Poseidon force within the next few years, and the total could reach as high as 800 missiles by the mid-70's.

BOMBER FORCE

Turning now to Soviet bombers, the maintenance of a strategic bomber force of about 950 bombers since 1965 is evidence of their continuing importance as part of the Soviet strategic arm.

HEAVY BOMBERS

The heavy bomber force, composed of Bears and Bisons, is being maintained at about 200 aircraft, 50 of which are normally configured as tankers.

Although the U.S. stopped heavy bomber production about seven years ago, the Soviets are continuing production of the Bear, a turboprop bomber.

A significant portion of this force can carry air to surface missiles and be refueled in flight.

MEDIUM BOMBERS

The Soviet medium bomber force, consisting of Blinders and Badgers, totals over 700 aircraft. The Badger was first introduced in 1953 and has been revitalized by the addition of air to surface missiles.

A limited production continues on the Blinder. This is a swept wing, supersonic medium bomber, powered by two turbojet engines. When deployed at northern USSR staging bases, the medium bombers must be considered a potential threat to the United States.

FUTURE BOMBERS

While older systems are continually updated with modifications, the Soviets continue to develop newer and improved aircraft.

The Soviet supersonic transport has been flying for almost two years. While we know of no direct military application, the SST will provide valuable engineering data for a follow-on strategic bomber.

In fact, there are indications that a new prototype strategic bomber is now flying in the Soviet Union. It is believed to be a variable sweep wing, supersonic aircraft, with improved range over the Badger and Blinder.

BOMBER STRENGTH

The Soviet bomber force has remained fairly constant during the past five years. The Soviets continue to maintain a large strategic bomber force, despite predictions that they would phase it down. Recall Mr. Krushchev's famous remark in 1957: "Bombers are obsolete. You might as well throw them on the fire."

AIR DEFENSE FORCE

A full appreciation of the growing Soviet threat requires an examination of defensive as well as offensive strategic forces. Today,

the Soviet Union literally bristles with defensive systems ranging from anti-aircraft artillery to anti-missile missiles.

They probably spend at least twice as much as the United States for defense. They are, qualitatively speaking, equal, and in terms of in-being, operational forces, far superior to the U.S.

By way of illustration, with a land area not quite three times that of the U.S., they have from five to 20 times as many radars, surface to air missiles, and interceptors.

Probably more important, however, is their continuing program to improve air and missile defenses across the board, coupled with significant progress in anti-submarine warfare.

RADARS

An important aspect of Soviet air defenses is the network of radars, numbering in the thousands, which provide complete warning and interceptor control throughout the USSR. These radars, which span the full usable frequency spectrum, incorporate all the latest advancements in electronic countermeasure technology. In addition, they have recently embarked upon an extensive program to improve their ability to detect low flying bombers using land, sea, and air based radars.

AWACS

A new airborne radar is mounted on the moss, which was developed from the TU-114 transport version of the bear bomber. This airborne warning and control system can extend Soviet detection of penetrating bombers by about two hundred miles, and even without advanced techniques, could detect low altitude aircraft against the background of a calm sea.

MIG-21

The Soviets maintain an impressive force of more than 3,000 fighter interceptors. Most, including the older MIG-17, MIG-19 and MIG-21, have a good all weather capability. To keep this force modern, the Soviets have introduced a new fighter aircraft on an average of one per year.

The MIG-21, shown here, is still being produced, and the Soviets have made it available to the eastern European satellites and to the UAR, where it is being used against the Israelis. It is also in North Vietnam, China, Cuba, and Korea.

FIDDLER

The Fiddler is a large, long range interceptor which became operational about five years ago. Used in conjunction with the AWACS, it can provide a patrol capability well beyond Soviet borders.

FLAGON

The Flagon is a small, fast point defense interceptor which has been in service about two and a half years.

FOXBAT

The Foxbat is a relatively large aircraft capable of speeds in the Mach 3 region. When introduced over five years ago, the Foxbat claimed three world speed records as well as altitude and payload records. Today, this aircraft officially holds two world speed records over a closed circuit course. This aircraft could be going into operational units now, and may be a dual-purpose aircraft, with both tactical and air defense roles.

DEFENSIVE GROWTH

Soviet defense growth has been characterized by qualitative improvements. The composition of their interceptor force illustrates this point.

In 1960, only 30% of their interceptors were capable of attacking under all weather conditions. Today, about 70% have this capability. Also, by the mid-1970's, half their total interceptor force will be capable of attacking from any direction.

SAMS

Besides innumerable AAA weapons ranging from 23 up to 130 NM, there are thousands of surface to air missile launchers in the Soviet Union in both fixed and mobile configurations. Their oldest operational system, the SA-1, is still deployed around Moscow.

The SA-2 is the mainstay of SAM defenses in the Soviet Union and pro-Soviet nations, including Cuba, NVN, and the UAR. The good high altitude capability of the fixed SA-2 system is complemented by the SA-3 system which has better low altitude capabilities. The SA-2 and SA-3 have figured prominently in the Mideast.

The SA-4 and SA-6 are track mounted, mobile systems, ideally suited for defense of army field units. The SA-6 was first observed in November 1967 Moscow parade and may be operational now or in the near future.

The SA-5 "tallinn" system provides an excellent defense against extremely high altitude aircraft; and as Dr. John Foster, the director of defense research and engineering, has pointed out, could have considerable capability to intercept ballistic missiles. More will be said about the SA-5 system later.

ANTI-SUBMARINE WARFARE

Soviet defenses are also growing on the seas—witness the production of two large helicopter carriers: the Moskva and her sister ship, the Leningrad. These ships probably carry sophisticated electronic gear for detection and tracking of enemy submarines, and rely on armed helicopters to perform the kill. Both ships have operated extensively in the Mediterranean, and the Leningrad has been noted as far north as the Kola peninsula. The Leningrad also played a prominent role in the large scale Soviet naval exercise, Okean, in April and May 1970.

ANTI-SUBMARINE AIRCRAFT

In addition to using helicopter carriers in an ASW role, the Soviets have developed several long range, land based aircraft for this mission. The Mall and the May are probably equipped with a high resolution radar, as well as magnetic anomaly detection gear. Both can carry ASW torpedoes and depth charges.

Additionally, the Soviets could configure their longer range naval version of the Bear bomber for this ASW mission. With such a platform recovering in Cuba, as the Soviets have done with the reconnaissance version, the entire North Atlantic could be covered routinely.

BALLISTIC MISSILE DEFENSE

Turning now to ballistic missile defense, the Soviets have considerable activity underway.

MOSCOW SYSTEM

The Moscow system consists of 64 launchers, divided among four facilities, and was begun five years ago. At the same time, construction began on several giant supporting radars, about 900 feet long and 90 feet wide. These powerful radars, designated the hen house, provide early warning acquisition and tracking functions.

This first phase Soviet ABM deployment around Moscow has been described by Dr. Foster as a "relatively complete ballistic missile defense." He also stated that there is "no reason to doubt the effectiveness of this system."

ABM RADAR—ACQUISITION

A second large radar, standing hundreds of feet tall, is located near Moscow. It is probably a more accurate system designed to provide refined data for improved battle management.

ABM RADAR—TRACKING

Final target tracking and missile guidance are probably provided by large dome covered, dish type tracking radars, such as this one near Moscow.

ABM SYSTEMS

The Moscow system interceptor, the Galosh, is a multi-staged, solid fueled missile. It is believed to have a range of several hundred miles, can carry a 1- to 2-megaton MT nuclear warhead, and appears suitable for a high altitude area defense. As now deployed, it could give the Soviets a limited capability against our Minuteman or Polaris missiles on northern trajectories. Completion of this entire system is expected to be two or three years away when the half a dozen hen house installations around the Soviet Union are operational.

The Galosh missile, however, may not be the only ABM system in the Soviet inventory. The so called Tallinn system which employs the SA-5 missile may represent a second ABM program. Dr. Foster has pointed out that "if the SA-5 system is given information from the large ballistic missile acquisition and tracking radars, then it could have considerable capability in making successful intercepts of incoming ballistic missiles."

In addition, testing of an improved ABM interceptor is underway. This ABM would loiter—that is, once fired it could coast out to a general intercept area, select its targets, restart, and maneuver to kill the incoming warhead.

Projection of Soviet R&D efforts with these new ABM components may find that, by the mid-70's, the Soviets could have as many as 2,000 ABM launchers.

RESEARCH AND DEVELOPMENT

Again quoting Dr. Foster, "the Soviet Union is now about to seize world technological leadership from the United States." He has eased this conclusion on the comparative state of technology between the two nations and the current level of R&D efforts. He believes that the United States still retains an overall edge in technology, but that this edge may exist in nonessential or irrelevant areas.

R&D PRACTICES

Soviet R&D practices can be characterized by three features:

(1) They are bold in their approach to program concepts. Construction on the large hen house radar, for example, actually began several years before a working interceptor to complement it was available.

(2) the Soviets organize their system development about a few prototypes, most often pitting two teams of designers against one another. The wide variety and variations of USSR fighter aircraft are examples of this methodology.

(3) third and last, they seldom abandon a proven piece of equipment or system, but instead rebuild or modify it to improve the usefulness or extend its life. Prime examples of this are the numerous modifications made to the Bear heavy bomber, and the versatility of the SS-9 missile.

R&D FUNDING

Looking only at defense related R&D, the U.S. is already behind about \$3 billion a year, having been overtaken two years ago. Note that the Soviets have been expanding R&D expenditures by about 10 per cent a year.

R&D PERSONNEL

Overall, the U.S. and USSR have roughly 600,000 scientists and engineers engaged in pure R&D efforts. However, judging from the Soviet rate of growth since the early 60's, they could have an R&D force one-third larger than ours by 1985.

BOMBERS AND FIXED WING AIRCRAFT

The allocation of these highly trained, technical specialists has resulted in quieting design curves in three major military areas.

Over the past 16 years, the Soviets have publicly flown 25 prototype bomber and fixed wing support type aircraft. The regularity of their production output is amazing and quite

unaffected by their high priority missile and space programs.

FIGHTER PRODUCTION

There have been 15 fighter systems developed in the last 20 years. Again, all have been flown at least in the prototype stage and been publicly displayed.

DEFENSIVE MISSILE SYSTEMS

The Soviets have designed and tested a total of 8 defensive missiles since 1957. These have included ABM as well as SAM systems. The regularity of development, initiation of programs and competition between systems is evident.

CHICOM THREAT

Turning now to a brief look at Communist China. The Chinese Communists are apparently convinced that the possession of a strategic nuclear strike capability will act as a deterrent in preventing attacks on the Chinese mainland. They also have noted that this power would greatly enhance their bargaining position throughout the world.

As a step towards attaining this goal, the Chinese have thus far achieved a modest nuclear capability. They have conducted nuclear testing since 1964, including about a dozen detonations. Most are believed to have been thermo-nuclear devices, including both air and possibly missile delivered weapons, with yields in the megaton class.

CHICOM ICBM

Earlier this year, the Chinese orbited their first satellite. The technology displayed in launching the 381-lb. payload provides an insight into their missile potential. Based on their demonstrated technology, the start of ICBM testing could occur any time.

Following such testing, an operational ICBM could become available as early as 1973 and be deployed in limited numbers by 1975.

CHICOM MRBM

The Chinese have been testing a medium range ballistic missile since the mid-1960's. This is a picture of a Soviet MRBM and is much like the type given the Chicoms by the Soviets in the early 60's. From this system, the Chinese have probably developed an indigenous missile.

Deployment could occur this year in limited numbers and grow to a force of 80 to 100 missiles by 1975.

CHICOM BOMBERS

The present Chicom nuclear delivery force consists of a limited number of medium range bomber aircraft. These bombers include about ten B-29 type piston aircraft acquired from the Soviets in the late 50's, and a small but growing medium bomber force of Badger type aircraft.

CHICOM AIR DEFENSE

The Chinese communists have over 3,000 fighter aircraft, mostly of Soviet design; however, the Chinese may now be capable of producing their own native aircraft in limited quantities. Supporting these fighter aircraft are nearly 1,500 air defense radars. In addition, key targets are protected by over 50 surface to air missile sites and nearly 4,500 AAA weapons are deployed throughout the country.

CHICOM GROWTH

Though hardly comparable to Soviet growth, the Chinese threat does include improvements in all areas.

Their strategic bomber force, which has remained fairly constant since 1969, may add new medium range aircraft and increase the existing inventory within a few years.

Missile deployment could begin this year with MRBMs, followed with an ICBM at the earliest by 1973. By the mid-1970's, total missiles on hand could reach as many as 125.

STRATEGIC THREAT (SOV-CHICOM)

In summary, it is clear that the Soviet threat is growing. They are still deploying

at least three types of ICBM's, and follow-on system improvements are underway. Our advantages in sea based ballistic missiles is rapidly diminishing, and testing is underway of a new missile which would double the range of the missile carried by the Yankee subs. They are continuing to produce bomber and fighter-aircraft, and are flying a new bomber.

Although already superior in all aspects of defense, the Soviets are deploying more and better surface to air missiles and improving anti-submarine and ballistic missile defenses. Finally, they are striving to build the world's finest technological base to support their expanding R&D programs and provide options for the future.

The Chinese communist efforts to attain an independent strategic deterrent only complicate our problems further.

IMPACT ON U.S. STRATEGIC FORCES

Looking at the growing threat from the viewpoint of Strategic Air Command, we see at least three major problems: First, the threat to our forces in their day to day posture, from the Soviet ICBMS, SLBMS, and anti-submarine warfare forces.

Second, the penetration of defenses is becoming more difficult, both for our bombers and for our missiles.

Finally, the enlarging and more complex target system posed by the growing threat makes our job more difficult.

SAC SHIELD

But even more ominous is this threat to our way of life. This presentation has focused upon the strategic threat, offensive and defensive. However, the Soviet developments in tactical air, land and sea forces are equally imposing.

One would conclude that the Soviets are developing options, options throughout the spectrum of warfare and the growing Chinese communist threat only serves to complicate an already difficult situation.

Gentlemen, this concludes the threat presentation.

ROBERT A. BAUSCH, OF POTTSVILLE, PA., RECEIVES THE RED CROSS CERTIFICATE OF MERIT

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. YATRON. Mr. Speaker, it is a source of pride for me to relate an incident which occurred in my congressional district, involving Mr. Robert A. Bausch of Pottsville, Pa., who displayed a most exceptional act of citizenship and concern for the welfare of another human being.

While driving on the night of April 18, 1970, Mr. Bausch saw someone lying in the road ahead. Without taking the time to ponder whether or not he should get involved, he immediately stopped his car and went over to the victim, a woman about 30 years old who had apparently been struck by another vehicle. She was not breathing.

Mr. Bausch, who has had Red Cross first aid training, began artificial respiration at once and during this observed that the back of the victim's head was bleeding. He used his hand in an effort to stop this while he continued the artificial respiration. These first aid acts were performed until an ambulance arrived. The attending physician was em-

phatic in stating that only through the quick reaction and efficient assistance of Mr. Bausch was it possible for the victim to arrive at the hospital alive.

For his noteworthy act, Mr. Bausch has been named to receive the Red Cross Certificate of Merit, which is the highest award given by the American Red Cross to a person who saves a life by applying skills learned in a Red Cross first aid safety course. The certificate appropriately bears the signature of the President of the United States.

Mr. Speaker, it seems only fitting that the Congress should acknowledge and applaud Mr. Robert A. Bausch for his unselfishness and involvement in the plight of another human being.

Too often, we read and hear about incidents of man's inhumanity to man and the good deeds that are done go unnoticed and unpublicized. It is refreshing to learn of such an act, especially in these times when refusal to get involved is commonplace.

Surely, Mr. Bausch has, through his involvement in the plight of someone else, provided us all with an example to follow and a good measure of fuel for the spirit.

AMERICAN FARMER IS SUBSIDIZING OUR ECONOMY

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. ZWACH. Mr. Speaker, the greatest prosperity in the history of the United States does not include the farmer.

The decade of the 1960's produced the most prosperous years in the history of the United States. Gross national product has risen an average of 9 percent per year over the past 9 years. In this same span of time, net farm income has risen by less than one-half of 1 percent per year with no allowance for over a \$60 billion increase in net farm investment, it is pointed out by Frank M. LeRoux in his book "1961 to 1970, the Farmer's Worst Nine Years."

Essentially, the rest of the American economy has increased its income by over 20 times more than the American farmer. And there seems little prospect for improvement.

Agriculture has not shared in our startling national prosperity and the minute that the farmer has a chance to receive the least bit of improvement his agricultural prices are beaten back by one means or another, and this has continued behind the scenes.

Agriculture at the farmer level has contributed strongly to the improved gross national product. In 1940, each farmworker was producing enough to feed and supply 10½ persons. In 1969, each farmworker produced enough to feed and supply more than 41 persons. In spite of all this unbelievable rise in efficiency and productivity, the farmer has received barely enough to offset his increased operational expenses.

The American farmer has not been put into the position of sharing in the pros-

perity of the times, but rather he has been forced into the position of subsidizing the economy.

Why do we not provide a fair share of American prosperity for American agriculture?

PITTSBURGH PRESS CARRIES OUTSTANDING SERIES ON WELFARE

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. MOORHEAD. Mr. Speaker, earlier this year, the Pittsburgh Press ran a 22-part series on the welfare morass in Pennsylvania.

Entitled "The Doleful Dollar," this cogent series put into perspective the Frankenstein monster that has come to represent the standard State delivery system of public assistance.

Reporter Roger Stuart's mammoth effort is certainly a solid addition to what we already know about our welfare delivery system and his piece reinforces the belief harbored by many of us today that wholesale changes are necessary in the system if it is not to breakdown totally.

Stuart's work comes near to the perfect newsman's story. It is sympathetic to the plight of those on welfare, yet it is cognizant of those who abuse the system.

He has shown what is wrong with the welfare program from both the recipient's point of view and that of the taxpayer.

Although Mr. Stuart concludes that we will always have some sort of welfare system, he argues that it can be made better.

I am introducing Mr. Stuart's fine series in the RECORD for the information of my colleagues. I urge them to read the entry and to respond to me, or to Mr. Stuart, on the effectiveness and quality of "The Doleful Dollar":

[From the Pittsburgh Press, Feb. 22, 1970]
HORN OF POVERTY: KEEPING IT FILLED COSTS STATE PLENTY

(By Roger Stuart)

With every tick of an alarming clock, public assistance in Pennsylvania costs another \$24.

A fact? Yes.

And it adds up fast: \$1,440 a minute, \$86,400 an hour, \$2,073,600 a day.

It goes to more people than reside in Pittsburgh.

A guess? Yes.

But as recently as September, the last month for which statistics are available, there were about 550,000 people on the commonwealth's still-soaring welfare rolls.

That's only 7,000 short of the city's population estimate.

But it's 116,000 more than were receiving public assistance checks the previous September.

Almost as startling:

The average number of people on public assistance in fiscal 1969 was 471,500—a bounce of 105,000 over 1967 and higher than any 12-month period since 1942.

An estimated 730,800 persons received welfare checks in fiscal 1969, because as some dropped off during the year others were added.

While 4.7 per cent of Pennsylvania's people were on relief in September, only 2.6 per cent of the state's residents were jobless. And the unemployment figure was close to the record low.

One reason for the higher assistance rate is that the bulk of the assistance load officially is considered unemployable.

Another is that 35 per cent of the caseload, excluding the blind, have other income supplemented by relief payments.

The other income is from "legally responsible relatives" (parents for children and children for parents), wages, Social Security benefits, unemployment compensation, veterans pensions and the like.

No one really knows when the welfare rolls will peak.

One conservative guess is that before the fiscal year ends June 30, there will be 572,000 Pennsylvanians receiving some sort of relief.

It could zoom higher if the job-cutting inflation fight slices into the working population, as many economists predict.

But boom or bust, the public is committed by state law to fill the horn of poverty to a "decent and healthful level."

And we're getting one record-expense year atop another doing it.

It cost Pennsylvanians \$576 million in federal, state and county taxes last year while this year the figure will be \$778 million.

If you look at "pie charts" for income and outgo for relief (using 1969 figures—the last available) here's where each slice of the welfare dollar comes from: Federal funds, 50 cents; county funds, 2 cents, and state funds, 48 cents.

And here's where it goes: Medical and burial costs, 38 cents; aid to dependent children, 32 cents; administration, 9 cents; old age assistance 7 cents; general assistance, 7 cents; blind pensions, 3 cents, and aid to disabled, 4 cents.

Employment appears to have little to do with cutting the rolls.

Public assistance cases in Pennsylvania dropped steadily in the first three of the last half-dozen years as the job climate improved.

Then they started climbing again to set a 29-year record. While the employment picture continued to improve, inflation took hold.

But regardless of whether the relief rolls dropped or rose, relief costs set records annually:

Fiscal year,	average number on relief,	and total cost
1965,	405,370,	\$293,982,733
1966,	372,370,	\$11,350,985
1967,	336,617,	\$63,423,889
1968,	411,392,	\$36,933,946
1969,	471,500,	\$76,219,070
1970, ¹	540,714, ²	\$78,283,000

And if the relief rolls continue to rise faster than expected, it's not inconceivable that the General Assembly will be asked to make its second deficiency appropriation in two years to cover assistance costs.

Mind boggling? Indeed.

With the kind of money in this year's relief budget, the Pittsburgh Board of Education could run all of the city's public schools at current expense levels for 10½ years.

Similarly, City Council could meet its present \$101 million budget for almost eight full years.

Or Allegheny County could build 24 community college campuses instead of the three now planned.

Pennsylvania however, uses the money to try to feed, clothe, house and generally assist more than 500,000 people on relief.

¹ First quarter average.

² Budget for 1970.

[From the Pittsburgh Press, Feb. 23, 1970]
TALE OF TWO COUNTIES: ONE OUT OF 10 ON RELIEF IN PHILLY; ONE OF 18 HERE

(By Roger Stuart)

Even if these are the best of times for Pennsylvania's princes of prosperity, they certainly are not the worst for her paupers—if they are on relief.

The latter come closer to meeting their minimum food, clothing and shelter needs than ever before.

But comforting as that is to the state's taxpayers, it only adds to their burden because—as their charity has increased—more people have become eligible for assistance.

ONE OUT OF 10 IN PHILLY

Nowhere is this more true than in Philadelphia where one out of every 10 residents is on welfare.

In Allegheny County, relief goes to one of every 18 persons.

Philadelphia had 195,245 welfare clients in October—up 80,833 since January, 1967.

Allegheny County passed out checks to 91,760 people in December—an increase of roughly 20,000 since January, 1967.

But the real tale of these two counties is that:

Together they account for 53 out of every 100 Pennsylvanians on relief.

While the average number of people on the state's welfare rolls each month rose 66,130 from 1965 to 1969, Allegheny County and Philadelphia accounted for roughly five of every six of these.

During those five fiscal years, 34 other counties posted gains while 30 registered losses. Only Warren County, with a 572-person monthly average in 1965, showed no change in 1969.

Philadelphia's average monthly load of 164,817 in fiscal 1969 was a net gain of 53,345 persons a month over four years earlier.

During the same period, Allegheny County's relief rolls posted a net gain of 154 persons—an average of 77,545 people a month in 1965 to 77,699 people a month last year.

Other counties, though, have a high percentage of relief clients, too, even if they don't have the sheer bulk that Pennsylvania's two largest counties do.

Fayette County, for example, although well down in the population rankings, stands third in the number of welfare recipients.

With 16,643 people on relief in August, Fayette County had roughly one out of every 10 persons on welfare, putting it on a par with Philadelphia.

Similarly, Greene County's 3,858-a-month average last year amounted to roughly one out of every 10 people.

FAYETTE COUNTY SHOWS LOSS

Ironically, Fayette showed a net loss of 2,271 in the average number of assistance recipients in 1969 over 1965—a fact Joseph J. Blellevens, executive director of the Fayette County Board of Assistance, attributes to population loss.

But why the disproportionate increase from 1965 to 1969 in the growth of Philadelphia's welfare load over the rise in Allegheny County's burden?

The answer depends largely on a finding by the Welfare Department's quality control division in 1966 that, while Allegheny County was rejecting less than a third of its applicants, Philadelphia was rejecting about half.

In response, Gov. Raymond P. Shafer issued an executive order to the Philadelphia board to the effect that its mission was to supply, not deny, aid to the needy.

The board obviously heeded the admonition: Its current rejection rate is one out of four.

[From the Pittsburgh Press, Feb. 24, 1970]

**"MITIGATED STIGMATIC FEELINGS" DRY UP
"SHAME" OF WELFARE AID**

(By Roger Stuart)

Why with times generally so good are relief rolls looking so bad?

The State Welfare Department, as alarmed as anyone else at the commonwealth's steadily escalating assistance load, wanted to know.

"Mitigated stigmatic feelings," replied a special consulting firm, euphemistically stating what a lot of people already and accurately had come to suspect:

More people than ever feel there is less stigma, less shame attached to applying for public welfare.

Indeed, says Edward H. Kalberer, executive director of the Allegheny County Board of Assistance:

"There's greater acceptance of assistance as something to which a person has a legal right rather than the privilege of charity."

Increasingly, people share the notion that public assistance is their right in the same way, for example, that Social Security benefits and/or unemployment compensation are a right.

WELFARE BURDEN RISING

They argue accurately that eligibility for all three is determined in similar ways.

But they either can't or refuse to see that Social Security and unemployment compensation are insurances for which one must pay premiums while public assistance comes out of general tax funds.

Regardless, the lessened stigma ranks as the "first and, perhaps, most important" reason why the state's welfare burden is rising, says Elias S. Cohen, state commissioner of family services.

Mr. Cohen also believes, "We are tapping the reservoir of the poor who were always there and always eligible for public assistance but who never applied because they didn't know they qualified."

Significantly, as many poor people discovered on getting sick that they were eligible for medical assistance (Pennsycare) they also found they qualified to receive cash relief.

To be sure, too, as public assistance allowances were increased in two giant strides from 71 to 100 per cent of a state-set minimum need, more people became eligible for a subsidy.

Grants were increased to 90 per cent of minimum need Jan. 1, 1969, and to 100 per cent of the state-set requirement last month.

SOME ALSO HAVE INCOME

So, a person whose income may have been too high last year or the year before to receive aid may be eligible to receive at least partial assistance now.

Currently, 35 per cent of the state's welfare caseload, excluding the blind, have some sort of income and receive supplemental welfare benefits while 65 per cent depend completely on their relief checks, say state officials.

Ironically, though, 55 per cent of the authorized caseload receive less than the maximum total allowance, according to these same officials.

Also helping to balloon the welfare rolls is that an improved work incentive allows some welfare recipients to keep getting a public subsidy even though the payment may be smaller than the one they got before landing a job.

But these aren't the only reasons for larger welfare rolls. Also conducive are:

A ruling by the U.S. Supreme Court that Pennsylvania's one-year residency requirement for assistance recipients was unconstitutional.

A declaration by the high court that the man-in-the-house rule didn't square either with the U.S. Constitution.

The growth of the welfare rights movement with its attendant publicity informing people of their eligibility for assistance.

An increase in unemployment among people too lacking in skills to cope with technological advances and too old or too dull to learn new ones even if industry were ready to hire them.

A simplified method of taking relief applications, now used in 42 counties.

Reduction of the standard under which close relatives have an obligation to help those in their family who need assistance.

Finally, there is inflation—the cruellest tax of all—which has shredded the resolve of some of the strongest people living on lean margins to resist applying for welfare.

As with other factors, no one in state government really knows how to rate its impact on the total caseload.

But it is significant that the number of old age assistance cases, although static for a long time, jumped from 43,620 in September, 1968, to 46,406 a year later.

And from the end of September to the end of October, the load had risen another 379 cases.

[From the Pittsburgh Press, Feb. 25, 1970]

**WHO AND HOW MUCH? DECIDES FEELING
ON WELFARE**

(By Roger Stuart)

No taxpayer really likes relief. It smacks of something for nothing.

But nobody really kicks about spending tax money to relieve the miseries of the aged, the blind or the disabled.

It's plain to see they've been miscast in an age of youth and plenty.

Generally, too, people will put up with doling dollars even to the Skid Row bum pickled in alcohol. They sort of shake their heads and say, "What else can you do?"

They will—even if not gladly—submit to use of relief money to supplement unemployment compensation payments to jobless fathers with large families, or to support the marginally handicapped.

But, ironically, when it comes to aiding dependent children—the largest and fastest growing group of relief recipients—a lot of taxpayers protest profusely.

Indeed, contends Edward H. Kalberer, executive director of the Allegheny County Board of Assistance:

"It's hard for many to see the illegitimate child or the woman who is 'allowed'—as they say, 'allowed to go on having children while we support them.'"

FIGURES TELL THE STORY

That view, of course, is warped beyond shape of reality. It doesn't take into account the facts revealed in a 3 per cent statewide sample study of the Aid to Dependent Children (ADC) caseload two years ago that:

Three out of every four of the ADC recipients are children who just happened, through no personal fault, to be born poor—or later fell into poverty.

In 30 out of each 100 ADC cases nobody knows where the father is, so he can't be counted on to help support his family.

Of the ADC mothers, 23 out of every 100 were deserted by their husbands and four of that same number are widows.

Eight of every 100 husbands whose families received ADC are incapacitated, while another three are in prison and 12 are legally divorced from their wives.

Still, illegitimacy is a large problem with roughly 40 per cent of the ADC mothers never having been married.

But regardless of whether a woman gave birth to a child in or out of wedlock, she and the child legally are entitled to cash relief.

Moreover, Pennsylvania policy in that the mother is not required to work unless she wants to work. And if she wants to work, care must be provided during the day for her children.

MINIMUM STANDARDS

Because of variations in living costs among the commonwealth's 67 counties, 51 different allowance schedules are used to compute a relief recipient's subsidy.

And each schedule, since its last revision Jan. 1, pegs maximum allowances at 100 per cent of the state-set minimum standard of health and decency.

The latest change is the second in two years—the first one having been an increase a year ago from 71 per cent to 90 per cent of the minimum need requirement.

Under the current schedules, maximum allowances average \$286.10 a month for a family of four. The lowest maximum in the state is \$256 in Forest County while the highest is \$313 in Bucks County.

In Allegheny County, the maximum monthly grant for a family of four is \$297—computed at \$30 per person for food, \$11 each for clothing, \$10 each for incidentals, \$74 for family shelter and \$19 for utilities.

Philadelphia's maximum allowance for the same family is \$301 a month.

The state's most recent cash assistance payment totals, however, are based on last year's allowances.

They show that for fiscal 1969, which ended last June 30, ADC recipients in Pennsylvania received cash payments totaling \$184,016,477—up \$50,651,241 over 1968.

By last September the state's ADC pegged its burden at \$20,041,804 for the month with 385,823 recipients getting an average of \$51.95 each. The ADC family average was \$210.30.

OTHER AID FIGURES LISTED

Contrasted with the ADC cash total last year, all other aid categories totaled \$57,143,021 less.

Talies for the other aid categories were:

Old Age Assistance—1969 cash outlay: \$39,868,939—an increase of \$1,155,192 over 1968. September: \$4,468,078 to 46,406 recipients for a \$96.28 average.

Aid to the Disabled—1969 cash outlay: \$25,339,546—an increase of \$2,722,361 over 1968. September: \$2,410,777 to 27,810 recipients for an \$86.69 average.

General Assistance—1969 cash outlay: \$42,849,347—an increase of \$14,441,841 over 1968. September: \$5,384,183 to 72,882 persons for an average of \$73.88 each. The general assistance family average was \$111.55.

There are two types of blind pensions. One is funded entirely by the state while the other is supplied with a mix of state and federal funds.

Together they totaled \$18,815,626 in fiscal 1969—a decrease of \$638,928 from 1968.

State blind pensions totaled \$620,499 in September with 7,794 persons getting an average of \$79.61 each. The state-federal blind pensions came to \$1,043,299 for the same period as 8,815 recipients averaged \$118.35 each.

[From the Pittsburgh Press, Feb. 26, 1970]

**CRADLE TO GRAVE MEDICAL CARE COST TRIPLES,
CASE LOAD SOARS**

(By Roger Stuart)

You can go a long way, baby, on public assistance—all the way from birth to burial. Not that many want to.

But Pennsylvania makes it possible whether you die in infancy or live until old age.

Neither you nor your mother will be consigned to the "charity ward" as you once would have been, although you can't get a private room unless a physician sees a real medical necessity for you to have one.

Nor will you, when you die, be buried in a potter's field.

BURIAL ALLOWANCE

Public assistance can pay up to \$250 to bury you if you're 10 or over, \$180 if you're under 10 and \$60 if you're stillborn. Your family, though, will have to pay for the tombstone.

What's more, the state cares even more about you if you're sick and penniless than if you die broke. A whole lot more, in fact, than it did just five years ago.

Indeed, while the State Welfare Department spent \$207,559 on burials and \$69 million on medical care in fiscal 1965, it spent only \$296,086 on burials and \$214 million for medical care last year.

But rising medical costs, although a factor, were not the principal cause for the increase. Greatly improved benefits were the chief cause.

Significantly, too: While medical assistance expenditures more than tripled, the number of persons for whom medical costs were paid jumped more than five times.

Payments were made for 35,553 persons in 1965 contrasted with 168,646 persons in 1969.

URBAN CENTERS HARD HIT

As with cash relief, medical assistance has really socked it to the state in its two most populous urban centers:

Allegheny County, where medical assistance costs have risen from a mere \$1,379,605 in 1961 to a whopping \$31,953,265 last year.

Philadelphia, where medical relief expenses zoomed from \$1,809,350 nine years ago to \$48,743,873 in fiscal 1969.

But a major portion of today's medical assistance burden lies in the fact that one doesn't have to be receiving cash relief to qualify as medically needy.

Indeed, of the 301,791 applications for medical assistance approved last year in the commonwealth, 137,793 came from people not on cash relief while the remainder came from welfare check recipients.

A cash relief client automatically is entitled in Pennsylvania to:

Inpatient hospital care for up to 60 days if he hasn't been in the hospital during the preceding 60 days.

Posthospital care in a private nursing home for up to 60 days if he entered the home within five days after being discharged from a hospital where care was paid for by the state.

Physicians' services at \$4 an office call and \$5 for a home visit.

Visiting Nurse service at home as prescribed by a physician.

Posthospital care provided by the hospital in the home.

Outpatient hospital clinic services at \$4 a visit.

Laboratory and X-ray services.
First three pints of whole blood if not otherwise available.

Eyeglasses under specified conditions.
Care in a public nursing home.

Care in a mental institution if he's 65 or older.

Most medicines bought from a druggist if prescribed by a physician as well as some prescribed appliances and surgical supplies.

Dental care including fillings and extractions, necessary medicines prescribed by a dentist and, under certain conditions, false teeth.

Public assistance pays Medicare premiums for people on old-age relief, leaving it to Medicare to cover most expenses but picking up some slack.

The medically needy can get all except prescribed medicines and dental care benefits under the medical assistance program, also known as Medicaid or Pennycare.

So, who's medically needy?

A person, for example, whose medical care isn't covered some other way, if he earns up to \$2,000 a year before deductions and does not have more than \$2,400 in cash assets besides.

He can still own a home, household furnishings, a car and an insurance policy with up to \$500 in cash surrender value.

CILING ON CASH ASSETS

A two-member family can make \$2,500 a year gross and have \$3,840 in cash assets.

Larger families are allowed \$750 more in gross earnings each year for every additional member. But it, too, is limited to \$3,840 in cash assets.

But a person still needn't be kicked out in the cold even if he does exceed these limits. The state sometimes may still pay partial medical assistance benefits.

What happens, however, to a person financially eligible for cash relief and sick but unwilling to sign a lien on his house or to notify a legally responsible relative of his plight?

Well, the state's thought of him, too, if he doesn't need hospital care.

Under Medical Assistance for the Categorically Needy—also known as the Non-Money Payment Plan—his prescribed medicines and dental work will be paid for by the state.

Finally, Pennsylvania has a school medical plan covering any other medical services or supplies needed to treat a health condition shown in the school record of a child whose parents are either on cash relief or medically needy.

MEDICAL RELIEF AND HOW IT GREW

It's no accident Pennsylvania's medical relief expenditures ballooned dramatically in the "soaring sixties."

Indeed, the General Assembly—acting on advice from welfare planners—designed most of the increase by inflating benefits and expanding their coverage to more people.

Here is how Pennsylvania built its medical relief programs:

Prior to 1962—Cash relief clients had medical care but no hospital or institutional benefits except what hospitals provided free with only a small state subsidy.

Relief clients got physician's care, clinic care, visiting nurse service, prescribed drugs. Medically needy had no medical coverage.

January 1962—Kerr-Mills amendments to Social Security Act provided in-patient hospital care up to 60 days for people on old age assistance and certain forms of care in their own home, payment for care in public institutions such as John J. Kane Hospital.

March 1964—Purchased hospital and post-hospital care in nonpublic nursing homes authorized for assistance recipients and medically needy under 65. Care at cost, up to \$25 a day, from sectarian and nonsectarian hospitals authorized.

January 1966—Purchased hospital care and medical care for elderly needy merged.

Also, Pennycare—known, too, as Medicaid—under Title 19 of Social Security Act provided same coverage for medically needy as for those on cash relief, except dental care and prescribed medicines.

July 1966—With adoption of Medicare, state picked up those premiums for people on old age assistance. Also, state started giving relief clients in public hospitals \$15 monthly for personal items if they had no other income.

July 1967—State began paying "actual reasonable costs" for hospital care instead of old \$25 daily maximum. Costs to state soared, although hospital bills are audited annually and some adjustments made.

Additionally, Medical Assistance for Categorically Needy authorized, making it possible for some medically needy people to get both dental care and prescribed drugs.

[From the Pittsburgh Press, Feb. 27, 1970]

STATE FIXES MINIMUM STANDARDS OF "DECENT" LIVING FOR RELIEFERS

(By Roger Stuart)

It has taken Pennsylvania a long time to close the welfare gap.

Some say 13 years; others say 33.

Regardless, the gap is closed now, says the State Welfare Department, and has been since Jan. 1, when the commonwealth began to peg relief checks at 100 per cent of the cost

of "minimum standards of health and decency."

WOODBURY STANDARDS

The standards were written by a six-member committee appointed in 1955 by the State Board of Public Assistance and chaired by Dr. Mildred F. Woodbury.

The state board adopted the Woodbury Standards Feb. 19, 1957, as a policy statement and a goal to achieve "over the next few years."

But achievement of the goal depended on legislative appropriations.

And the General Assembly—although it initially defined "assistance" in the 1937 Public Assistance Act in terms of "a decent and healthful standard"—was in no rush to provide the appropriations.

The state's old age assistance allowances in 1964 were still 9 per cent below the Woodbury Standards. All other types of public assistance grants stood 40 per cent below those minimums.

STAYED BELOW STANDARD

The grants remained below those standards until last month despite the General Assembly's resolve six years ago to begin to close the gap if the governor and the welfare department requested sufficient funds.

As a policy statement for the state assistance board, the Woodbury Standards said relief should:

Meet basic food, clothing, shelter, personal and medical care needs.

Recognize the individual's need for "social participation . . . on a scale comparable to that of his fellows."

Maintain and, if necessary, develop or restore the recipient's ability to function normally as a citizen and respected community member as long as assistance is required.

Be concerned with "long-term goals rather than short-term needs of recipients."

Interestingly, it committed itself to the principle never to let the standards get "so high as to discourage employment and economic independence where desirable."

But more significant, perhaps, it declared the standards must never get "so low as to force employment upon the aged, the ill, the disabled, the mothers of young children or children attending school."

More significant because, in effect, the board said the state's relief burden never should be trimmed much below what it usually and currently is—chiefly the aged, ill, disabled, mothers and school age children.

In designating minimum food, clothing, shelter, utility, personal and medical care standards for Pennsylvania's assisted poor, the Woodbury group concluded that allotments should be sufficient for each class of item.

In other words, it said, making a recipient rob from his clothing allotment to pay for shelter costs is bad policy.

The Woodbury committee arrived at a "low-cost" food plan based on simple menus that would, however, require "a considerable amount of home preparation and . . . skill in cooking to make varied and appetizing meals."

"MUST BE ASTUTE"

Indeed, contends Edward H. Kalberer, executive director of the Allegheny County Board of Assistance:

"They (relief clients) have to be the most astute buyers of the cheapest and most nutritious food and be most inventive in doctoring it so it isn't the same damn stuff all the time."

The menus rely on cheaper food groups—potatoes, dry beans and peas, flour and cereals—less-expensive meat cuts and lower-priced fruits and vegetables.

To compute costs of the food plan, the committee advised—and the welfare department said it accepted—a policy of pricing

items at supermarkets and adding a markup to cover higher prices in independent stores.

The welfare department says it prices the plan each year.

The maximum food allotment of \$120 a month (100 per cent of the Woodbury Standards) for a family of four in Allegheny County figures out roughly to 33 cents per person and \$1.32 per family for each meal.

ELEVEN DOLLARS FOR CLOTHING

The current top clothing allotment is \$11 monthly for each member of such a family, which adds up to \$528 a year for all of them. With that, say the Woodbury Standards, a relief family should get clothes that are:

Roughly midway between "minimum and average" in durability.

In the median price range for clothes sold in a large mail order house, with consideration given for shipping costs.

No allowances were recommended by the committee for replacement of household equipment or furniture, and the department grants none.

CHURCH IS "INCIDENTAL"

However, the Woodbury committee lumped house cleaning items in a four-page incidental listing, which includes aspirin, band-aids, cosmetics, bedding, tooth paste, shaving supplies, haircuts, facial tissues and such.

Incidentals, the committee also concluded, should include occasional movies and sports events, newspapers, radio upkeep, church contributions, a modicum of tobacco for adults and transportation.

Announcing its incidentals allotment at 100 per cent of standard, the welfare department provides a maximum of \$40 a month for a family of four to buy 77 items in quantities set by the standard.

The Woodbury group, noting 51 per cent of the housing units in which relief clients lived in Allegheny County in 1966 were substandard, expressed concern that welfare, in effect, subsidized slum housing.

It said welfare shelter grants should provide actual shelter costs for 95 per cent of assistance recipients. In Allegheny County, the maximum rent grant for a family of four is \$74 a month.

The Woodbury group concluded the 1957 utility standard—though based on coal for heating, gas for cooking and water heating and electricity for light—was adequate.

Gas heat would be okay, the committee said, but more money should be allotted for it if necessary.

It isn't. The maximum utility grant in Allegheny County is \$19 a month for a family of four.

[From the Pittsburgh Press, Feb. 28, 1970]

FOOD STAMPS PUT HIGHER ON MENU THAN SURPLUS COMMODITY PROGRAM

(By Roger Stuart)

Being unable to make a few loaves and a couple of fishes feed a multitude, Pennsylvania relies on food stamps and surplus commodities to help enrich the menus of its poor.

For a family of four living on a maximum of 33 cents each for a meal on relief, the extra pennies yielded by either program toward one serving can be a big help.

But the cost to the taxpayer of both subsidies—topping \$30 million as they did last year in the commonwealth—also can look pretty big.

FREE PURCHASING POWER

Under the food stamp plan, a rough average of 250,000 people spent \$36 million from March 1968 to March 1969 to buy \$52 million worth of coupons, meaning they got \$16 million in free purchasing power.

Or, for every 69 cents spent on stamps, Uncle Sam chipped in 31 cents.

In Allegheny County, roughly 54,000 per-

sons spent \$8.9 million over the same time span to buy \$12.6 million in stamps—getting \$3.7 million free.

Or, for every 71 cents spent on stamps, Uncle Sam added 29 cents.

Because one doesn't have to be on cash relief to buy stamps, one out of every five Pennsylvanians who did was financially too well-fixed to get a welfare check but still too needy really to afford good meals without help.

RECIPIENTS OF RELIEF

The other four out of five stamp buyers were relief recipients. So, all the food many of them ate was, in reality, a government subsidy.

The amount of coupons a person buys and the number he gets free depend on his income or assistance payment and the size of his family.

However, although all cash relief clients are eligible to buy food stamps—if they have cooking facilities and sign up in counties where they're sold—only about two out of every five in the commonwealth did so last year.

Clients complain a person must buy and pay for the coupons regularly if he signs up, purchase the same number each time and, if he misses more than once in three months, must reapply.

That's tough to manage, they say, because food stamps commit you to buying only food.

The coupons aren't like ordinary food money that can be applied toward rent or a utility bill—either one of which might run more than a client is apt to get for such expenses in a relief check.

NUTRITIOUS COMMODITIES

Under the food surplus program, Pennsylvania dispensed another \$16 million in nutritious commodities to 1.3 million people last year.

Of the recipients, 14,699 were homebodies, 1.1 million school children, 84,000 youngsters in summer camps and the rest in child care centers and institutions.

But the surplus food program isn't handled in Pennsylvania by the welfare department; it's conducted by the "donated food" bureau in the property and supplies department.

And the \$16 million in commodities it distributed to the poor in the commonwealth last year didn't show up on the state's total \$576 million public assistance budget last year.

Nor did the \$16 million in free food stamps show up on the welfare department's budget itemization. All that shows up there is the \$739,501 it cost to run the food coupon program.

Of the two food subsidy efforts, the surplus commodity plan has dwindled as a direct relief program to homebodies while the food stamp plan has grown in Pennsylvania.

GOING INTO SCHOOLS

But the surplus program is expanding in another area. It's making commodities available in greater quantity and variety to schools, non-profit institutions serving the poor and non-profit children's summer camps.

Meanwhile, says Ferrin C. Hamilton, property and supplies director, the surplus program also is carving out a new niche for itself as a special diet supplier for pregnant women and the aged.

The food stamp plan is functioning now in 61 of the commonwealth's 67 counties. And the U.S. Agriculture Department, which operates both programs federally, has authorized participation for the others.

Of the other six, Fulton and Schuylkill Counties have agreed to enter.

Union, Snyder, and Bucks Counties, however, have opted to participate in the surplus commodity program, a welfare department spokesman said.

Adams County remains a holdout against either endeavor.

But, the welfare spokesman said, the federal government appears ready to insist on Adams' taking one or the other program, even if it means the state does all the work.

PREFER STAMP PLAN

Generally, welfare workers and beneficiaries alike prefer food stamps to surplus food. For, although the surplus program provides a wide range of commodities, the coupon plan offers even greater choice to the recipient.

From the businessman's point of view, the coupon program brings in more business.

That is true of, not just the \$16 million in free food stamps, but the coupon buyers' entire \$52 million in food purchasing power last year.

Food stamps, however, cannot be used to buy alcoholic beverages, tobacco, imported products—except bananas, tea, coffee or cocoa—or imported meats.

Neither can the stamps be used to purchase pet foods, soaps, household supplies or other non-food items. Nor are they any good for buying a dinner in a restaurant.

But does the food stamp program really make sense?

Consider the reply of Edward H. Kalberer, executive director of the Allegheny County Board of Assistance:

"It makes sense only as a way of upping a poor man's budget, but it doesn't make sense otherwise. It's a way we're willing to give more money to the poor. So, for that, I'm for it."

WHY "DEMEAN" THEM?

Others wonder why, if you're going to feed the poor, you don't just give them enough money to do the job rather than make "demeaned" special-class buyers of them.

But food coupons do ensure food purchases if nutrition really is the need, and they do help subsidize the farmer, according to stamp advocates.

Regardless, state welfare officials now are revising eligibility rules to take in more coupon buyers and let them get more free stamps. The revision is a month or so from implementation.

[From the Pittsburgh Press, Mar. 1, 1970]
RELIEF IS A FAMILY AFFAIR, THEN SOCIETY'S BURDEN

(By Roger Stuart)

You're not your brother's keeper in Pennsylvania—or your sister's.

But charity better start at home if it involves mom or pop or a grown son or daughter.

If someone that close to you is on relief and you're making pretty good money, some of your take-home pay must go toward supporting them.

You're what's known to the welfare department as "a financially responsible relative."

Similarly, if you apply for assistance and you own your own home, you must give the state a lien against it. If you've got a mortgage, the lien goes against your equity.

\$40 MILLION IN PAPER

The welfare department holds about 80,000 such papers worth about \$40 million in assets to the commonwealth since it takes an average of \$500 to satisfy each one.

But the money doesn't come back to the state in very big chunks. Last fiscal year, for instance, it amounted to only \$2 million.

Even if old Aunt Hattie has died and left you \$10,000 but you can't get your hands on it because the will is in probate, you must assign your interest in the inheritance over to the state before you can get relief.

Later, when Aunt Hattie's estate has been settled, the state will get all of your share if it's equal to or less than the value of the relief you've received.

However, if the inheritance amounts to more than the welfare you've received, you

only have to reimburse the state for the amount of assistance you've received.

\$200,000 "INHERITANCE"

Last year the state received \$200,000 which had been inherited by welfare clients.

Similarly, it got \$1.5 million in retroactive Social Security payments, \$15,000 in overdue unemployment compensation benefits and \$500,000 from recipients who won damage suit verdicts in court.

This money came from people who got a stake from the state with an obligation to pay back the advance when their other claims paid off.

Part of this IOU policy has run into legal flak, however, from civil and welfare rights groups. They contend the Social Security Act prevents creditors from attaching Social Security payments due a beneficiary.

The state maintains it isn't a creditor. No interest is charged for use of the money while the recipient waits for other benefits which are paid directly to him, the welfare department contends.

Commonwealth Court heard such a test case in January, but has yet to rule.

Regardless, state law specifically permits attachment of back unemployment compensation benefits.

But a person with nothing—no real estate, close relatives, inheritance claim, damage claim in a civil suit or chance of getting Social Security benefits—doesn't owe the state a penny.

Unless he cheated to get assistance in the first place.

Then, if he did, he must make restitution to the state.

But why must relief be a family affair before becoming society's burden?

IT IS THE LAW

It must be because taking care of your own first is the law in Pennsylvania.

If that law weren't on the books, there's no telling how many more tax dollars would wind up inflating the state's public assistance budget beyond its anticipated \$778 million for all of fiscal 1970.

Right now, it's as if every man, woman and child in the commonwealth were paying roughly \$7 each for relief.

The Support Law enacted in 1937 was a legislative companion that year to the Public Assistance Act.

That latter was considered a model of its kind—transforming relief in Pennsylvania from a haphazard dole during the Depression to permanent and systematic welfare.

TWO-EDGED SWORD

The Support Law differed little, though, from provisions of the earlier poor laws on the subject and, according to some observers, has all the bite of a two-edged sword.

Although it helps limit the siege on the public taxpayer, they say, it cuts away from people who really should be on public assistance.

Essentially, the law requires mom to take care of pop and vice versa, obligates parents as welfare watchdogs for their children even after the kids are grown and makes adult children responsible for their folks.

Until 1945, when the legislature decided the law went too far, grandparents could be expected to contribute to their grandchildren's well-being while grandchildren could be forced to be their grandparents' benefactors.

Right now there's a bill languishing in the legislature that would relieve parents of responsibility for their adult children.

TWO EXCEPTIONS

And although they aren't specified in the law, the welfare department policy now allows two exceptions:

An adult child with six or more youngsters of his own isn't liable to help support his parents unless he's exceptionally well off. And the state figures out just how "well off" he is.

Parents over 60 no longer are accountable to contribute to support of their grown children unless the state figures they've got a good deal of money.

Regardless, one financially responsible kin rarely is fully liable for support because he usually doesn't make enough money. But several grown children might have to care for needy parents entirely.

[From the Pittsburgh Press, Mar. 2, 1970]

HOW SUPPORT OF KIN RELATES TO THE ISSUE OF WHETHER THEY ALSO RATE RELIEF MONEY

(By Roger Stuart)

If kinfolk can't support needy relatives in the mini-style to which the state figures all Pennsylvanians are entitled the state can take up the slack.

It will provide the difference between family aid and a maximum relief grant, which is pegged at 100 per cent of the commonwealth's minimum level of health and decency.

WIDOWED MOTHER SUPPORT

For example, a man with a wife and two children who earns \$600 monthly, unless he has big bills of his own, is expected to contribute \$25 a month toward support of a widowed mother who's without Social Security.

That \$25 contribution would be deducted from the maximum \$136 monthly assistance grant allowable for one person on relief in Allegheny County—meaning the state could stake the mother to \$111 a month.

But suppose an older couple comes in to apply for assistance and won't give welfare authorities a list of legally-responsible relatives because they feel "ashamed" to be applying for aid. What happens then?

The state must turn them down.

Suppose, on the other hand, that they're willing to supply the kinfolk's name, but the relative says he won't pay support. What does the state do?

MORE TO ESTRANGED WIFE

The state can help the client prepare a support suit for court.

A husband, of course, is expected to pay more toward the upkeep of his wife and minor children if he's separated from them than he's expected to contribute toward the support of needy parents or adult children.

Support payments for a wife and minor children are computed on the basis of net rather than gross income.

For example, if a husband earning \$305 a month gross is living alone, he could deduct his taxes and work expenses of, say, \$105—leaving net income of \$200.

The state formula would allow him \$152.50 and his wife would get \$47.50 a month.

If the wife and children are on relief—and dad has been ordered by the court to pay support—he may have to send it to the state.

Then mom gets a check covering both his support payment and her relief subsidy.

Last fiscal year, the state got \$1.5 million in court-ordered support payments this way. Half were retroactive contributions fathers should have been making to their families and half were regular allotments.

Significantly, too, some court-ordered support payments take mothers and children off the relief rolls who shouldn't have been on them at all.

WHEN HUBBY RENEGES

This happens when a husband with good income tries to avoid making payments to the family from which he is separated.

And it's a growing phenomenon, indicating that it's not just the poor who are trying to make the state assume their responsibilities.

If a father has been continuously delinquent in making support payments, the state can and does have the court attach that part

of his wages. His employer then deducts what he should be paying his family.

Ironically, though, a financially-responsible relative's contribution may not be tax-deductible.

Each dependent claimed on a federal income tax form must:

Receive less than \$600 a year in income from other sources.

Get more than half his support from the financially-responsible relative filing the return.

Not have filed a joint tax return with his or her spouse.

Liens, like responsible kin, keep a lot of people who apply for welfare from receiving relief, because they don't want to sign over their property.

But the state requires a lien before it will grant welfare because assistance—if you have property—is, in effect, a loan. It becomes more than that once you've exhausted your resources; it becomes an outright grant.

Just try asking a bank to act similarly.

Moreover, the state won't foreclose the lien on your home as long as you and your children are living—unless you sell the property or stop using it.

When it does foreclose, the state collects only the amount of money it has paid out in assistance.

WHAT LIEN DOES

Or, if you get off relief and want to pay off the lien, the state will arrange reimbursement at just about any schedule you want.

Significantly, then, the lien does two things:

It guarantees that the state isn't giving something for nothing unless the relief client has nothing.

By letting a welfare recipient keep his own house, the state has found at least one answer to subsidizing slumlords.

Aside from liens, responsible kin, inheritances and such, is it easy to get on relief?

No, it isn't if you have more than \$50 in the bank or a bundle, an insurance policy worth more than \$500 in cash or loan values and your kid has \$2,000 set aside as an education nest egg.

WHEN NOT GRANTED

Anything over those maximums would keep you off relief unless you spend quickly and reapply—or lie.

Spending to get on relief, though, is exactly what a social worker will sometimes advertise a prospective client to do. But listen to the advice:

"If your children need winter clothing, buy it now; it won't be so easy after you're on relief. And if you need furniture—a couch, a refrigerator or a television—buy it now; you can't get it on welfare."

[From the Pittsburgh Press, Mar. 3, 1970]

ON YOUR HONOR IS AID RULE FOR SOME

(By Roger Stuart)

When it comes to getting a relief check in Pennsylvania, honor is a spotty thing.

Depending on where the prospective client goes for relief, the chance of anyone checking out his eligibility statements varies.

In Allegheny County—and 24 other counties—his application gets checked pretty thoroughly.

But in the other 42 counties, it's 10-1 that no one will check out earnings record, utility bills, rent receipts, insurance or bank accounts and such.

SIGNS AFFIDAVIT

Under the latter system, an applicant signs what is, in effect, an affidavit that the information he has given is true.

And unless he's the one in 10 whose statements are scheduled for verification or it appears he has given conflicting data, he is taken at his word.

Although this amounts to an honor system of sorts, the welfare department calls it "separation of services"—meaning a technician decides eligibility for cash relief so a caseworker is free to render other services.

Pennsylvania was one of the first states to inaugurate this system in February, 1968, starting with Delaware, Indiana, Lawrence and Montgomery counties.

"It's seen by some as an ultimate and desirable goal," says Elias S. Cohen, state commissioner of family services, whose office carries prime responsibility for administering public assistance in Pennsylvania.

Although Mr. Cohen concedes there are "some upset people" who believe separation of services makes it easier for an undeserving applicant to file an affidavit and get money he's not entitled to, he says:

The new system "is not so relaxed as filing an Internal Revenue Service return. Nor is it more or less relaxed than filing a Social Security claim."

"We could increase tax collections by doing more checking."

A review by his office's quality control division of the entire relief load gave no indication more people were cheating on the honor system than cheat on applications that are checked thoroughly.

Still, Vince Katarzynski, an Erie Times reporter, proved for his paper in January that it's fairly easy under the honor plan to get an undeserved welfare check.

Although he gave welfare officials his true name and address, he falsified military information, which easily can be checked.

But he still got a relief check despite the fact his byline appears regularly in his newspaper.

So far his story hasn't forced the department to rescind the honor system where it's being used. But Stanley A. Miller, the new welfare secretary, told The Press in an interview:

"I'm investigating this whole thing (the honor system) right now. I think it has to be reappraised. Whether it's changed or not will depend on the facts I get. But I'm not satisfied just to let it lie dormant."

Significantly, the honor system—or division of services—is designed to do more than improve delivery of social services and cash assistance.

It's also in line with the concept that assistance clients are no more lacking in dignity, trust and responsibility than the rest of society.

"SPEND AS WILL"

Indeed, the department said in its fiscal 1968 report that division of services also was designed "to implement the department's belief in the client's dignity, rights, freedoms and entitlements."

And regardless of which way an applicant's eligibility for relief is determined, it is department policy that a client has complete freedom of choice on how to spend his check once he gets it.

"He can," as one spokesman put it, "tell his caseworker to go to blazes in response to advice on how to spend it."

Or, as the department's latest annual report put it, he can "give practical expression . . . about his needs, resources and other eligibility factors when given a reasonable opportunity."

But in Allegheny, Philadelphia and 23 other counties, caseworkers must verify an applicant's identity and the relationship to others in his household, including marriage. Similarly, there must be proof of divorce or separation of couples.

Earnings records must be verified, usually by checking with a client's former employer. Rents are checked against leases or by contacting landlords. And utility payments claimed must match utility bills.

OTHER "MUSTS"

However, the caseworker can't double-check any of these things without getting a

specific okay in each instance from the applicant.

In addition to Allegheny and Philadelphia counties, the honor system still has not been extended into these counties:

Beaver, Bedford, Blair, Centre, Clinton, Columbia, Fayette, Huntingdon, Lackawanna, Lehigh, Lycoming, Monroe, Montour, Northampton, Pike, Snyder, Sullivan, Susquehanna, Tioga, Warren, Wayne, Union and Westmoreland.

Regardless, though, of how eligibility is determined:

A relief client must register with the State Employment Service for work if he's considered employable, and accept a job if it's offered.

Eligibility must be recertified every three months if there's a jobless father in a family getting aid to dependent children and every six months if there's just a mother and kids.

Recertification for those receiving old age assistance, blind pensions, aid to the disabled and general assistance is required every 12 months.

And assistance grants, once made, may not be cut off until the recipient has been given a hearing either by the county assistance board, the state board or both.

[From the Pittsburgh Press, Mar. 4, 1970]

THE 3-PERCENT FRAUD LOSS EQUALS \$9,326,698; COULD RUN PITT MED SCHOOL FOR A YEAR

(By Roger Stuart)

Relief chiselers are "no big problem" in Pennsylvania.

The loss is only "about 3 percent," insists a number of the state's top welfare planners, some of whom contend that's on a par with income tax evasion nationally.

"MIGHT BE RIGHT"

"They might be right on their percentage," concedes Stanley A. Miller, the commonwealth's welfare secretary since January.

"But," he adds, "that's the difference between a professional social worker and a businessman."

As a businessman, Miller is more inclined to look at the fact that at 3 percent, Pennsylvanians were robbed last fiscal year of \$9,326,698 by cash-grant relief chiselers.

That kind of money would just about cover the operating costs of the University of Pittsburgh's medical school for a year, including research.

This year—if the same chiseling trend continues—taxpayers will be relieved of another \$11 to \$12 million the same way.

"But that's too much," declares Miller, who has ordered a crackdown. "That's my point."

"We've got to remember one thing: Every time we give money to someone who doesn't deserve it, we take money away from a program for people who rightfully need and deserve it."

POSSIBLE TREND REVERSAL

Since Miller is adamant "my philosophy will prevail," it's possible the trend will be reversed.

But what about last year? How many chiselers were caught and either prosecuted and/or ordered to make restitution?

The picture there isn't bright. Against the estimated \$9 million chiseled last year, the state got back only \$698,408 in restitution payments.

And while there were 10,759 new claims filed of assistance clients getting money they weren't entitled to, there were only 224 prosecutions.

Pennsylvania did better on reimbursements—at \$6.6 million—from people who got relief legally but owe the state money because they had real or personal property.

But basic restitution and prosecution figures are only part of the chiseling story,

according to a staff report filed Dec. 15 with the Senate Public Health and Welfare Committee by William E. Graffius.

In his report to the committee, headed by Sen. Richard A. Snyder, R-Lancaster, Graffius noted:

Restitution actions in 1969 showed a 33½ percent drop from 1966, when the caseload was smaller.

Although 561 prosecutions were completed in 1966, last year's total, despite a higher welfare load and more suspected fraud cases, was 2½ times smaller.

It's not that the public is more inclined to forgiveness now than before, Graffius decided. Rather, he concluded, administrators short circuited a viable check and balance program.

COUNTY DECIDED FRAUD

Prior to March 1965, an area claim settlement agent could go about his job of collecting restitution payments. Decisions on whether to prosecute for fraud were made at a county level.

But in January 1965, the state public assistance commissioner said all claim settlement referrals now had to be sent to state headquarters for review and a final decision on what to do about them.

Significantly, contends Graffius, this now made it possible for those making regulations to administer them and then sit in "final judgment" on problems arising from them.

But when the state office was inundated with referrals—half of which were for overpayments under \$100—the commissioner eased the burden on himself and the attorney general.

He instructed county welfare executives to refer only overpayments of more than \$75 as fraud claims and those under \$75 as simple overpayments. Overpayments under \$10 were to be discounted.

VALUE ON DECEIT

The result, charges Graffius, is that a dollar value was placed on deceit, although that's "hard, if not impossible, to justify."

A little fraud—although acknowledged—was excused, and the policy became widely known.

There were many relief clients whose names reappeared frequently on the claim settlement list, contends Graffius.

But little overpayments, which are easier to collect, were not prosecuted. And little claims—repeated as they were—grew into great big claims, which are almost impossible to collect.

Indeed, Graffius told the Snyder committee of a Luzerne County woman who failed to report earned income and succeeded in cheating the state out of \$4,662.

PHYSICAL PROBLEMS PREVAILED

The county recommended restitution, noting the woman had "a nervous condition" and that one child had "health problems."

It took the state a year to get around to the case. And when it did, prosecution was deemed "inadvisable."

So, finally a year after the case was discovered, claims settlement was left with only one recourse: Try to negotiate a restitution plan with the woman.

The result was her agreement to pay back \$5 a month from her work incentive—a rate requiring 77.8 years for her to meet her debt to society.

[From the Pittsburgh Press, Mar. 5, 1970]

RELIEF WATCHDOG MAY GET NEW TEETH TO BITE CHISELERS

(By Roger Stuart)

Once not so long ago the state welfare system had a watchdog whose bite was as bad as his bark.

But the relief chiefs yanked its teeth, according to Senate Health and Welfare Committee staff aides.

And now, Sen. Richard A. Snyder, the Lancaster Republican who chairs that committee, wants to fit the watchdog with a whole new set of choppers.

The aides filed their report Dec. 15. Sen. Snyder introduced legislation Jan. 7, calling for a whole new claims and resources unit in the welfare department.

The senator blasted as "indulgent" such departmental policies as not prosecuting suspected fraud by relief clients if the amount chiseled was less than \$75.

Stanley A. Miller, who became welfare secretary just two days earlier, declared he, too, wanted a crackdown on welfare frauds.

And, before finishing his first week in office, Miller abolished the \$75 minimum which had been the policy under his predecessor, Dr. Thomas W. Georges Jr. of Philadelphia.

Moreover, the new welfare chief revoked a Georges' policy against seeking restitution on cash assistance payments of \$10 or less.

Later, Atty. Gen. William C. Sennett announced a coordinated campaign to chase what he termed the "ghosts" off the state welfare rolls by sending special auditing teams into various counties, starting with Philadelphia.

Even now, Miller says: "I'm convinced there's a can of worms. The only question is how big is the can—six ounces or 12."

"I'll tell you we'll find out. Not immediately. But, obviously in the next three or four months, we'll be experienced."

Asked if there aren't certain types of losses the state has to write off because they're too expensive to collect, Miller says:

"We might write them off, but we won't have a public policy of condoning the write-off."

"We have an obligation to the taxpayer to see that the dollars his taxes are providing to this department are used intelligently, legally and honestly. This is the whole thing."

"Fraud is fraud, whether by the dollar or by the million. If the state has lost \$1, it's lost \$1 too much."

Sen. Snyder's bill, which is now in committee, would provide up to \$1,000 in fines and jail terms up to a year for false statements made by relief applicants.

It also would require the welfare department to bring legal actions against persons legally responsible for support of their families, including abandoned wives, children under 18 and all children who are handicapped.

Currently, there are special units in Allegheny, Lackawanna-Luzerne and Philadelphia counties to aid in locating fathers who deserted their children and enforcing the support law.

The Philadelphia support project produced court-ordered support payments during fiscal 1969 that are expected to total \$1,917,920 over the course of a year and reduce the relief load by 2,284 cases, a state spokesman said.

The project is run by a state attorney, a locator and a clerk.

In Allegheny County last calendar year, one attorney succeeded in getting court-ordered support payments totaling \$443,000.

Deserting "papas" usually were found in the respective Philadelphia and Pittsburgh metropolitan areas.

Under the U.S. "Fugitive Pappy Act"—as the Uniform Reciprocal Enforcement Act is popularly called—one state is supposed to help another state find fugitive fathers.

Amendments in 1967 to the Social Security Act permit states, local welfare agencies and courts to use Social Security Administration data and Internal Revenue Service master lists to trace wandering papas.

But the State Welfare Department doesn't have figures on how many fathers skipped the state last year to avoid supporting families on relief or how many it caught.

Legislation is being prepared in Pennsylvania now to set up a fugitive pappy locator service at the state level.

Meanwhile, Secretary Miller has removed state review of overpayments from the program staff, making it more a management chore. And he has returned to area claims settlement officers power to decide whether to prosecute for fraud in most cases.

In sending special auditing teams into Philadelphia, the state is going into an area where former Auditor Gen. Grace M. Sloan last year alleged more than 800 welfare overpayments had been made.

Of those cases, Miller says, "39 have been prepared and are ready for prosecution, but I don't have a complete breakdown. The 39 are docketed for trial. The fathers are in the process of being prepared."

The new teams, Atty. Gen. Sennett said, total 15 field auditors. And after they have completed work there, they will get into other counties, including Allegheny.

But since the crackdown was announced Jan. 18, there has been no word on what chiseling has been uncovered, let alone any report on prosecutions stemming from the probe.

[From the Pittsburgh Press, Mar. 6, 1970]

A FAULTY DIAGNOSIS FOR PENNSYLCARE?

(By Roger Stuart)

Pennsycare—the commonwealth's medical welfare program—is "among the best" Medicaid plans in the nation, says its custodians and some critics.

Certainly, it's among the largest with: More than 300,000 people eligible to receive benefits, more than 5 million itemized bills processed last year and a \$214 million tab for fiscal 1969.

And, contends Glenn Johnson, the state's medical assistance commissioner, it hasn't been caught up in the woeful financial bag that has enveloped such programs in some other states.

"We've been cautious," says Johnson. "We haven't left the throttle open to the extent some states did."

He refers to states that had higher financial eligibility standards and better benefits initially than Pennsylvania, but then had to cut back.

A TYPICAL CASE

The commonwealth provides Pennsycare to cash relief recipients and other needy people based on a schedule that makes a family of four eligible, for example, if its income is under \$4,000 a year.

But nobody really knows how much money goes down the chiseling and double payment drains, although Johnson concedes it may be "1 to 2 per cent"—or roughly \$2 million to \$4 million last year at that rate.

That kind of money would more than finance a \$1 million renal dialysis program—used to treat people with kidney disease—which the legislature voted down last summer.

Lack of such expensive care can mean death for people who can't get it.

Regardless, welfare department chiefs still smart today over a federal auditing blast last August which, Johnson contends, contained many "glittering generalities they can't substantiate and we can't refute."

DISTORTION CHARGED

Gov. Raymond P. Shafer was even more angry after the report was issued, contending it "caused great distortion of truth . . . without essential supplementary data."

In perspective, the Department of Health, Education and Welfare (HEW) auditors said Pennsylvania makes duplicate payments to some physicians, dentists, and druggists, because its accounting system doesn't prevent such abuses.

Physician, dentist and druggist bills accounted for about \$52 million out of the \$214

million total expended last year on Pennsycare.

But the auditors said it was impossible even for them to guess at how big the dollar drain in this area was, because the state's disbursement records didn't provide an acceptable basis for such an estimate.

State welfare chiefs didn't really argue with that conclusion.

Indeed, Johnson's predecessor, Dr. Alfred C. Kraft, said "This is the most loose part of the (Pennsycare) operation."

And state welfare officials asked only for time to put master recipient history profiles on a computer—as the auditors suggested—to improve their system.

Johnson says the department is starting to program the histories. But, he concedes, "Until we're finished we can't establish patterns of care, overuse and misuse."

Although HEW auditors said they couldn't estimate lost Pennsycare dollars, they said overpayments do exist, because vendors voluntarily refunded \$3,500 covering 19 duplicate payments during three months studied.

And while the auditors poked at the state's invoice review system, they conceded it wasn't completely bad.

Indeed, they said that out of 118 inquiries made by the state into "possible irregularities" over three years, 101 involved physicians, dentists and druggists.

The result: Five licenses revoked or suspended, 24 vendors barred from taking part in Pennsycare and the repayment of \$56,000 from the 29 physicians, dentists and druggists punished.

"SAMPLING" HIT

Also valuable were the systems devised by Blue Cross and Blue Shield, which process hospital-related Pennsycare bills, to prevent double payment errors, the auditors said.

Hospital care cost about \$162 million last year under Pennsycare.

Blue Shield found duplicate claims totaling \$9,400—or about 2 per cent of the \$502,000 in claims the organization received in February, 1969, according to the HEW audit.

The auditors also said the welfare department's sampling method to determine the accuracy of the state's affidavit method of determining Pennsycare eligibility was weak and inaccurate.

Under the affidavit system, an applicant simply says that financial information he provides to the state is accurate. And on this basis the state determines his eligibility for Pennsycare.

Still, Commissioner Johnson contends, Pennsycare—with 8500 physicians, 5400 dentists and 2900 pharmacists participating—"has had no major fraud, thievery or scandal."

And, he argues, problems uncovered can be blamed in no small degree on the fact that Medicaid was pushed rapidly into high gear by the federal government, which wasn't too sure for a long time procedures and regulations it wanted followed.

Regardless, a spokesman for the Senate Health and Welfare Committee in Pennsylvania says that group "continues to share with a great many people a concern for Pennsycare management and operations."

And Welfare Secretary Stanley A. Miller says:

"I intend to look at the entire Pennsycare problem to see if there are duplicate bills, to see if they are reviewed or aren't reviewed and to see if drugs were administered."

"The whole myriad of possible and small cumulative things will be looked at."

[From the Pittsburgh Press, Mar. 7, 1970]
WORK-TRAINING PROGRAMS PROVIDE JOBS, COST TAXPAYERS AN ADDITIONAL \$6 MILLION

(By Roger Stuart)

The Welfare Department's work-training programs sparked one small boost for the

taxpayers and ignited one giant boost for some welfare clients in Pennsylvania from 1965 through 1969.

While the taxpayers were taxed \$1.9 billion for relief costs, they also were hit for another \$6 million so that almost 19,000 relief recipients could learn and work in the department's five programs.

Of the 19,000 learner-earners, more than 11,400 now have jobs, which either liberated them or partly emancipated them from welfare's grasp.

By no means, though, were the department's work-training programs the only ones conducted.

OTHERS CONDUCTED

There were at the same time numerous others being conducted by the State Labor and Industry and Community Affairs departments, the U.S. Labor Department, the National Alliance of Businessmen (NAB) and various other public and private, non-profit outfits.

Those efforts jacked up tax levies even higher.

How big the investment paid off is unclear, though, because two or three agencies might have been instrumental in putting a man or woman to work, and each one claimed credit for some of the same people.

But it is safe to assume that the work-training efforts kept many people from ever getting on welfare rolls to begin with as well as removing a smaller number of people already on relief subsidies.

For the latter group, the earning-learning programs represent "booster power," according to Welfare Secretary Stanley A. Miller, who told his department's 37,000 employes in his first policy statement to them:

"FULL PARTNERS"

"Let us not feel our task is completed when we deliver subsistence payments to the needy; rather, our real challenge is to bring them into the mainstream as producers and full partners in society."

The booster power success rate—although small to many welfare critics—looms large to state relief chiefs, because only a limited few of the commonwealth's relief clients must look for or accept work.

Those who are required to accept work usually do, the officials contend.

To bolster this contention, they note that while 730,000 persons received welfare checks during fiscal 1969, the average number of people on assistance at any one time was a lot lower at 471,500.

There's not much, the officials say, that can be done about the hard-core relievers except to provide them cash assistance.

FLOOR AND CEILING

For this group, such income is—at the same time—both an economic floor beneath which they don't have to sink and an economic ceiling above which they can't rise.

It's a house, at least some of the money to heat it, basic foods and clothing and a few incidentals.

Most of the Welfare Department's 46,406 aged clients (using September figures—the last available) are in this group along with 16,609 blind pensioners and 27,810 totally and permanently disabled clients.

Then, there are 385,823 recipients of aid to dependent children.

But roughly three out of four of them are kids, ranging from cradle through college age. And the state hopes they graduate from high school or even college so that when they do escape the dole, they remain free of it.

MORE GOOD AT HOME

Mothers of dependent children under 18 don't have to work if they don't want to on the theory they can do more for the kids at home than working.

If the moms want to work, the state must make child care possible for her kids either

in a day care center, in some other family's home or have people take care of the kids in the kids' own homes.

There aren't many dads living with dependent children families, the state says. Some are dead. Many are missing.

And some who are living elsewhere should pay but either can't pay at all or not enough.

Then, of course, there are the dads nobody knows including the moms.

Of those dads who are at home, some are incapacitated or handicapped. And only a few are fit to take job training or a job, which they must do if either is available.

Mothers with all their kids over 18 must job hunt.

GENERAL ASSISTANCE

After the dependent children category, there are 72,882 marginal types on general assistance, which is funded strictly by the state. Some states don't even have such a category.

But it's comprised of people between parent and old age, men who have been replaced on jobs by machines and nobody's hiring them even at 40 or so, the "Skid Row" types between benders, and people between jobs.

Some are between good health and bad or between mental stability and instability.

Also on general assistance, says Norman V. Lourie, deputy welfare secretary, are "the broken down rural types and the kids who grew up, got lost and never got into job lines."

But this group is the most employable of the entire welfare lot.

So, if there's any hope of cutting the relief rolls, it rests with the hard-core relievers who aren't required to work—principally the mothers of dependent children and their older kids.

And that is precisely what the Welfare Department did with its five work training programs—even if it did mean providing a carrot without also having a stick to convince them to work.

First was the Neighborhood Youth Corps for school kids, consisting initially of conservation work but later expanded to health services. Then came a similar Youth Corps for out-of-school youngsters.

These two programs hit 6,600 young relievers, aged 14 to 18, who earned \$1.40 per hour.

The incentive: Earnings of a dependent child 14 to 21 aren't counted against his family's relief grant if he's going to school either full or part time and isn't working either full or part time.

EXPENSES AND INCENTIVE

If he is working regularly full or part time, he gets work expenses plus a work incentive before his family's grant is cut.

New Careers was another departmental program for assistance clients aged 22 to 64 in clinical and clerical work and recreation therapy. Participants get stipends without their relief grants being cut.

New Careers is the only one of the program's financed strictly with state funds. Participants work in groundskeeping, maintenance, laundering, sewing and similar fields and get work expenses, an incentive and relief.

Finally, there's the Work Incentive Program (WIN), which was introduced in 14 counties and expanded recently to 10 others.

Heads of relief households are required to go through screening for this program unless they are mothers of children under 18, in which case the screening is voluntary.

State-provided child care is not voluntary, meaning the mother gets to write that cost off as a work expense. And she gets a training stipend to start or an incentive later if the job she gets is low income.

What happens, though, if a relief client is required to take a job or training if either is offered, and he or she doesn't?

"We discontinue a very small number of

cases on the basis of out-and-out refusal to work," says Edward H. Kalberer, executive director of the Allegheny County Board of Assistance.

"There are usually extenuating circumstances that make it difficult to say, 'Well, he could damned well have been expected to take this job.'"

[From the Pittsburgh Press, Mar. 8, 1970]

"WORKFARE" HELPS THOSE WHO HELP THEMSELVES

(By Roger Stuart)

Sometimes, a man can make more in welfare checks than "working for a living," but in Pennsylvania he can do better.

He can get both.

That's because Pennsylvania, in effect, already has "workfare."

The commonwealth lets a relief recipient get a job and then deduct his work expenses and an incentive comprised of the first \$30 earned, plus 33 per cent of any earnings over that.

GETS TAX BREAK, TOO

If those expenses and the incentive knock his net earnings below the relief he has been getting, he stays on relief. And he gets a tax break, too—if he has to pay taxes at all.

Here's how it works, for example, if the father of a four-member Allegheny County family now getting a \$297 monthly relief check goes to work for \$480 a month, or roughly \$2.80 an hour:

Deduct the father's work expenses comprised of taxes, special work clothes, transportation and such from his \$480 gross earnings. Let's say the expenses total \$80. That leaves \$400 net.

Deduct \$30 from the \$480 gross. That leaves \$450. Take a third of the \$450 to get \$150. Add \$30 and \$150 to get his \$180 work incentive.

Deduct the \$180 incentive from the \$400 net. That leaves \$220.

Deduct the \$220 from the family's current \$297 relief grant. That leaves \$77, which the family will not get on relief.

And that \$77, together with the father's \$400 net earned income, means the family now has \$477 a month for living expenses, the state says.

But the family actually has a total income of \$557—achieved by adding the father's \$480 gross earnings and the family's \$77 relief supplement—which comes to \$6,684 a year.

When it comes to paying federal income taxes, the unassisted worker drawing \$6,684 in wages before taxes starts figuring his deductions and this tax from that total.

Our workfarer with the same gross income, on the other hand, starts computing his deductions and tax from a \$5,560 base because the \$924 his family gets a year in relief isn't taxable.

It's just like a veteran's stipend if he's working and going to school under the GI Bill. He doesn't have to count that money as part of his gross income either.

So, the workfarer's work expense allowance and his work incentive are compounded by his tax write-off.

From the \$5,560, he can take \$3,000 in deductions, comprised of the standard \$600 minimum deductions plus \$600 for each of four dependents. Subtracting \$3,000 from \$5,560, he gets \$2,560 on which he pays his income tax.

If our workfarer is filing a joint return with his wife, he pays \$290 on the first \$2,000 plus 16 per cent on the remaining \$560, which is \$89.60. His basic tax is \$379.60. His surcharge is \$18 and his total tax is \$397.60.

MUST PAY \$138 MORE

If his employer withheld more than that, the workfarer gets a refund.

The working bloke with the same dependents, no relief supplement and filing a

joint return must pay a \$535.65 tax—or \$138.05 more than his subsidized neighbor, the workfarer.

Moreover, because the workfarer is drawing relief, he's eligible under a special formula to receive \$24 worth of free food stamps each month if he spends \$54 to get them. That figures out to another \$288 a year advantage over the working stiff.

And, on top of all the other inducements, the workfarer is covered completely by Pennsycare (the commonwealth's version of Medicaid) if any other medical plan benefits he has run out or are insufficient to begin with.

In fact, he can get free glasses, free prescription drugs and free dental work among other things not covered by most health and hospitalization insurance.

IS IT DISCRIMINATORY?

Discriminatory? Indeed, many welfare critics, contend that it is.

But the work expense allowances and incentive don't always work out that way, state officials say, although they don't keep a running tab on the number of people receiving it, outside of those in the Work Incentive Program (WIN).

And the "Thirty and a Third" inducement to work isn't limited to WIN.

But, as of Dec. 1, of the 812 WIN graduates employed, 559 had been liberated from welfare, meaning they got no work allowances, incentive or tax breaks due them.

Some can't buy food stamps any more or qualify for Pennsycare.

The other 265 working WIN graduates were drawing reduced relief grants to supplement wage checks.

\$6.3 MILLION SAVED

But all 812 graduates together account for a welfare savings of \$6.3 million projected over a year-long period, offsetting a training investment for 7,509 enrollees of \$2.4 million from Nov. 1, 1968 to Dec. 31, 1969.

The remaining WIN enrollees are in various stages of training or holding categories.

The state, though, doesn't know how much of a tax write-off the 265 working WIN graduates or successors drawing partial relief will accrue in a year.

But it's unlikely the total will make WIN a non-paying proposition.

Regardless, Lucy O. Norton, state WIN coordinator, says: "This program's success should be judged on what has been done for individuals."

"MANY PREFER WORK"

And on that score, she adds: "There are many people who prefer to work rather than be on welfare. But they've been unable through no fault of their own to find and hold a job before."

"No one was ever interested enough to help them get the necessary training to get suitable jobs."

For the women enrolled in WIN—and they accounted for half of the 7,509 enrollees—that interest also meant day-care, which became a so-far-untabulated expense for the state during WIN training.

In the current fiscal year, the state has \$8 million budgeted for WIN to provide 6,720 training slots, estimated to produce 15,000 new job holders from among the welfare ranks.

[From the Pittsburgh Press, Mar. 9, 1970] IT STILL "TAKES MONEY TO MAKE MONEY" AND LOOPHOLES GIVE RELIEFERS INCENTIVE

(By Roger Stuart)

It takes money to make money. That's just as true on relief as it is in big business in Pennsylvania.

And relief is a big—\$800 million this year—business in the state.

All you have to do is find the loopholes and flip cash through them, although that admittedly isn't as easy as it sounds.

But right now there are at least three king-sized regulatory fissures and two smaller openings which if exploited in tandem can add up to quite a welfare "killing."

One that is legally—if not morally—quite proper insiders contend.

They tell a tale that sounds more apocryphal than real but they insist it's authentic. And it has been circulating on Capitol Hill in Harrisburg.

HERE IS THE STORY

What happened is that a working man inadvertently manipulated the loopholes and walked out of one of the state's county assistance offices with slightly less total income than a neighbor earning more than \$10,000 a year gross.

That is, the total was less if you don't count the \$288 in free food stamps he could get each year, complete Medicaid coverage and you don't consider that his \$3,300 plus relief subsidy isn't taxable income.

Throw those in, and he didn't just keep up with the Jones'. He passed them.

Even if the story isn't true, however, such a thing is possible.

The computation methods prescribed there for determining eligibility of a first-time applicant to get relief call first for deduction of personal and work expenses from the applicant's gross earnings.

ANATOMY OF A LOOPHOLE

These are the costs a person has to pay, in effect, to work. And they constitute the first big loophole. Included are:

Public transportation to work or, if it's not available, monthly auto payments plus 7 cents per mile to and from work. There's no limit on the size of car payments or mileage to and from work.

Child care or care of a sick or disabled adult if other family members can't provide it and no other "sound plan" can be made for the care. If it comes to that, there's no cost limit.

Social Security, income and wage taxes and union dues deducted from the applicant's pay by his employer.

Tools, materials, special uniforms, telephones and such which the applicant is required to have for his work, but he—not the employer—picks up the tab for them.

If, after subtracting these deductions from the applicant's gross pay, he has less money to spend than the maximum relief grant for his size family, the state will make up the difference.

It provides the subsidy because, in effect, the family doesn't have enough money left for the requisites—food, clothing, shelter, utilities and incidentals—in Pennsylvania's minimum standard of health and decency.

Once eligible for assistance, the subsidized worker is eligible for an even greater subsidy—the first \$30 of his earnings plus 33 per cent of the remainder.

If that incentive plus the work expense deductions leave him with no net earnings or financially in the hole, the state will give him a full assistance grant.

So, the incentive when added to work expense deductions is the second loophole.

Neither the work expenses nor the incentive can be deducted, however, if the man has more than \$50 in the bank, insurance worth more than \$500 in cash or loan value or \$2,000 in an educational trust for his kids.

This makes the loopholes a bit less open ended than some legislative critics contend they are.

A THIRD BIG LOOPHOLE

Moreover, making the applicant qualify first by deducting his work expenses is another regulatory attempt to keep people from walking in off the street and qualifying for the incentive.

The assistance recipient who goes to work has his incentive deducted first and the work

expenses second. Normally, the incentive would be worth more than the expenses.

The third big loophole is that none of the relief money provided by the state is subject to federal income tax.

And, of course, the smaller openings are the food stamps he gets free, if he buys food stamps, and complete Pennsycare coverage.

In effect, the state counts a relief check as a kind of negative premium for participation in these two programs—whether the client gets a minimum \$1 assistance check twice a month or a maximum grant.

Ironically, the workfarer turned "workfarer" can't get as classy a car as the worker turned workfarer.

If the worker turned workfarer needs his car to get to work, he can buy anything from a compact to a Cadillac. However, the reliefer turned workfarer can only get \$200 down payment on a used car.

There's nothing, welfare workers agree, to prevent either workfarer from turning his present auto in as the down payment on another auto and letting him deduct the payments on the second car as an allowable work expense.

"BIG GROSS INCOMES"

How often are the loopholes pyramided by either type of workfarer into big gross incomes?

It's impossible to say; neither county nor state offices keep running tabs on the number of people benefitting from them.

"It's happening, though," several county relief chiefs agree.

The best idea anyone can give you on the potential is that as of last Sept. 30, there were 3,338 relief clients employed full-time and 1,254 employed part-time.

Since they receive partial relief, they are eligible to deduct work expenses and the incentive.

They comprised about nine-tenths of 1 per cent of the state's 532,923 people—excluding the blind—on relief at the end of September.

But the 4,892 full and part-time workers on relief accounted for a 74 per cent gain over a year earlier, when there were 1,887 full-time and 928 part-time workers on relief.

Still, the state can't tell—unless it makes a special count—how many of the subsidized workers are deducting the expenses and the incentive.

And they can't begin to tell you how many people walking in off the street might be eligible by the work expense route for the incentive.

"A LOT BUY CARS"

The "thirty and a third" inducement is a federal requirement under the aid to dependent children category; the state has extended it to the exclusively state-funded general assistance category.

One rural county director says "a lot" of working relief clients are buying autos with the state's help.

In Allegheny County, where public transportation and car pools are more accessible, a spot check shows four such purchases are being made by working relievers in three of six districts.

Some county directors and their boards have protested to the state that the loopholes are "discriminatory" against taxpayers and other relief clients.

Indeed, one director—giving a hypothetical case—says it's possible for one worker with exactly the same set of finances as another to be laid off his job one day, qualify for relief the next, and be back on the job the third day making more money than his fellow worker.

Some suggest cutoff figures for work expenses and the incentive.

Another director disagrees with continuing the incentive.

Another director disagrees with continuing the incentive indefinitely.

[From the Pittsburgh Press, Mar. 10, 1970]

**"LET 'EM TRY" AND SOME BEAT
RELIEF RULINGS
(By Roger Stuart)**

State welfare officials—battling to protect the state's relief coffers—forced a couple of Philadelphia assistance clients to cry "uncle." And Uncle Sam answered.

One woman felt she was entitled to a \$120.40 monthly credit for work expenses, which would give her a shot at more relief money.

The state said she could count on \$50 a month for expenses.

In the other case, the state—acting as the final judge—wanted to cut off, or at least reduce, a woman's relief allotment.

She said the state couldn't do so without giving her a chance to appeal.

Both women went to the Third U.S. Circuit Court of Appeals and won.

Why did they go into a federal court on what looked like a state matter?

CITE SECURITY ACT

Well, while public assistance is largely a state-federal partnership, federal law governs its administration if state law conflicts with federal law on the subject.

But federal law applies only because the state agreed initially to accept a federal gift tied with federal strings.

General assistance, an exclusively state-financed program, is an exception. But even there state welfare officials aren't sure of the degree.

In the first case, the court said the attempt to limit work expenses didn't jibe with the U.S. Social Security Act which permits deductions of "any expenses attributable to the earning of income."

And while the court sympathized with the state's attempt "to preserve and protect its coffers" against an "unquestionably and increasingly heavy burden," it said Congress—not the state—must solve the problem.

In the meantime, state officials say, Pennsylvania is locked effectively into "costly" and "discriminatory" subsidization of the relieved poor against the unassisted working poor.

APPEAL OKAYED

In the other case, the court said the state's attempt to cut off or reduce the client's relief grant without giving her a chance to appeal was a violation of constitutionally mandated due process of law.

But the court left it to the state to work out appeal procedures.

In response, the Welfare Department has ruled that any client can appeal any change in his grant within five days after being notified of the change.

If he appeals, the state must continue paying the client what he had been getting until the case is finally resolved.

But the state is still groping for a way to get impartial hearing examiners.

CASES BOOM

It might save money by asking each county assistance board to designate one employe to handle the job. But he might not always be objective.

Or, the state could hire objective hearing examiners whose salaries might add even more to the taxpayers' burden.

Regardless, the State Board of Public Assistance now has more than 100 appeals pending, and no one has even counted the number of appeals filed with the 67 county assistance boards.

Perhaps, though, the thing the two Philadelphia cases demonstrate most is that Congress and U.S. courts set a lot of state assistance spending floors—even if they don't set state ceilings.

And this sometimes leaves Pennsylvania legislators in the unfortunate position of levying taxes to pay the assistance bills Congress—not the legislature—mandated.

Taxation without representation? Hardly. The voters put both the congressmen and the legislators in office. And the courts merely stack the lawmakers' laws up against the Constitution to see if they jibe.

But, sometimes the court will void laws that both a legislature and Congress have agreed to honor, as the U.S. Supreme Court did in banning residency requirements for relief.

That ruling says, in effect, that once governmental charity is given to one man in a state, each man in that state is equally entitled to the same benefit.

Private charity, in contrast, is the gift of individuals to dispense as they wish.

[From the Pittsburgh Press, Mar. 11, 1970]

**SAND OF TIME SHIFTS LEVELS FOR WELFARE
(By Roger Stuart)**

There's really no disputing that public assistance is a guaranteed income for those Pennsylvanians who receive it.

They get a check every two weeks for as long as their eligibility lasts.

And eligibility has become a chain, linking one generation of Pennsylvania society after another since the guarantee was written into state law in 1937.

It's a chain binding both the relief recipient and the taxpayer.

But, although there's really no disputing that public assistance is, in fact, a guaranteed income, there is a dispute raging right now over just how much that income is worth.

The state says its relief checks are equal in value to the commonwealth's minimum standards of health and decency and have been since Jan. 1.

Maybe so, say some critics. But they contend that the minimums, established by the Woodbury Commission in 1957, are antiquated now.

This argument is based on the premise that society's notion of poverty is a relative thing, meaning that as one man gets richer another man gets poorer by comparison unless his standard of living also is raised.

Buttressing this logic is Elias S. Cohen, state commissioner of family services, who says:

"When I first started working in the New York State Department of Social Welfare, we were arguing over whether people on relief ought to be permitted to have a radio or an electric refrigerator.

ATTITUDES HAVE CHANGED

"But now it really is different. Now, nobody—not even the most moss-backed conservative—would say he doesn't think a person ought to be permitted to have a radio or an electric refrigerator."

Today, the argument is over whether relief clients should own television sets and cars, although many already do.

The welfare housewife often asks if two brassieres every three years is all the state can afford her in "incidental" uplift.

The welfare grandma sometimes wonders if she can really make one corset last five years.

And the relief momma is apt to ask if three boxes of 150 double-ply facial tissues a year is really enough to keep her runny-nosed child looking presentable.

Because these are the types of arguments the welfare department gets from its more agreeable critics, it's little wonder the department has under consideration the development of a new set of health and decency standards.

CHARGE CLAIM FALSE

Meanwhile, though, there are many critics who argue that the state has falsely proclaimed its current assistance levels at 100 per cent of the old standard.

"How can the checks be equal to that standard if recipients have to rob from their food budgets to help pay the rent or dip

into their clothing allotments to help pay their utility bills?" they ask.

The Woodbury Commission said relief grants should be pegged high enough to prevent that sort of thing.

Its members said shelter allotments should provide actual shelter costs for 95 per cent of assistance recipients. And they said gas heat would be okay but more money should be allotted for it if necessary.

The state can give you medians and averages and statistical formulas indicating that assistance families can pay their rent with rent allotments.

But they've taken no census of the caseload to prove how many clients really can do that and how many can't.

The Woodbury Commission didn't call for abolition of slum housing through higher rent allotments, but it did express concern that rent grants even then were subsidizing slumlords.

And they still are, according to Welfare Secretary Stanley A. Miller.

Indeed, he bemoaned in a recent policy statement that his department distributes about \$80 million a year in grants for housing subsistence with "the vast amount of this" ending up in the "pockets of slumlords as rent."

If more proof is needed, the Governor's Housing Task Force reported last year that most of the state's burden of close to 500,000 sub-standard dwellings falls "most heavily on . . . the poor, the renter, the aged, the large family, the black."

This is the group that is most likely to be on welfare.

As for utility allotments, they're still based on coal for heating—a cheaper commodity than the gas most people use.

GAS PAYMENTS SHORT

Indeed, the Urban League of Pittsburgh in a recent study found utility allotments for Allegheny County relief recipients would cover just the price of gas for only about 10 per cent of them.

And, even for the lucky 10 per cent, there wouldn't be enough in the allotment to cover electricity and water bills.

For the relief family living in public housing, relief grants should be sufficient to meet the minimum health and decency standards. Housing authorities in the state generally charge no more than rent and utility grants.

And this leaves the family able to manage food, clothing and incidentals.

Unless there's a diabetic in the home, for example, in which case there's apt to be a problem.

When the state went to the 100 per cent level, it dropped all special diets.

But a diabetic needs high protein and low carbohydrate content in his food. And the state's food budget is really geared to high carbohydrate and low protein content.

MORE SPECIAL CASES

Similarly, the pregnant mother who used to be eligible for special diet money is now out of luck and so is the kid with celiac disease who can't eat wheat, barley, rye and oat products high in gluten content.

Aside from such inadequacies in current grant levels, are they adequate?

"It's hard to measure adequacy," says Edward H. Kalberer, executive director of the Allegheny County Board of Assistance.

"But a family of four on our new allowances has \$3,564 a year in Allegheny County, which compares favorably with the \$3,600 figure the Social Security Administration gives as its most recent definition of poverty.

"ABOVE" POVERTY LINE

"And, if that family buys food stamps, the \$288 in free coupons it gets each year puts its income above the poverty line."

Contrasted to the county redefinition, is the \$9,757 a year which, the U.S. Bureau of Labor Statistics says, a four-member family

needs to maintain "a moderate standard" in the Pittsburgh area.

The "low standard" here, the bureau says, is \$6,487 a year for a family of four, and the Pittsburgh area comes in at \$300 below the national average needed by most urban Americans.

Considered in both bureau studies were housing, food, clothing, medical and other costs.

[From the Pittsburgh Press, Mar. 12, 1970]

PIECES ARE MISSING FROM RELIEF JIGSAW

(By Roger Stuart)

Public assistance in Pennsylvania is a puzzlement.

First, there are the people—over 550,000 by last count—who receive relief checks.

Then, there are verification methods of determining eligibility used in one county while honor system methods prevail in another; property liens; reimbursement, and restitution payments.

MANY PIECES TO PUZZLE

As the confusion grows there are food stamps to sell to relief clients as well as to the working poor, surplus commodities to distribute, medical bills and social services to be fitted into place.

Just trying to understand it all—let alone manage it—would seem to be pretty tough.

But it's hard to understand a great many things about welfare because there are a lot of statistical pieces—caseload characteristics to the welfare department—missing.

In this age of computers capable of grinding out great gobs of figures if programmed properly, the welfare department still relies heavily for statistics upon inkwell-and-ledger methods.

And with those techniques, admits one statistician, "we can't keep track of everything."

"GENERALITIES" CHARGED

So, until the department computerizes master check lists of medical relievers, for example, it can't disprove a federal audit which, one official says, was loaded with "generalities" the auditors can't prove.

The audit suggested Pennsylvania makes duplicate payments to some doctors, dentists and druggists because its accounting system doesn't prevent such abuses.

Ironically, too, failure to gather some statistics means Pennsylvania can't give the benefit of its experience with its own brand of workfare.

Under the workfare plan, a working relief client can deduct the first \$30 earned, plus one-third of the remaining earnings from his gross income.

If all the (work expense and incentive) deductions drop his net earned income below the state's relief grant level for his family, the state will make up the difference.

EFFECT TWO-PRONGED

And the effect is that he gets both a wage check and a welfare check.

When Elias S. Cohen, the state's family services commissioner, was asked recently what Pennsylvania's year-long experience had been with the "thirty and a third" incentive, he said:

"We have not made any assessment, and I don't know of any place in the country that has."

"But aren't we reaching a point," the commissioner was asked, "at which a working relief client is closing in on the average production worker's wage?"

"This is really the dilemma that has not been addressed," said Cohen.

NIXON OBJECTIVE

"We don't know at what points varying segments of the population are going to say, 'Okay, at this point, I don't work any harder' or 'At this point, I don't work at all.'"

But many observers would like to have that kind of information because workfare essentially is what the Nixon administration is offering to the nation's working poor, if it can get Congress to approve.

Because a relief client must be working to get the work incentive, it is possible every six months to find out how many of the total number of relief clients are eligible to receive the incentive.

But it is impossible for the state welfare department to tell you how many working relief clients actually are drawing the incentive, because caseworkers don't have to report their incentive cases to the state office.

Similarly, when Pennsylvania increased its assistance grant levels from 71 to 90 per cent of minimum need in January 1969, it underestimated the impact the increase would have on the caseload.

The caseload really started to climb rapidly, and before the fiscal year was out last June 30, the legislature had to make a deficiency appropriation to cover relief costs.

WHY NOT PREDICT?

Why couldn't the welfare department predict what would happen?

Well, says Cohen, "we knew something was happening in California, Michigan, New York City."

"Their relief loads were going up by leaps and bounds.

"But we didn't really think we would get socked. Our caseload had been going down during the Scranton administration," says Cohen.

"What we didn't reckon with was inflation, the lessened stigma of going on relief. . . . But these are things we suspect now are part of a national trend."

Significantly, legislative welfare critics believe the department did a better job of anticipating the impact that this January's increase in grants from 90 per cent to 100 per cent of minimum need would have.

Still, there's every indication at the moment that the legislature will be asked to provide another deficiency appropriation this year, although somewhat smaller than last year's.

IMPACT UP IN AIR

And, despite the fact the department can give you a whole raft of reasons—grant increases, court cases and such—for the continuing rise in the caseload, it can't really measure the impact of each one.

Nor can the welfare department really tell you if there's more chiseling under the honor system employed for determining relief eligibility in 42 counties than under the verification system employed elsewhere.

It would seem easier to cheat under the honor system, because only one out of 10 cases is subjected to thorough validation of eligibility.

Quality control reviews indicate that isn't the case.

But Welfare Secretary Stanley A. Miller has halted further expansion of the honor system until he can determine how accurate the validation methods are in those counties.

CRITICS STYMIED

Finally, legislative critics of the honor system are puzzled by what the social impact is of permitting welfare clients to reject social services and accept cash, as 60 per cent of the aid-to-dependent-children clients did last year, they say.

So, it appears to many, what the state doesn't know about relief can and does hurt you—whether you're giving welfare in the form of tax dollars or receiving it in a relief check.

In fairness to the welfare department, however, there are long-range plans to computerize a lot more caseload characteristics, if the legislature thinks it can save money by spending more.

[From the Pittsburgh Press, Mar. 13, 1970]

STATE HITS "TOP 10" ON ASSISTANCE GRANTS

(By Roger Stuart)

When it comes to taking care of people on public assistance, Pennsylvania's payment averages are better than most states.

In fact, the commonwealth—on that basis—was one of the nation's top ten leaders in all assistance categories except aid to the disabled, even before increasing grant levels to 100 per cent of "minimum need" on Jan. 1.

18TH FOR DISABLED

According to figures compiled last July, the last time anybody did a nationwide survey, Pennsylvania ranked 18th among the states in providing an average \$90.40 monthly payment to the disabled.

The commonwealth had over 530,000 of the nation's 10.3 million relief clients at that time.

And its average payments were way ahead of where they were in June 1956.

Indeed, the Woodbury Commission, which began devising the state's minimum health and decency levels that year, said Pennsylvania then ranked 38th in aid to the aged, 22nd in helping dependent children and 27th in aid to the disabled.

And, it said, that record for "one of the largest and economically most developed states" gave Pennsylvania "little to recommend it to states less favorably situated."

FACTS UNKNOWN

Moreover, the commission lamented that these facts "evidently" were not known to, or were ignored by the citizens and the legislature.

Even as late as October 1968, when Pennsylvania's relief grants were pegged at 71 per cent of its minimum need standards, our average payments were mere dribbles, contrasted to what they are now.

Indeed, we ranked among the top ten states in only two areas—fifth in average assistance payment and eighth in the average blind pension.

However, last July after we had been paying assistance recipients for seven months at rates equal to 90 per cent of the minimum need levels, Pennsylvania ranked:

Fourth in taking care of "just folks" on general assistance, with payments averaging \$113.10 a month for a family and \$74.65 per person.

Seventh in taking care of dependent children families, paying them an average of \$213.95 a month; and ninth in taking care of each such family member, averaging \$52.70 a month.

Sixth in taking care of each person under aid to dependent children with an unemployed parent, averaging \$51.25 a month; and seventh in helping such families, paying an average of \$283.15 a month.

Eighth in supplying blind pensions, averaging \$110.45 a month.

Tenth in old age assistance, averaging \$83.45 per person a month.

PAYMENTS GO UP

When it comes to what a state pays a four-member family with dependent children, Pennsylvania ranked seventh last July. It paid \$276 then, but \$286.10 now.

Paying even more than that last summer were: New Jersey, \$347; New York, \$313; Washington, \$304; Massachusetts, \$300; Island, \$297, and Minnesota, \$289.

Significantly, four out of every five states reported increases in the size of aid to families with dependent children caseloads.

Pennsylvania was one of those with increases.

Nationally, general assistance showed the next largest increase last July, with an estimated two-thirds of the states reporting increases.

Pennsylvania and three other large industrial states (Illinois, Michigan, and Ohio) had sizable increases.

DOES PRETTY WELL

Basically, what all the comparisons show is that Pennsylvania does pretty well in helping its poor.

But it's hardly true, as some critics are sometimes tempted to say, that assistance levels are so high here that Pennsylvania was renamed Utopia.

As for Medicaid, Pennsylvania's \$214 million expenditure for all of fiscal 1969 came nowhere near the \$737 million spent on medical relief by New York State in just seven months last year or California's \$469 million.

Just to show how much better off Pennsylvania is than New York, it's interesting to note that New York's seven-month Medicaid total was only \$40 million shy of what the commonwealth will spend all this year on its entire relief program—cash, food stamps, medical care and all.

[From the Pittsburgh Press, Mar. 14, 1970]

LABORING RELIEFER CAN GET MORE THAN THOSE WHO WON'T WORK

(By Roger Stuart)

Relief is guaranteed unearned income for those Pennsylvanians who receive it.

Moreover, being on relief sometimes pays better than working for a living—even without such things as food stamps and free medical care.

And because it does, many working Pennsylvanians persist—perhaps now, with relief grants at an all-time high, more than at any time in the last 33 years—in having economic and philosophic hangups about it.

THREAT TO VALUE

Some of the staunchest welfare critics are absolutely convinced that relief is an incentive not to work and is, therefore, a threat to a bedrock American value.

Others are afflicted with an uneasiness that this might be true.

And even a few of relief's strongest advocates wonder if welfare doesn't sometimes bait idleness.

But that's not of as much concern to them as the reality that in many states, including Pennsylvania, relief discriminates against the working poor who earn just a little more or less than the welfareer gets free.

Is that true?

Indeed, it is.

Frequently.

Consider for example, that there are 2.1 million American workers getting a \$1.45 an hour minimum wage.

SMALLER RETAIL WORKERS

That's for working in smaller retail and service establishments, dry cleaners and laundries, hotels, motels and restaurants, schools, non-federal hospitals and nursing homes.

That wage figures out to \$249.40 a month—just about on a par with the \$250 a month relief check a three-member Allegheny County welfare family gets, excluding his food stamps and free medical care.

Or consider that 35 million other American workers get \$1.60 an hour on minimum wages.

That figures out to \$3,328 a year—contrasted to the \$3,564 a year in welfare checks that a four-member Allegheny County relief family gets, excluding food stamps and free medical care.

But the incentive for the reliefer to stay on relief is even better than free cash, free food and free medical attention.

WIDOW HIT HARDER

Throw in the complete tax write-off that he has. Then stop to think that the working poor bloke with the same income and the same four dependents has to pay \$81 in taxes if he's filing a joint return with his wife.

The widow with three kids earning \$3,564 a year gets hit even harder on taxes, having

to pay \$96 because she files a separate return.

But while this happens frequently in Pennsylvania, it needn't be so.

And it needn't be, because more than likely the working poor stiff getting less than the reliefer can also get partial relief himself—if he can swallow his pride.

Moreover, once he's drawing partial relief, he's also entitled to food stamps, and free medical care. And he doesn't have to pay taxes on his relief income.

WORKER'S ADVANTAGES

So, relief in Pennsylvania definitely is an incentive not to work in some cases and is—in that sense—discriminatory against those who do work.

But if the worker starts getting relief too, the state can throw in a couple of other advantages for him that put him ahead of the guy who's just content to sit back and not work at all.

The working reliefer can deduct work expenses from his gross earned income and also subtract the first \$30 earned plus 33 per cent of any earnings over that from his gross.

Those two deductions from his gross earned income drop his net earnings down so that he can get an even fatter relief check than he might initially have suspected.

Discriminatory?

Indeed, there are critics who contend it is—but not just against the non-working welfare client, but the moderately fixed worker as well.

Consider, for example, what can happen to the average worker in private industry whom, the U.S. Labor Department said last May, earns \$113.55 a week—an all-time record—in contrast to some working reliefers.

The Labor Department said that after subtracting federal and local and Social Security taxes from the average worker's wage he has around \$90.

That figures out to \$4,680 a year—only \$1,100 more than the \$3,564 a four-member Allegheny County relief family gets free.

But throw in the reliefers' nontaxable \$288 in free food stamps and he's within roughly \$850—about \$16 a week—of the worker's take-home pay.

Figure out what it costs a guy to go back and forth to his job, buy the makings for lunches and assorted do-dads to wear, and where is the worker compare to the reliefer?

Just about on a par.

QUESTIONS AND ANSWERS

Here's how Norman V. Lourie, deputy state welfare secretary, explains that:

Q.—Is parity of income what we're striving to achieve with relief?

A.—“Well, maybe his (the worker's) income is too low . . . But I guess what you're saying is, ‘Gee whiz, you guys are helping a guy with assistance to a level higher than some other people.’”

“Well, I suppose we are. But what's the alternative? The alternative is to maintain mothers and children who can't survive on a much lower level.”

Q.—Is the guy who meets all of his obligations, including responsibility for the rest of society, going to be penalized by a leveling? Is that what we're going to have to have—a leveling?

VERY TOUGH QUESTION

A.—“I suppose it's a question of where you start. People have said to us, ‘Look, it doesn't pay for a guy to work on the minimum wage anymore because your grants are almost at the minimum wage level, right?’”

“Well, that's a very tough question. What's the answer. There are two kinds of answers. One is you ought always to keep your grants below minimum wage level. The other is you ought to raise the minimum wage. . . .”

“I believe in guaranteed jobs, I don't believe in guaranteed income program by it-

self. I think there ought to be a job for everybody . . . opportunities to work. But we don't have them.

As a matter of fact, you recognize that some of the economists talk about cooling off the system by throwing guys out of work.

“Look at the GE thing (strike). We had GE guys on assistance. If the space industry conks 1.2 million people out of work, we'll get some of them too. Do we want them? Hell, no! I wish our rolls could get cut in half.”

It's hard to refute that kind of logic, just as it's tough to refute the logic that welfare pays more sometimes than work.

So, what is the answer? President Nixon believes he has it.

[From the Pittsburgh Press, Mar. 15, 1970]

CAN REFORM SPRAG SPIRALING COST OF WELFARE?

(By Roger Stuart)

The poor will always be with us—and so, too, will be welfare.

At this point, welfare reform is imperative—as both liberals and conservatives agree—and it can go two ways:

Increase payments or reduce payments; a larger case load or a smaller one.

But the strongest reform movement is that of President Nixon's which is about to be debated in the U.S. House of Representatives.

The outlook: A chance to slow down the rate of growth in welfare costs, but more people on the rolls.

So, like Jacob's Ladder, every round still will climb higher, higher.

Out of the Nixon plan could come a system of both benevolence and discipline—one that would insure the most for the neediest, but one that would benefit the hard working poor, untouched before by cash relief.

Initially, the cost would be \$4.4 billion more a year than the present system, which costs about \$10 billion a year to run right now.

The case load would be doubled from roughly 10 million Americans last year to 22.5 million, according to Norman V. Lourie, deputy state welfare secretary.

CRITICS SKEPTICAL

But while more people would be on the case load, more would be working and average payments would be smaller than they have been. At least that's the argument.

Critics contend, however, that the President's work requirement will be only as good as the job training and job producing systems. And they don't look for dramatic improvement there, although it's promised.

If that stick isn't as good as it has been pictured to be, the incentive payment available to the working poor is the carrot.

And it's a good one, say administration spokesmen who point to an experiment conducted with a negative income tax of sorts with 1,361 low-income families benefiting in Trenton, Paterson, Passaic and Jersey City, N.J., and Scranton, Pa.

However, nobody has done a thorough evaluation of the incentive already available under the current welfare setup in various spots like Pennsylvania around the nation.

Child care costs paid by the government to enable mothers of dependent children to work are open-ended in the Nixon plan, the critics also note.

And they believe child care costs have been woefully underestimated.

Certainly, welfare rights groups contend it will cost the government more to provide child care for a working mother than it would cost to let her work at home taking care of the kids.

HARD WORK

Taking care of kids is work by any mother's standards.

So, the welfare righters don't see the need, of her taking another job, especially since

It may cost the government more to put her to work elsewhere.

What are the alternatives to the Nixon plan? The President has enumerated all but one of the significant possibilities.

The one he slammed the door on by failing even to mention it was rolling back on welfare.

The others, he said, would be to: "Permit the welfare momentum to continue to gather speed by our inertia" with the result that by 1975 there would be four million more Americans on welfare rolls at a cost of close to \$11 billion a year.

ALL "SHORTCHANGED"

This he said, would leave "both recipients and taxpayers shortchanged."

"Tinker with the system as it is, adding to the patchwork of modifications and exceptions." But, he said, "that has been the approach in the past, and it has failed."

"Adopt a 'guaranteed minimum income for everyone,' which would appear to wipe out poverty overnight." But he ruled that out as an incentive to laziness.

In proposing his own alternative, the President said it would "abolish" the present "monster." Maybe and maybe not. In any event, the President said it would be "new and drastically different."

And his secretary of health, education and welfare, Robert H. Finch, has told the House Ways and Means Committee that the income strategy is "revolutionary . . . a real war on poverty and not just a skirmish."

MOVE TO UNIVERSITY

As for wiping out the current welfare monster, critics aren't sure but what it doesn't just give the present monster a larger federal head by leaving the states free to add varying amounts to a federal payment.

On the other hand, the Nixon plan will be a force toward uniformity in determining welfare eligibility and such.

Overlooked about the President's proposal is that a \$1,600 federal base for a family of four is not the full extent of the taxpayers' cost. He'll also pay for that family's \$800 free food stamps.

And on top of that, the taxpayers will have to pay for the state cash that will go toward beefing up the federal payment. That will make the taxpayers' costs significantly higher. But how much, it's hard to say.

Certainly, though, the total tax cost will be closer to Sen. Fred Harris' proposed \$3,600 a year entirely federally financed welfare plan than the Nixon administration cares to admit.

Pennsylvania already promises—on the average—\$3,432 a year to four-member relief families, excluding food stamps and Medicaid. And if the President's bill passes, the total will probably go up, not down.

OMITS INCENTIVE

Of course, Harris doesn't propose the work stick that the President does. But, he says, his plan would cost the taxpayers \$2.6 billion more the first year than the President proposes.

In spending more, though, he would come closer to making welfare more uniform the country over than would Mr. Nixon.

And, it can be argued, his plan would more effectively stem migration to more welfare-oriented states.

Regardless, though, of whether Congress chooses the Nixon reform or some other reform, it has yet to convince the nation that promises will match the eventual product.

And certainly if the President's plan is to be adopted Congress might be well advised to learn a lot and possibly shape its decision a lot more clearly by looking at Pennsylvania's welfare experience in depth before moving further.

STATE CASE LOAD HEAVY

Why? Because Pennsylvania is one of the states to have experienced the greatest gain in welfare case loads.

And it has experienced much of the growth, we are told, because it has already employed much of what Mr. Nixon offers as a prescription for what ails welfare.

Maybe he's right; maybe not. But . . . Until the nation stops discriminating, until it stops falling victim to chance birth, to accident, to injury, to indifference, to decay . . . Until our nation becomes Utopia, we'll have the poor and we'll have the welfare.

CAPITOL HILL PARTY FOR WOUNDED VETERANS

HON. GEORGE BUSH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. BUSH. Mr. Speaker, the second annual NOEL—no one ever lonely—party held December 9 for wounded veterans of six Washington, D.C. area hospitals was a great success. Sponsored by the Capitol Hill secretaries, the party drew more than 1,000 including dignitaries such as Secretary of Defense Melvin Laird, General William C. Westmoreland, and numerous Senators and Congressmen.

The idea of a Capitol Hill party to entertain the wounded veterans in the Washington area hospitals was conceived by "Hill" workers, Mrs. Fran Westner, legislative assistant to Representative THOMAS S. KLEPPE, Republican of North Dakota, and Mrs. Kathy Pierpan, secretary to Representative OTIS G. PIKE, Democrat of New York. Representative KLEPPE and Representative PIKE served as co-chairman of the event.

Holiday greetings were sent by President and Mrs. Nixon and I would like to share with you their message to the participants:

HONORABLE TOM KLEPPE,
HONORABLE OTIS PIKE,
Co-Chairmen, Operation NOEL,
House of Representatives,
Washington, D.C.

Mrs. Nixon and I join you and all your colleagues in the Congress who take part in this traditional Christmas for our wounded servicemen from the Washington area hospitals.

I wholeheartedly commend your warm gesture to let these brave Americans know that they are remembered by not only you, but all the people you represent, during this season.

They and their colleagues are uppermost in the minds of countless grateful fellow citizens as they celebrate the birthday of the Prince of Peace and reflect on the selfless contributions each of them has made toward the peace to which we are so firmly committed.

I share your hope that their Christmas may be happier in the knowledge that they have served their country with such distinction, and that they have helped to realize the aspirations of freedom-loving men of goodwill everywhere.

All those who gave their time and energy and contributed to the success of the event should be proud for having brought Christmas cheer to the veterans

who have given so much for their country. The NOEL party is a great occasion and I hope it continues as a fine traditional Christmas event.

CLAIMS WELFARE TEST "RIGGED"

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. SCHERLE. Mr. Speaker, following is an article printed recently in the Des Moines (Iowa) Register, which should be of great interest to us all.

It describes in some detail the faulty and incomplete basis for the administration's support for its so-called welfare reform legislation, the Family Assistance Plan. According to the General Accounting Office, which investigated the background of the report issued by the Office of Economic Opportunity, the positive conclusions drawn about the "work-incentive" aspects of the pilot program are not justified by the data base used. Hence the validity of the administration's support for this proposal can seriously be questioned.

The article is commended in full to my colleagues in this and the other body:

CLAIMS WELFARE TEST "RIGGED"—GAO SAYS
FIRST REPORT "MISLEADING"

FAMILY AID PLAN BASED ON PROJECT

(By Clark Mollenhoff)

WASHINGTON, D.C.—New Jersey tests that were basis for Nixon administration confidence in the family assistance plan were "rigged," Senator John J. Williams (Rep., Del.) said Saturday.

He told The Register that the record of the Senate Finance Committee will demonstrate that White House Counselor Daniel Patrick Moynihan had a key role in "the rigging" of reports to make them appear favorable.

Moynihan argued that the Office of Economic Opportunity (OEO) reports on the New Jersey graduated work-incentive experiment showed "no evidence that work effort declined among those receiving income support payments."

"On the contrary," Moynihan said, there is "an indication" that those receiving the welfare payments "increased . . . the work efforts."

SEQUENCE TOLD

The Senate Finance Committee record shows the following:

Moynihan was put on notice by Dr. John Wilson, OEO research director, that the test period was too short and the data inadequate.

Moynihan directed that Dr. Wilson prepare the report, and under this pressure the report was prepared last February.

The White House staff used the OEO report to prepare charts to sell the family assistance program to President Nixon and to sell it to the House Ways and Means Committee.

The Senate Finance Committee directed the General Accounting Office (GAO) to examine the OEO report on the New Jersey project. The GAO said the OEO conclusions were "premature," prepared on the basis of "inadequate data," and were "misleading."

Senator Williams said he will make an issue of the "rigged" record when the family assistance program comes before the Senate in the next week.

TELLS OF OBJECTION

Senator Williams said he is certain President Nixon had no knowledge of the manner in which Moynihan and the Department of Health, Education and Welfare used the OEO tests to sell the family assistance plan.

Senator Williams said that he questioned Dr. Wilson and obtained verification that he had objected to using the data, but had given in.

The OEO funded the New Jersey experiment in late 1968. Some parts of the program in Trenton, Paterson and Passaic had been under way less than a year when Dr. Wilson was directed to make a report.

Dr. Harold W. Watts, who designed the project, stated in a paper read before the American Economic Foundation in May, 1969, that any reliable result of the New Jersey experiment would not be available until the project had run at least two years, Senator Williams noted.

He said Dr. Wilson had acknowledged that there was a "colorful" exchange with Moynihan at the White House in which Moynihan's temper flared as he criticized economists as "never having an answer until it is too late."

It was in that setting that Dr. Wilson had snapped back: "I'll get some answers."

Dr. Wilson said he told Mr. Moynihan of the difficulty of drawing conclusions on the program, but insisted that the report he presented in February, 1970, was his best judgment in the light of the limitations.

DEFINES "REFORM"

Senator Williams said he is in favor of "reform" of the present welfare programs, but that the present family assistance program is not the "major reform" it was hailed as by former HEW Secretary Robert Finch and the present secretary, Elliott Richardson.

"When the term 'reform' is used in connection with legislative proposals it means one of two things," Senator Williams said. "Either it proposes to take away from someone something which he is now receiving but to which he is not entitled, or it is to give someone something which he is not getting but to which he is entitled."

Williams declared that the so-called "reform" of welfare now pending before the Senate is filled with "disincentives" that flow from reports such as the one from New Jersey. He said members of the Senate Finance Committee became aware of the lack of "reform" in the plan, and this explains why the majority of the Republican committee members have been opposed to it.

The fact that the House Ways and Means Committee relied upon the New Jersey OEO report is found in the committee report that states:

"We believe that these preliminary data suggest that fears that a family assistance program could result in extreme, unusual, or unanticipated responses are unfounded.

"Furthermore, we believe these preliminary data from the New Jersey project indicate that a family assistance program is practical. The data suggests that: There is no evidence that work effort declined among those receiving income support payments. On the contrary there is an indication that the effort of participants receiving payments increased relative to the work effort of those not receiving payments," the report said.

The General Accounting Office found "serious questions as to the appropriateness of the conclusions drawn" about the same program.

"The data reflected in the OEO report represent less than a year's activity," the GAO stated. "Moreover, on the basis of the material in the OEO report and the other material to which we were given access, we do not believe the data has been subjected to sufficient analysis to support conclusions from it. Finally, we believe that such conclusions as may eventually be drawn from this data are likely to vary with the plans and strata de-

finied in the experiment. In such cases, premature conclusions drawn from the aggregated data could be misleading."

Senator Williams said the GAO report stated flatly that "it is wrong to conclude" that the persons on welfare roles increased their work effort when compared with those who are not receiving government checks.

"The only evidence we find in the OEO report to support this statement," said the GAO, is a chart that has "defects both in the underlying data and in the preparation of that chart sufficient to preclude conclusions from it."

The GAO stated that the report it was making could not be based upon access to full data because the OEO placed "constraints on our access to the full data base accumulated during the experiment."

GAO auditors said: "We believe that a number of important qualifications which are omitted from the OEO report are necessary to proper understanding of the issues which the report seeks to address. We found problems in the collection and analysis of data supporting the OEO report—and in the completeness of the presentation of the data in that report.

"Our work proceeded with some difficulty because of the objections raised by OEO and OEO's contractors as to the propriety of GAO's access to data which they considered preliminary and experimental," the GAO explained.

QUESTIONABLE CONCLUSION

In one instance a controversial chart is based on only 318 of the 509 families participating in the experiment in Trenton, Paterson and Passaic.

"The data on 191 of the families (37 per cent of the families) was not used by OEO's contractor in preparing Chart IV because of problems in the interviews and coding of the data," the GAO stated. "Based on generally accepted statistical standards, we believe that the conclusions are made highly questionable if drawn from data in which this large attrition has occurred."

It was noted in the GAO report that the OEO contractors' basis for determining whether family earnings changed was a comparison of weekly earnings.

The study compared the family's weekly earnings in the period prior to the enrollment interview with earnings 10 to 12 months later. The criteria for determining whether a family's earnings had increased or decreased was that it must be 20 per cent up or 20 per cent down to register as either an "increase" or a "decrease." Otherwise, it was registered "not to have changed."

The GAO called attention to the combining of periods of one year and 10 or 11 months in the same chart, and also noted that in one city the comparison was in August and in the other it compared income in January with November and December.

This practice is "a violation of good statistical practice" and it termed the conclusions drawn from this key chart as being "highly questionable."

Senator Williams said the cost figures presented before the House Ways and Means Committee are now "admittedly unrealistic."

In the committee, the administration had initially projected a cost of \$8.2 billion annually, compared to present welfare cost of about \$4.5 billion.

The amended version submitted to the Senate Finance Committee June 23 projects \$9.1 billion—an increase of \$900 million over figures mentioned only a few weeks earlier.

Following the questions raised by Senator Harry F. Byrd, Jr., (Dem. Va.) during the hearings, HEW has now projected costs of \$10.8 billion—a 25 per cent increase over estimates made just a few months ago.

MORE RECIPIENTS

Williams asked "what kind of a reform is it" that boosts the number of welfare recipients from 10,436,000 to 23,784,000—a 128

per cent increase. He noted that in many states the number of welfare recipients will increase more than 400 per cent.

Iowa had 92,300 on welfare rolls as of January, 1970, but under the Nixon administration's program the number would be increased to 235,700—an estimated 155 per cent.

SAFETY PATROL ASSISTS LIZTON TOWN MARSHAL

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. JACOBS. Mr. Speaker, the following is only one reason why I am so proud to claim Comdr. Lloyd R. "Shorty" Lewis as one of my constituents:

SAFETY PATROL ASSISTS LIZTON TOWN MARSHAL

(By Beulah Glover)

Members of the Town Board and many residents of Lizton wish to express their thanks to the men of the Indiana Safety Patrol for a job well done.

The Safety Patrol was in charge of law enforcement in Lizton from the time Lawrence Marker resigned as town marshal until a new marshal was hired on Oct. 1.

The Safety Patrol is a nonprofit organization consisting at present of nine men whose aim is to assist law enforcement officers in small towns in Indiana. They also patrol many business establishments in the Indianapolis area.

They were organized by Lloyd "Shorty" Lewis and chartered Oct. 16, 1967 as the Indianapolis Safety Patrol. The name was later changed to Indiana Safety Patrol.

Since 1967 the men in the Safety Patrol have worked over 30,000 man hours and contributed over \$150,000 worth of police protection. They have driven over 137,000 miles to fight crime.

Most of the men in the Patrol have served as police officers previously and all of them have received schooling in police work and Red Cross first-aid training. The men buy their own uniforms and guns and use their own cars to patrol. The organization also leases three cars and a motorcycle.

The Safety Patrol has been retained by the Town Board of Lizton as special deputies to assist the Town Marshal when needed until Dec. 31, 1971.

If anyone would like to have more information on the Safety Patrol or make use of their services phone Colonel Lloyd Lewis in Indianapolis at 255-8854 or write: The Indiana Safety Patrol, 1928 Haynes Ave., Indianapolis, Ind. 46240.

Colonel Lloyd "Shorty" Lewis of the Indiana Safety Patrol was among 120 Indiana police officers who were awarded certificates of graduation by the Police League of Indiana.

Col. Lewis attended the League's Ninth Annual Police Officers training Seminar held at the Indiana State Fairgrounds in Indianapolis last week.

At the seminar Col. Lewis received instruction in basic note taking, collection and preservation of evidence, police public relations, and accident investigation.

Many of the officers attended the Seminar on their own time and at no expense to the taxpayers. The League included at no extra cost to the officers a buffet luncheon each of the three days.

The Police League of Indiana represents many of the smaller police departments in the State which total nearly 600.

SAVANNAH RIVER NUCLEAR PLANT

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. DORN. Mr. Speaker, this month marks the 20th anniversary of the selection of the site for the Atomic Energy Commission Savannah River Plant, an occasion recently commemorated by the South Carolina-Georgia Nuclear Council. This splendid plant has meant much to the central Savannah River Valley. The Savannah River plant, together with the new nuclear power development by Duke Power Co. in Pickens County, S.C., will make our area a national center for the peaceful application of nuclear technology. The following editorial from the Augusta Chronicle magnificently describes the positive impact of the plant on our area and some of the scientific advances being made there:

SRP: AN ASSET

The tremendous degree to which the Savannah River Plant has been an asset to the Central Savannah River Area was made clear last night by Dr. Glenn T. Seaborg, chairman of the U.S. Atomic Energy Commission, when he addressed Georgians and South Carolinians observing the 20th anniversary of the SRP's first announcement.

Some of the highlights of his address deserve emphasis, in appraising the part the plant has played in the life of the CSRA.

This operation, under direction of Nat Stetson as manager, represents an investment of \$1.3 billion, with a total of about 5,800 federal and contract employees. It has an annual budget of \$116 million.

In the two decades since announcement of the site, the federal government has contributed about \$3 billion to the economy of this area through construction and operation of this plant, Dr. Seaborg declared. He credits, in this amount, civilian industrial plants whose location here came, in his belief, largely because of the industrial and scientific breakthrough which resulted from the impact of the Savannah River Plant. The job opportunities, payrolls and construction activities have been one of the central facts of economic life for the CSRA.

If the SRP has been good for the economy of this area, it should be remembered on the other hand that the area has been a great asset for the Atomic Energy Commission's plant, or the selection of the SRP's site would never have been made. Essential to the choice of a site was a large and dependable supply of water to cool the nuclear reactors which were to be built. A low population area near high-population centers was needed, and was available on the South Carolina side of the river. Freedom from flood was provided by this site. An adequate power supply was offered by this area. Accessibility, transportation, suitable terrain, and the low incidence of storms were some of the assets which our area offered to the AEC.

So the site was selected, and the plant was built. Oldtimers will never forget the hectic days of construction when nearly 39,000 workers were busy on the project at the peak of construction in September 1952.

The Savannah River Plant came into being, of course, because of the need for production of materials for national defense. It played, and still plays, a vital role in performing that function.

The great promise of the future, however, is not merely in helping maintain our national security, but in helping create a better life for Americans and for mankind. The peaceful use of atomic products can bring

the greatest changes in our economy since the Industrial Revolution.

Among those materials is californium-252, which can be used in cancer research and treatment, space exploration, industry, general scientific research, civil engineering, agriculture, petroleum and mineral exploration, and hydrology.

Since the AEC announced its program for this isotope, more than 2,000 requests have been received, for information on its potential uses.

The common interest of South Carolina and Georgia in the manifold benefits stemming from the Savannah River Plant made it most appropriate that the anniversary occasion last night was sponsored by a bi-state organization. It is symbolic, in our opinion, of a growing spirit of cooperation among residents of Alken and Richmond Counties which will in Dr. Seaborg's words impel them to "take advantage of the river as a state line rather than allowing it to isolate their interests."

THE ICHORD RESOLUTION

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. ESCH. Mr. Speaker, I want to take this opportunity to briefly discuss my reasons for supporting the Ichord resolution with regard to the printing of the Committee on Internal Security report.

I feel very strongly that the Congress must maintain its independence as a strong and coequal branch of the Government. I have often made this argument in relationship to the executive branch of the Government on such matters as foreign affairs and appropriations. It is equally true with regard to our own internal procedures. The House of Representatives clearly has the right to make its own decisions on what it shall and shall not vote on, print, debate, approve or disapprove. Neither the executive branch nor the judicial branch has the power to dictate to the Congress. This is clearly set forth in the Constitution and it is this constitutional issue which determined my vote. The Congress is a coequal branch of Government, not a subservient one.

My vote is in no way a judgment on the material contained in the committee report or the wisdom of the survey preceding it. It is clearly and simply an expression of the strong belief that the Congress must retain its independence.

The question of the rights of the individuals mentioned in the report is, of course, also an extremely serious one, and one which should have been thoroughly considered by the committee before undertaking their study. Similar considerations should weigh very heavily in their consideration of future studies and in the decisions of the House with regard to authorizing resolutions, appropriations, and so forth.

Whether rightly or wrongly, however, the results of the study have already been made available to the media and have become public through other means. The constitutional question of the ability of the Congress to function therefore became paramount in my mind.

DRAWING LINE ON PORNO ADS

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. DULSKI. Mr. Speaker, the problem of obscenity and pornography continues to plague our society. It is not a problem that is going to blow away because we ignore it. We must deal with it head on.

It was heartening to me to read a December 8 thought-provoking editorial in the San Francisco, Calif., Examiner on this subject.

The Examiner says that it has tried in the past to urge moviemakers and night club operators to upgrade and improve their offerings. The paper has refused considerable advertising it thought exceeded the bounds of good taste.

But objectionable advertising continued to creep into the newspaper's columns.

Now, disgusted at the continued decline of community standards, the Examiner has drawn the line: Out goes all objectionable advertising, borderline and otherwise. And the paper says that if necessary it is ready to go to court—of law and of public opinion—if anyone wants to challenge its decision.

The Examiner is to be applauded for its frankness about the problem and the firm resolution of its decision.

Mr. Speaker, the Examiner's editorial tells the story best and the text follows:

DRAWING THE LINE ON PORNO ADS

There comes a time when even the most open-minded editors must draw the line.

So far as the editors of The Examiner are concerned that time is now.

The line we draw is against advertising in our columns by the dispensers of depraved "entertainment" offered presently in more than two score theaters throughout this area.

We are not bluenoses. We do not seek to impose the Puritan ethic on the community in general or our readers in particular.

However, we can no longer permit our advertising columns to be exploited by the panders of moral pollution.

In the past, we have editorialized against smut, filth and obscenity.

We have quietly and patiently urged movie makers and night club operators to upgrade and improve their offerings.

Over the years we have refused countless thousands of dollars in advertising that we felt exceeded the bounds of good taste.

SOUGHT UPGRADING

We sought to base our position on the laws of the land and looked for guidance to the Supreme Court's decision in the Eros case, which found a production obscene because advertising for it appealed to the prurient.

This approach, though, merely laundered the advertising appearing in our columns and thus tended to hide the slime of the shows being presented.

We grudgingly accepted the decision of the Supreme Court that "community standards" should determine what is obscene and what is not.

After witnessing the results of this decision, we are now convinced that community standards do not determine what is pornography. Quite the contrary. We believe the results in San Francisco are proof positive that proliferating pornography creates debased community standards.

STANDARDS SINKING

In this beautiful city, our standards sink lower and lower.

Today we have movie houses showing women engaged in sexual acts with dogs and other animals.

Today we have films showing groups of perverts performing vile acts that must demoralize homosexuals who are fighting for acceptance in our complex society.

Today we have films denigrating and disgracing the dignity of womanhood and motherhood as prostitutes perform sordid acts that defy description.

Today we have films showing young girls being beaten, raped and defiled in sexual aberrations practiced only by those with maniacal or criminal minds.

As community standards have fallen, our crime rates soared. The score on rape cases, drug cases, bodily assault and juvenile delinquency are higher than ever. And going higher.

BECOMING SMUT CAPITAL

San Francisco is fast gaining international disrepute as the smut capital of the world.

Do not be confused. We are not discussing the relaxed standards of some movies produced by large studios. While we do not endorse many of the acts and attitudes that are labeled sophisticated in today's age of social permissiveness, we are not at this time referring to such movies and plays.

We are denouncing the hard core pornography that flourishes in all too many parts of our city and offers dangerous entrapments for our young people.

We are denouncing the sexual depravity on film and stage that can—and does—breed moral pollution and social degeneracy.

We should have thrown this ugliness out of our advertising columns long ago. We are sorry we delayed.

It is out now. And it will stay out. If this action on our part invites lawsuits, we will welcome carrying our case to the highest courts in the land. Not only the Supreme Court . . . but also the higher court of public opinion.

CONGRESSMAN WHALEN CONGRATULATES BRYCE HARLOW FOR HIS PUBLIC SERVICE

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 10, 1970

Mr. WHALEN. Mr. Speaker, a most distinguished public servant, Bryce Harlow, has announced that he is retiring from the White House staff.

I would like to take this opportunity to congratulate him for his years of dedicated work in the Federal Government, including the tremendous responsibility entailed in serving at the sides of two Presidents. The schedule he has maintained during the last 2 years has been staggering. It easily would have overwhelmed a lesser man.

His departure to what certainly will be the more tranquil precincts of private life is a loss both to President Nixon and to those of us who have come to depend upon Bryce Harlow. His great expertise, diligence and sense of humor will be missed.

I wish him well as he leaves the White House. The Nation is indebted to him for his exemplary labors.

CONGRESSIONAL REPORT TO NINTH DISTRICT RESIDENTS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

VOTER PARTICIPATION—DECEMBER 7, 1970

The United States—history's greatest democracy—has the lowest democratic participation of any free, modern nation. Although we pride ourselves as the showcase of democracy, our voter participation belies our boast. In their last elections, Great Britain and Canada had voter turnouts of 76 percent; France 80 percent; West Germany, 87 percent, and Sweden and Denmark, 89 percent.

And in this country, in the elections this year, only 45 percent of the eligible voters voted according to preliminary estimates.

In 1968, 47 million Americans—an astonishing 40 percent of the eligible voters—failed to go to the polls. The non-voters exceeded by 17 million the total number of persons who voted for President Nixon. For every vote separating the two major candidates in that election, there were 108 persons who did not vote.

Moreover, there is a steady downward trend in voter participation. The number of non-voters was 39 million in 1960, 43 million in 1964, and 47 million in 1968.

This decline in the participation in the democratic process poses both a danger and a paradox.

The danger is that a democratic institution, such as ours, cannot function effectively or respond promptly to the needs of society unless its citizens take part in the decisions which affect their daily lives.

The paradox is that while Americans are calling for a more active role in public decision-making, their participation in the electoral process continues to decline. Our mass communications make this nation's citizens the most informed in the world, and our mobility, either by automobile or mass transit, makes the voting booth accessible to practically every citizen.

Our poor voter turn-out need not be so. Some nations compel citizens to vote, but that's not the American way. It is the American way, however, to take all reasonable steps to encourage citizens to vote. Government, in fact, has a duty to remove unjustifiable barriers which stand between the citizen and the ballot box. Any device which prohibits people from voting must be subjected to the most intensive, continuing scrutiny.

The chief obstacle to the vote in 1968, as well as in previous elections, was the cumbersome registration demands made upon citizens. Those who registered, voted—89.4 percent of the 82 million registered Americans cast their ballots in the 1968 Presidential election.

A recent U.S. Census study showed that of the 47 million Americans who did not vote in the 1968 election, 72 percent were barred because of failure to meet registration requirements. These burdensome procedures, and the outmoded state residency requirements exclude millions of Americans from voting.

Registration efforts must not be concerned with low people vote. The important consideration is that all may vote. New approaches to increasing participation in the electoral process should be considered. Among the possibilities are:

A universal voter enrollment plan providing a door-to-door canvass of each residence to enroll all eligible voters.

A national election commission to supervise the enrollment, and to maintain records of all election returns as well as all laws pertaining to election jurisdictions. There is no such agency at present.

A National Election Day holiday in order that all may have the opportunity to vote.

The American system is a living, changing process. The government has a responsibility to bring citizens into the political process, and to keep them there.

ON NATO'S FAILURE TO PROTECT FREEDOM IN GREECE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. EDWARDS of California. Mr. Speaker, the continuing dictatorship in Greece is an indictment of the moral and political and military shortcomings of NATO and its principal member, the United States.

NATO, which was established in part for the preservation of the democratic freedoms of its member nations, has since April 1967, been confronted with the moral anomaly of a military dictatorship in Greece. Ironically, the military junta seized power by implementing a NATO contingency plan. To further the irony, the United States has supported the junta's suppression of freedom on the grounds that the junta is living up to its NATO—military—obligations.

Despite some embarrassment among our NATO allies over the dictatorship in Greece, the recent NATO meeting in Brussels passed without meaningful action. It appears the United States, at most, seeks no more than the implementation of the junta's 1968 constitution, which was written without democratic discussion and provides for the primacy and continued rule of the military.

Two recent statements by pre-junta Greek political figures deserve our attention. The first is a statement by Andreas Papandreou, reported in the Toronto Globe & Mail of November 28, 1970. Professor Papandreou is essentially a Western man. It is to the humanist and democratic traditions and forces in the West that he directs his appeal. The second statement is a portion of an address delivered by Dimitrios Papaspyrou, last President of the Greek Parliament. Papaspyrou delivered the speech November 7 to the Political Committee of the Atlantic Assembly, the official advisory parliament of NATO, chaired by Senator JACOB JAVITS. An aging lawyer who was making his first trip outside of Greece since the coup, Papaspyrou has since returned to Athens, where he is reportedly under continued surveillance and frequent harassment. It will be a rare parliamentarian who can read his plea and not be moved.

Under leave to extend my remarks in the RECORD, the two statements follow:

[From the Globe and Mail, Nov. 28, 1970]

HOW PAPADOPOULOS FORMS HIS MINI-PARLIAMENT

(By Andreas G. Papandreou)

Papadopoulos is playing charades again. In Greece this is not a parlor game, but a deadly

earnest one. Every so often, depending on internal or external events, primarily the latter, he puts on an act meant to "tranquillize" his western world audience. His promotion agent, the United States, does all it can to assist—Madison Avenue style—in this big hoax.

Before we get into his newest and latest production, coming up tomorrow in Greece, and entitled The Mini-Parliament, we might mention a few similar acts of the past. Generally they come up just before a NATO meeting where the anti-dictatorial forces of Europe raise the issue of U.S. support of totalitarianism on the European continent.

One was the staged referendum on a new constitution in September, 1968. Under martial law and with a controlled press, and with threats of jail sentences for those who failed to vote in favor of the Constitution, the Greeks went to the polls. According to the tabulators at the polls—all selected agents of the junta—the Greeks voted overwhelmingly for this document—hardly likely, because it is in essence designed for the total enslavement of the people. It was presented as a sign of victory and "popular support."

NEW PRESS LAWS

A similar act occurred in early 1970 with the announcement of the liberalization of press laws. Within a month of that announcement the newspaper Ethnos was brought to trial for publishing statements "against the interest of the nation." The case centered around the publication of an article by John Zigidis, a deputy of the last Parliament and prominent member of the Centre Union party, who proposed the formation of a government of national unity to face a pending crisis in Cyprus. Mr. Zigidis, editor John Capsis, and the three publishers were given sentences ranging from five years to 18 months. The newspaper Ethnos was closed down.

Occasionally there are spectaculars. These are meant to show the "humanitarian" nature of the regime. One was the announcement of general amnesty for political prisoners in December, 1967. In the end, not more than 300 of the thousands in jail or in exile, were released. I was one. Similarly, in May of this year, the junta allowed Mikis Theodorakis, the Greek composer whose theme song in the movie Z is well known, to leave Greece.

None of these acts has changed the character of the regime. It remains as it was from the beginning—a military mafia, a clique of conspiratorial officers, who rule the country at gunpoint—their weapons supplied abundantly and generously from the United and through the structure of the NATO alliance.

Tomorrow's show is not even a part of the provisions of the 1968 Constitution, but was apparently an afterthought of the dictators, who are not ready obviously to live even under their own totalitarian rules. Rules, law of any kind, and a constitution, bind those who seek absolute power. But under pressure from the United States, and due to the fact that there is a NATO meeting in Europe, in Brussels, on Wednesday, the scheme of a "mini-parliament election" has been introduced. This is to validate the statement made by the U.S. State Department when it announced its decision in September to resume full military aid to Greece because of a "trend toward constitutional order."

TWISTED WORDS

The script calls for an election, but as so many words get twisted in the vocabulary of the colonels, so does this one, and although it is called an election, it should be described as an appointment. This is how it works: 92 candidates were selected, 22 by the executives of nine national unions (consisting of professional people as well as workers), and 70 were chosen by local mayors and local

union leaders (all regime-appointed after the 1967 coup). From this list of 92, the leader of the junta George Papadopoulos will choose half to serve in the "parliament." He will appoint 10 other members of his own choice. So the result of this "election" will be announced tomorrow and the 56 members will immediately go on the government payroll receiving \$830 a month, or the approximate salary of a duly-elected deputy before the military takeover.

The task of the mini-parliament will be to discuss the draft bills presented to it by the regime before they are passed by the Cabinet, which, however, remain free to disregard the opinions of their paid puppets altogether. The Cabinet rules by decree.

From right-wing circles in Greece, which are allowed a slight measure of freedom to speak because they seldom attack the regime, came harsh language on this mockery of parliamentary rule. From one: "It is a way of corrupting people by paying them high salaries and giving them the impression of power . . . It's a clever, insincere and immoral move by the Government that fools some foreigners who think that something good is happening here." The newspaper Vradini last week wrote an editorial attacking the concept of the advisory council with the concept of parliament is a national crime. It is in keeping with fascist and Hitlerite pronouncements."

UGLY CHARADE

For the Greeks in Greece, this charade, this theatre of the ugly, is by now common practice, and they are not fooled by its producers, nor is there any mystery about its financial backers. Their anger toward the United States, whom they considered an ally, is unbounded. In fact, anger is a mild word. They are growing increasingly chagrined at the unwillingness of their fellow members in NATO to confront the United States in a meaningful way, forcing it to change its policy of support of the colonels. NATO, which they joined in 1952 to protect their freedoms, has become an instrument of oppression.

Pressure on the military to accelerate the so-called trend toward constitutional government is as meaningless to them as the "mini-parliament election." They understand that all of this merely prolongs their misery. The Constitution of 1968, apart from the strictly totalitarian manner in which it was "adopted" by the Greek people, and setting aside the historic demonstration of half a million people against it on the day of the funeral of George Papandreou, the last democratically elected premier, does not make any provisions for constitutional democracy. Its sole aim is to provide the legal garb for the continued rule of a military clique over the Greek nation.

The Constitution elevates the armed forces to the status of the supreme constitutional authority, making it entirely independent from the control of the electorate, and charges it with the responsibility to oversee the political process of the country.

In addition, a constitutional court—its members appointed for life by the ruling junta—is empowered to prevent participation of political parties in parliament which deny the ideological credo of the "revolution of 1967." It can also strip citizens of their political rights if they take stands against the "lawful regime."

This framework of constitutionalized terrorism is completed by emergency legislature features according to which the Cabinet may suppress the constitution and establish special courts without the consent of Parliament.

All of this is not surprising. Every constitution embodies the ideological credo of its creators. And it would be naive to think that

those who grabbed power by force in April, 1967, would organize a constitutional scheme which would remove them from power. Bolstered by the recent direct expression of U.S. political and military support, the junta clique is finding it less necessary to maintain the facade of return to democratic government, and with the passing of time may drop altogether the acts of appeasement toward its European allies, such as the mini-parliament exercise of tomorrow.

FOREIGN EXPLOITERS

Greece is a Pentagon-occupied country, occupied through its agents to protect the strategic interests of the United States. Greece demands that its occupiers leave so that it can work for the strength and the health and the progress of the Greek nation without the undermining influence of foreign exploiters. The Greeks are fighting, and will fight with increasing determination to this end. They know, as Kazantskis said in his prologue to Freedom or Death, that "Freedom is most dearly bought. It is never given gratis, not by man or by God. It wanders from land to land, from heart to heart, wherever it is beckoned, ever-awake, unvanquished and uncompromising."

PAPASPYROU'S SPEECH

For the past three and a half years I have been deprived of the joy of finding myself among parliamentarians. My daily lot is the constant surveillance under which I am kept by the agents of the secret police. It is they who accompanied me to the Athens airport. And they will certainly be waiting to welcome me on my imminent return.

You nevertheless behold me before you in a dual capacity: that of President of the last Greek Parliament—still President, representing the Parliament under the provisions of all the democratic constitutions of my country and according to parliamentary custom until the day when a new Parliament can designate my successor; and that of a member of the Greek parliamentary government which in 1952, with the almost unanimous agreement of the chamber, took the political responsibility for Greece's adherence to the Atlantic Alliance.

Coming from Athens, I transmit to you in my capacity as President of Parliament the cry of protest of the Greek people and their political leaders against the strangling of democracy in the land of its birth.

For more than three years the Greek people have been held in chains. They have been deprived of their most elementary human and political rights. Against this they vehemently protest. For they are a proud and politically mature people, with a long history of struggles and sacrifices for freedom and human dignity . . .

The enslavement of this people is a shameful thing! I denounce it with all my soul, in the name of all my compatriots. And that shame touches us directly, all of us united in the bosom of NATO, partners in an alliance established in the name of the defense of freedom and democratic principles.

Because of that, I feel a great political responsibility as a member of the Greek government over whose signature Greece joined that alliance. For the Greek people have been reduced to slavery under cover of that alliance and by virtue of the facilities for action and influence which it affords to a great ally. It is not merely that our confidence in the proclamations of the Alliance has been shaken. That confidence has been gravely abused. . . .

Fully conscious of my responsibilities, I declare here that the military clique that abolished democracy in Greece was in close working contact with certain American military circles which, far from averting the coup d'etat, encouraged it. . . .

Unfortunately the government of the United States has for some time followed the policy (of picturing the dictatorship as a regime evolving towards "true democracy," in order to deceive international public opinion). This is the only interpretation one can place on the State Department's statement of September 23, 1970, which accompanied the resumption of full American military aid to Greece. One reads in this statement that "the trend toward a constitutional order is established;" that "major sections of the constitution have been implemented;" that "a partial restoration of civil rights has been accomplished," and that "the government of Greece has stated that it intends to establish parliamentary democracy." This is the statement of the State Department.

And at the moment when all that is published in Washington, this the reality in Greece:

Martial law is still in force for the fourth consecutive year.

Special military tribunals still have exclusive jurisdiction over political questions; prosecutions and condemnations continue unceasingly.

Habeas corpus, theoretically restored last April, protects exclusively common law criminals, those who commit "political offenses" being excluded from its benefits.

The so-called reestablishment of free trade unionism has likewise been shown to be a gross fraud.

Hundreds of persons of all political backgrounds are still held in prisons and concentration camps or in exile. Among these detainees are some thirty of my fellow deputies, in deportation for years under wretched conditions. John Zigidis is serving a four and a half year prison term for having called for the formation of a government of national union to deal with the problem of Cyprus. Particularly harsh treatment is reserved for those Greek officers who have served NATO and distinguished themselves in the fight against communism. . . .

The State Department knows all this perfectly well. Hence its assertions about the evolution of the Athens regime toward democracy constitute proof of its complicity in the fraud.

(Mr. Papaspyrou went on to say that this "made the junta still more arrogant" so that there was no longer a question of elections or the implementation of the constitution but only the miniparliament appointed by the premier and without power. The Americans had not reacted to "this provocation;" would the parliamentarians of NATO accept it by their silence? "The enslavement of Greece is a mistake for the Alliance. In order to hold on to real estate, a population is gradually transformed into an enemy." To be sure, the "realists" assert that NATO, in danger of losing the whole Mediterranean, "should hold on to Greece whatever it costs the nine million Hellenes." But the Alliance will end up by losing everything and "be unable to save any military base there" if it "dishonors itself." The responsibility for this situation rests with the United States and its cynical policy. "The Greek people wish to remain an equal partner in an alliance of free peoples. But they are not willing to surrender their freedom, their most precious possession, whatever the sacrifices it may require.")

It is in the name of this people that I demand not, certainly, intervention in the internal affairs of Greece, but the cessation of that intervention. There must be an end to cynicism. The moral decline of the Alliance and the piling up of blunders must be stopped. There must be an end to the subjection of political authority to a narrow and incompetent military point of view on these things, to a stupid and artificial realism. . . . The peoples of the Alliance want to be free. They ought to be free.

THE PERSECUTION OF SOVIET JEWS

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. BROOMFIELD. Mr. Speaker, the impending trial in the Soviet Union of nine Russian Jews accused of air piracy calls to mind Bernard Malamud's fine, historical novel, "The Fixer." His factual account of czarist anti-Semitism at the turn of the century sounds remarkably like the situation in the Soviet Union today: A poor Russian Jew is imprisoned by the Government on trumped-up charges of ritual murder, his trial to provide pretext for a wave of anti-Semitism. One line from that story has remained in my mind to this day. The "fixer" is asked, "What is respect?" He answers by saying, "It is what you must have, in order to get it." And, truly, whether a man be national leader or humble citizen, he is respected only as much as he chooses to respect the essential human dignity of those around him.

Now, some 70 years, two world wars and one revolution after the persecution of the "fixer," the Soviet Union is engaged in another "show trial" and again demonstrating a consummate disrespect for the dignity of Jews living in their country. It is impossible to respect any nation which so blatantly, so consciously, denies the basic human rights of its citizens.

The nine men are accused of attempting to hijack a Russian aircraft, yet there is no evidence to suggest that they committed a crime greater than requesting of visas for emigration to Israel. They have been arrested, their property confiscated, their families left without support, for a hijacking that probably never occurred. And, if they are convicted, they face the death penalty.

It is sad indeed that a simple request to leave Russia, in many cases to rejoin relatives in other countries, should be denied and, in fact, be treated as a criminal act. The right to emigrate is a key principle of the United Nation's Declaration of Human Rights. It is a basic fact of international law. It is even the stated policy of Soviet Premier Kosygin. Four years ago he said:

As regards the reunion of families, should anyone want to be reunited with their families, or want to leave the Soviet Union, the road is open and no problem exists there.

Why then, we must ask, have so many valid requests by Soviet Jews to emigrate to their families in the United States been summarily rejected? Why is it next to impossible for a Russian Jew to emigrate to Israel? Why are these nine men being prosecuted for merely asking to leave the Soviet Union?

The simple fact is that, in spite of Premier Kosygin's stated position, Russian Jews have rarely been allowed to emigrate and that they have been consistent targets of discrimination in most areas of Soviet life. The new trial is an indication that anti-Semitism is not receding, but that it will increase in the years to come.

Of course, the United States would only be inviting reprisals against the nine men by interfering with the internal machinery of the Soviet Government. Our efforts would be rejected as mere cold war propaganda. The most effective avenue of approach would be an expression of our deep concern for the apparent miscarriage of justice taking place in Leningrad. And we must ask other nations to join us in denouncing the actions of the Soviets. World opinion must be brought to bear on their continuing and shocking disrespect for human rights. The Russians must learn the lesson of "The Fixer:" that they will no longer command influence and respect throughout the world, if they refuse to respect the dignity of human beings within their very own borders.

LEWIS AND CLARK

HON. JOHN O. MARSH, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. MARSH. Mr. Speaker, Members of the House are familiar, I am sure, with the magazine of the National Geographic Society, which has informed generations of readers on geography and history with its entertaining articles and remarkable photography.

In recent years, the society has built a notable record of achievement in book publishing with titles ranging from "The Revolutionary War" and "Our Country's Presidents" to "World Beneath the Sea" and "My Friends the Wild Chimpanzees."

I recently had the pleasure of reading a publication in the current book series, "In the Footsteps of Lewis and Clark," and I take this occasion to commend it to Members interested in further reading on the key explorations which mapped the paths of the westward migration which built a nation stretching "from sea to shining sea." This book, by Gerald S. Snyder of the National Geographic Special Publications Division, was of particular interest to me, as I have the honor to represent the home grounds of Thomas Jefferson, who, as President, commissioned his secretary, Meriwether Lewis, and the experienced explorer, William Clark, to move west of the Mississippi in search of a water route to the Pacific Ocean.

Author Snyder and his family retraced the route of the Lewis and Clark Expedition up the Mississippi, and then by available water courses and portages through what was to become our great Pacific Northwest.

One of Snyder's observations was particularly interesting:

Some of the country that Lewis and Clark traveled through looks just as it did to them. Although cities, dams, and the changing courses of rivers have obliterated much of the trail, it is still possible in many places to follow in the explorers' footsteps.

While the Lewis and Clark Expedition was a great exercise in pure adventure, it was much more, as Mr. Snyder points

out, in that the careful daily records kept at the direction of Jefferson provided a wealth of knowledge of the geography and ecology of a vast region and underscored the worth of the Louisiana Purchase.

As we move forward in marking the bicentennial of the formative years of our Nation, it would be useful, I think, for young people, particularly, to read of great explorations such as these, reflecting the urgent spirit of inquiry which spurred the development and consolidation of a new and initially fragile concept of free government.

SAFEWAY STORES INDIAN SUPERMARKET

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. McCLOSKEY. Mr. Speaker, Safeway Stores, headquartered in Oakland, Calif., ranks among the national corporate leaders in furnishing business opportunities for minority groups. The company has recently gained national attention for its hard-nosed and highly successful renovation of a declining cooperative supermarket in the black Hunters Point section of San Francisco. Now Safeway's Canadian division has launched a similar venture for the Blood Indian Tribe of Southern Alberta. With Safeway's help, the Blood Tribe now owns and operates a remodeled supermarket of their own. With the thought that the story of the Safeway operation will inspire other American companies to compete in this area, I submit the following article from the Safeway News for the attention of my colleagues:

BLOOD AND SWEAT AT STANDOFF: CALGARY ZONE BACKS SUPERETTE

It wasn't very long ago that A. G. (Tony) Anselmo, Manager of Canada Safeway's Prairie Division had a question from a man named Eric Connelly. Mr. Connelly has a title longer than Tony's; he's Executive Director (Western Canada) for Canadian Executive Services Overseas, but he wasn't interested at the moment in "overseas." He was interested, instead, in a group of Indians: Blood Tribe Indians who live on a reservation in Southern Alberta. It seems that Mr. Connelly and the Indian Affairs Department had an idea. There was an abandoned, dilapidated grocery store at Standoff, one of the reservation's small communities, and if it were operating, it could be useful to the people of the reserve by bringing needed merchandise and increasing needed income. Could Safeway help?

Safeway could indeed help. Mr. Anselmo agreed to lend the Blood Tribe a "consultant" and co-manager for a period of a year to help get the store started again, and started profitably. He and his staff then met with the Blood Tribe Council and visited the site. After this inspection, Mr. Anselmo and his group made some plans and got started.

Vern Spence, a recent Retail Management Training Program graduate, was appointed to the co-manager position. Al McQuitty, Division Design and Construction Manager, took over the remodeling and refixturing problems. N. M. Knebel, Calgary Zone Manager, set up his Lethbridge stores for training the new store crew. Wayne Plume and Edwin Wells prepared as meat cutters, Rosaline Day

Chief and Margaret Weasel Fat became the new checkers, Rosabelle Yellow Wings became a meat wrapper, and Alice Cross Child became the office clerk. Meanwhile, Louis Soop was busy learning the functions of store manager. Altogether, four Lethbridge stores provided basic training for the seven Blood Indians who were manning the Standoff store on opening day.

Paraphrasing Anselmo's report, "With a small grant from the Tribe, plus their labor, plus a lot of contributed time and effort by our own people, the store was completely remodeled, refixed, stocked, promoted and opened for business on Thursday, August 13. By giving our expertise and insisting that the Indians take the basic responsibility, we contributed to a meaningful form of assistance. The Blood Tribe knows that this is their own project, and their chance of success is good."

Similar comments have been made by the Tribal Council, by the Indian newspaper *Kainai News* and by others who took an interest.

Said *Kainai News* in part: "The Blood Tribe has succeeded once again in enlisting the services of private enterprise to help develop the Blood Reserve and its people. This time it is in the form of management training for the new Standoff Superette provided by Canada Safeway with no strings attached. . . . Safeway is providing a qualified manager to train our people in store management. They've also provided good used equipment—shelving, fridges, coolers, freezers, etc. at no cost to the tribe and helped us design and remodel the premises."

"The involvement of private enterprise to help people to help themselves heralds a new era in social development. Governments have not succeeded in people development, but they could assist greatly if different types of incentives were provided to enlist the services of private enterprise. Progress can only come through development and development means people learning to do things for themselves."

Other newspapers throughout Canada echoed these thoughts, stressing the "do-it-yourself" aspect. Said the *Calgary Albertan*, "It is tangible testimony to the sincere efforts of an Indian Tribe determined to stand on its own, and willing to accept expert advice. The involvement with Canada Safeway is an illustration of a simple solution being applied to a rather tacky education problem. Techniques learned in the fiercely competitive world of food merchandising were shared with the enterprising Bloods, simply because they asked for them."

Canada Safeway and Mr. Anselmo have received thanks from the Blood Tribe, from the mass media, and from the governmental people in the background, and from many of our customers who were happy to see our interest and response. Mr. Anselmo simply says, "We are proud, and grateful to all of our people who have helped in developing this modern Superette for the Blood Indian Tribe."

SAFEWAY NEWS says, "We are happy to report this fine store to the thousands of Safeway people all over the world who will be equally proud of and grateful to their Canadian colleagues. Well done!"

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,500 American prisoners of war and their families.

How long?

NEW YORK DAILY NEWS EXPOSES WELFARE SCANDAL

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. KOCH. Mr. Speaker, all of us in this House must be concerned when a bureaucracy—city, State, or Federal—misuses taxpayers' funds. Those of us who are concerned about the plight of our fellow citizens in desperate need of welfare assistance are outraged with the manner in which the Department of Social Services of New York City has managed some of the welfare programs. One of the shocking illustrations of mismanagement is the continued payment to hotels of rentals of up to \$1,200 a month for some families for what that Department euphemistically calls temporary housing. Three articles by Maryanne McNellis of the New York Daily News appended to this statement will provide our colleagues with a description of the wretched and sordid situation and the ineptness of certain public officials.

The articles follow:

[From the New York Daily News,
Dec. 11, 1970]

QUIET DESPERATION IN A WELFARE HOTEL (By Maryanne McNellis)

"Living in this hotel isn't too bad," crippled Isabelle Imerale said yesterday to the Health, Housing and Fire Department officials crowding her narrow room at the Broadway Central Hotel at 673 Broadway.

"It's pretty clean. No bugs. Of course, it's not like living in your own place. But what can you do?" the tiny woman said with a shrug.

Mrs. Imerale was just one of hundreds of welfare recipients living in hotels throughout the city who received surprise visits from all sorts of inspectors yesterday.

It was the first day of a new city policy of "coordinated inspections" designed to spot and correct some of the worst violations in hotels housing welfare families.

FIRST OF SEVEN

The Broadway Central was the first on the list of seven that the team of inspectors are visiting this week. "We do our best," said hotel manager Leo Tencer. "We have about 300 welfare people living here and about 250 regular tenants. It's a big hotel. We try to keep it up."

Buildings Inspector Charles Campbell and Nathan Mittenberg of the Department of Rent and Housing found the 80-year-old hotel "in pretty good shape." "Things are pretty sound here," Campbell said as he peered into one crowded room after another. "Some broken plaster or broken glass. Not too bad."

MOTHER IS GONE

The inspectors did not inspect the room that was the home of 8-year-old Kenneth, 7-year-old Calvin, their two brothers and their mother. "My mother is gone," Kenneth said. "Sometimes we go to school in Brooklyn when we have money to go. Other days we just play in the halls. We don't set the fires. Big kids do that."

Fire Department Chief Alfred Leudesdorff and his inspection team found that the Broadway Central had "a few minor violations."

"We were here just a few weeks ago and they had 11 violations," he said. "Most of them are already taken care of. The building has a good alarm system." The chief also mentioned that five fires were set in different parts of the hotel while the last inspection was in progress. "The kids are just mischievous," he said.

The alarms were working well yesterday. "I wish these bells would stop ringing," tenant James Maldonado said. "The children get so confused."

THE HOTEL PASSES

In general, the Broadway Central passed inspection. The managers assured everyone that the few violations would be taken care of.

"Inspections! Hah!" said Lorraine Lopez as she chased her toddler down the hall. "What I want to know is when am I going to get out of here?"

According to the Human Resources Administration, 1,074 families with 3,761 children under the age of 16 are living in welfare hotels.

[From the New York Daily News, Dec. 12, 1970]

KOCH SAYS CITY HIDES WELFARE HOTEL FLAWS

(By Maryanne McNellis)

Rep. Edward Koch (D-Manhattan) blasted yesterday what he termed city attempts to "whitewash the outrageous conditions" in city hotels housing welfare families.

"Two children have been killed in the Broadway Central Hotel in the last few months," he said. "And city authorities have deliberately tried to keep it from the press."

According to police 4-year-old Gerald Wilmore was killed in the hotel, at 673 Broadway, near Bleeker St., last Monday night. The boy apparently fell to his death on a rear staircase which, police said, had a broken bannister. He was reportedly going from his room on the fifth floor at 2:30 a.m. to his mother's room on the fourth floor.

"They told me they didn't have enough rooms to put us all together," the boy's mother said. After the accident the family was moved into adjoining rooms.

A Human Resources Administration spokesman said the department "had no knowledge" of Gerald's death.

APPROVED BY INSPECTORS

The Broadway Central Hotel was inspected Thursday by Housing, Health and Fire Department officials. The joint inspection team found the 80-year-old hotel in "pretty good shape."

"The hotel has a few minor violations and the team found that violations noted on previous visits were being taken care of," the Human Resources spokesman said.

The team, accompanied by hotel manager Leo Tencer, did inspect the rear staircase where the boy fell to his death. At no time was it brought out to the inspectors that anyone had fallen from the staircase.

"This staircase is hardly ever used," the hotel manager said when the inspector noted that most of the slots in the bannister were missing. The violation was noted and the manager assured the inspectors that the bannister would be repaired "immediately."

The inspectors themselves did not know that a child had been killed on the staircase.

"I found out about it through community people who had talked to hotel residents," Koch said. "Children should not be required to live in such hell holes."

Koch has called upon Mayor Lindsay to accompany him on a tour of the Broadway Central today. "My immediate concern is getting

them (welfare families) out of the Broadway Central," he said.

There are now 1,074 families with 3,761 children under 16 living in welfare hotels.

[From the New York Sunday News, Dec. 13, 1970]

WILL ASK STATE HELP ON WELFARE HOTELS

(By Mary Anne McNellis)

Rep. Edward Koch (D-Manhattan) announced yesterday that he will seek state intervention for families forced to live in welfare hotels.

"The city has abdicated responsibility for these people," he said after a visit to the Broadway Central Hotel at 673 Broadway, near Bleeker St., with members of the Community Planning Board.

EIGHT FIRES IN WEEK

"I have never seen human beings in this country living in such a terrible state. There were eight fires in that hotel last week alone—one family told me they sleep with all their clothes on so they'll be prepared for the fire alarms," he said.

Koch charged that a joint Health, Housing and Fire Department inspection of the hotel last week was "woefully inadequate."

"City, state and federal moneys are being wasted by keeping families in hotels," he said. "Most of these families were burned out of their apartments and then stuck in a hotel. Sometimes the rent is as much as \$1,200 a month. And these people don't want it—they just want to be in their own homes."

\$7.5 MILLION A YEAR

The Human Resources Administration estimates that more than \$7.5 million a year is spent to keep "emergency cases" in hotels like the Broadway Central. There are 1,074 families living in such hotels.

Rachele Wall, chairman of the local Community Board, said: "This hotel living is absolutely devastating to family life. It is a very scarring experience."

Members of the board have investigated the Broadway Central several times and met with Deputy Mayor Richard Aurelio in September to discuss the large numbers of school age children living in the hotel who were not enrolled in school.

SAYS HE'S SHOCKED

"Aurelio said he was shocked and that the matter would be taken care of immediately. Yesterday we found there were over 100 youngsters living in the hotel who were still not in school," Koch said.

"We have tried to deal with the city and it's hopeless. They have not even attended to our original complaints."

"If the city can't run the welfare program perhaps it is time that the state came in and took over," he said.

Koch said he will seek a meeting with Governor Rockefeller this week to discuss what can be done to aid families in welfare hotels.

"There is something wrong with a system that will keep a woman and eight children in two small rooms for over \$300 a week, and then turn around and tell her it's too much when she finds a decent apartment for \$200 a month," Koch said.

NIXON SNUBS POSTER CHILD

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. CLAY. Mr. Speaker, Roberta Scott, 13, Wichita, Kans. was selected 1970 Poster Child for the National As-

sociation of Retarded Children. Roberta also happens to be black. It is an interesting fact that the President has refused to have his picture taken with this youngster.

This is not the first time that President Nixon has refused to meet with blacks. When the nine black Members of the House requested a meeting with the President, we received a brief note from a White House staff assistant stating that:

We had hoped to be able to work this out, but the President's schedule has been such that we just have not been able to work it in.

That same Presidential aide has written the National Association of Retarded Children stating that because of the President's heavy schedule, Mr. Nixon could not meet Roberta.

The question remains—when will the President find time to fit blacks into his schedule? Joe Brooke, executive director of the Wichita-Sedgwick County Association for Retarded Children, said this was the first time within memory that a President has declined to meet the NARC poster child. The President's refusal came as a great disappointment to Roberta's parents since it had been understood that the child would go to the White House during National Retarded Children's month.

In not meeting with Roberta Scott the President has once again demonstrated his lack of concern for the blacks in this country. President Nixon may have thought he was breaking the heart of just one black youngster—but at the same time he added to the alienation which he created between the black populace and himself.

FRANCIS E. "TAD" WALTER

HON. FRED B. ROONEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. ROONEY of Pennsylvania. Mr. Speaker, on July 24, 1970, a commemorative plaque was placed on the Francis E. Walter Dam in the Pocono Mountains to memorialize the accomplishments of a great man, a man devoted to the preservation of our environment and the conservation of our natural resources. I am privileged to share with you and with my colleagues a moment of tribute to my dedicated predecessor, the late Congressman Francis "Tad" Walter.

Although his chief responsibilities in the Congress lay in the House Judiciary Committee and its Immigration and Naturalization Subcommittee which he chaired, as well as the House Committee on Un-American Activities which he directed for 8 years, Tad Walter was also known as a prominent figure in conservation efforts.

The Delaware River Basin was a focal point for his concern. His objectives ranged from protection of the river valley against the destructive forces of raging floods to the preservation of its rich natural beauty and maintenance of the

quality of its water. Some of the facilities he envisioned became realities during his lifetime. Others, such as Tocks Dam, are being developed now.

The Francis E. Walter Dam is one of those facilities in which Tad Walter had a keen interest and played an important part. It was a fitting tribute to name this facility in his honor.

Each of us remembers Tad for certain accomplishments or attributes which made a lasting impression upon us as individuals.

As a first-time candidate for public office and, after a successful election campaign, as a young member of the Pennsylvania Senate, I frequently turned to Mr. Walter for counsel and advice.

He provided counsel with a wisdom derived from long and conscientious public service, and with an understanding derived from years of experience in working with people and helping resolve their problems. I valued highly not only his guidance but his friendship.

I knew him, too, to be a man deeply devoted to his country and filled with a strong spirit of patriotism. And he lived by a doctrine that provided understanding and dedication to the resolution of problems confronting the unfortunate people of our own Nation and the entire world. You recall, I am sure, his role in the founding and development of the international commission which to this day continues to help displaced persons in Europe and Asia establish new homes and new lives throughout the world. Several million migrants have been resettled by this organization—the Intergovernmental Committee on European Migration—since Tad Walter helped establish it 19 years ago.

And, of course, he was recognized by his constituents as a leader of men. For more than 30 years, he was called upon to lead and fulfill positions of responsibility in Congress.

All of these traits, and many more, led me and his many friends to the Francis E. Walter Dam on July 24. I would now like to include the remarks of my distinguished colleague, Congressman DANIEL J. FLOOD, at that memorable occasion:

REMARKS AT UNVEILING OF PLAQUE TO THE LATE CONGRESSMAN WALTER AT WALTER (BEAR CREEK) DAM BY CONGRESSMAN DANIEL J. FLOOD

It is truly a privilege and a source of deep satisfaction for me to be here today at this most moving occasion. In the ceremonial unveiling of this plaque to the memory of the late Congressman Walter, for whom Bear Creek Dam is to be named from this time, we are honoring him and all those who have shared in the planning and building of this great project. My own personal feelings at this time are especially meaningful: I was present with Congressman Walter at this very site—years ago for the act of ground-breaking, sharing with him and with many who are here today in the excitement and promise of that moment. Our pleasure in today's fulfillment is necessarily dimmed by Congressman's Walter's passing. Yet I feel certain that he is with us here in spirit today even as I know he would be deeply gratified by the appropriate recognition paid to his part in the building of this dam. It is fitting indeed that it should be named after him—Walter Dam.

Yesterday, in the news, we read that for the first time the great high dam power station at Aswan on the Nile has begun working

at full capacity so that villages will be supplied with power which never had it before and thousands of acres of arid land will be fertilized. We might almost write the history of human progress in terms of man's successive technological advances in harnessing water power to creating uses. Think for a moment of our own Hoover Dam. Something of this sense of human achievement is present among us here this day. Every dam is built for the future as well for the present: it embodies a multitude of human skills in engineering and design, and represents the vision of men and women who care. The great novelist, Conrad, once wrote these words—especially applicable to our gathering today—"For life to be large and full, it must contain the care of the past and of the future in every passing moment of the present. Our daily work must be done to the glory of the dead, and for the good of those who come after." Could any words better capture the spirit of this moment and our tribute to Congressman Walter?

He was a man who could have said with the Apostle at the end of his days, "I have fought a good fight, I have finished my course, I have kept the faith." He was a man who communicated life and who lives still, in the sense that he is a continuing influence upon the lives of other men and women. He was the kind of man who reaffirms and renews our confidence in the human venture, especially in the troubled times through which our Nation is passing. What his life says to us here today is not currently popular: it is this—people are better than you think. I often wish we could rally a group of people who in schools and colleges and churches and in every public square across America would say to all our people, "You are better than you think you are. You are capable of greater things than you think you are. You have a tremendous capacity within you that has never been touched!"

If we expect little from people, the chances are that we will get little. If, on the other hand, we expect great things, the chances are that some people at least will do great things. Put the lowest standards of government before people, and they will put up with them. Put the call to integrity before them, and many more than you think will rise to that call. Something like this constitutes the lesson of Congressman Walter's life and character, a life and character unfailingly marked by that call to integrity in public and in private life alike.

It was my happy privilege to know him in both capacities—as a colleague in the House of Representatives, where his political sagacity and counsel were highly esteemed, and, more deeply, as a trusted friend. Woodrow Wilson once spoke of friendship as "the only cement that will ever hold the world together." I like to think that ours was that kind of friendship, rooted in mutual respect and genuine affection, the kind of friendship which death itself cannot destroy.

In 1952 Edmund Wilson, the literary critic, published a book of essays called *The Shores of Light*—a fascinating title with music in the words. That beautiful title comes from the last essay, on his friend, Edna St. Vincent Millay; he recalls how once when he was reading Virgil, he came across the phrase "illumini oras" in reference to "the sprouting plants that reach upward toward the shores of light." There are people even in this troubled and confused world—and Congressman Walter was such a one—who are indeed like plants reaching upward toward the shores of light. When those shores are completely hidden from our sight by the mist and fog of the present, we look at them and we say, the shores of light must still be there.

The plaque we dedicate in memory of his role in the creation of this dam may serve as a symbol of his life-work. As a distin-

guished American poet* has written of Hoover Dam, in words which speak with power and beauty to us here today of this dam: "It stands, a work of man as noble as the hills,

And it is faith as well as water that it spills. Not built on terror like the empty pyramid, Not built to conquer but to illuminate a world:

It is the human answer to a human need, Power in absolute control, freed as a gift, A pure creative act, God when the world was born!

It proves that we have built for life and built for love And when we all are dead, this dam will stand and give."

CENTENNIAL OF THE PROFESSIONAL PHILADELPHIA FIRE DEPARTMENT

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. EILBERG. Mr. Speaker, Philadelphia Fire Commissioner James J. McCarey on December 14, 1970, announced the formation of a citizens centennial committee to develop plans and activities for the 100th anniversary of the professional Philadelphia Fire Department which will be observed in 1971.

Commissioner McCarey said the citizens committee is composed of outstanding leaders from the religious, education, business, and industrial communities as well as the communications media.

John T. Gurash, chairman of the board of the Insurance Co. of North America, is chairman of the citizens committee. Deputy Fire Commissioner William B. Eckles is coordinator for the fire department.

Committee members include John Cardinal Krol, Archbishop of Philadelphia; Dr. Millard E. Gladfelter, chancellor, Temple University; George A. Koehler, general manager, WFIL and WFIL-TV; Milton Clark, president, Clarkies, Inc., and Robert F. Gikleson, president, Philadelphia Electric Co.

Other members are R. Stewart Rauch, president, Philadelphia Saving Fund Society; Carl E. vonCzoernig, president, C. Schmidt & Sons, Inc.; Jerry Blavat, television personality; Pete Retzlaff, general manager, Philadelphia Eagles, and Raymond Hemmert, president, City Fire Fighters Association.

The city's fire protection was in the hands of volunteer fire companies prior to March 15, 1871, when a city ordinance was passed creating the paid Philadelphia Fire Department.

RUSSIAN JEWS ON TRIAL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. EILBERG. Mr. Speaker, it has been reliably reported that two dozen Jews have gone on trial today in Leninograd for an alleged plot to hijack a commercial airplane last June.

*May Sarton, "Boulder Dam."

I am sure none of us is surprised by this new evidence of continuing Soviet intimidation of its most restive minority. The clear pattern of Kremlin-sanctioned anti-Semitism needs no further documentation here.

Many experts in the Soviet Union agree that the charges are absurd. Despite the profound desire of many Russian Jews to emigrate to Israel, an aspiration which they have dared to express recently in public demonstration, the experts doubt that the accused would attempt such a risky and difficult means of escape.

More likely, it is argued, the Soviets are indulging their penchant for exemplary justice as a warning to its Jewish community to keep its counsel and stay in line.

A year ago, I visited the Soviet Union and met with representatives of the Jewish communities in Moscow and Kiev. I agree that most, if not all of Russia's captive 6 million Jews, would emigrate to Israel if given the chance. I also agree that the hijack of an airplane would be an unlikely means of escape.

A more likely explanation is that the Russians, alert to the considerable public notice accorded the problem of hijacking elsewhere in the world, decided that a show trial of this sort would serve as an effective public warning to the Jewish community in Russia.

They did not count on the considerable public notice this trial would receive in the West. In fact, the trial has prompted a variety of protests ranging from a petition to Premier Kosygin signed by 2,500 United States and Canadian university faculty members to a more direct expression of outrage by some 200 Parisians who stormed a public hall in Paris to prevent a performance of the Red Army chorus.

There are signs that the Russians may now believe they have overplayed their hand. The trials were originally scheduled for a November start but were postponed until mid-December. There is another report that the wives and families of nine of the accused were offered exit visas in hopes of stilling the chorus of protest. The wives refused the offer, declaring that they would leave only if accompanied by their husbands.

Clearly, the Leningrad trials are attracting more public attention than the Russians had sought. It is believed that continued pressure on the Soviet Union might in fact convince them to cancel the trials, not from altruistic motives but simply because continuing international publicity would create a propaganda defeat for the Russians.

Sadly, I now must note that our Government, this administration and the State Department have not lifted a pencil or raised the U.S. voice above a whisper in protest to these trials. I am sure that, if asked, the State Department bureaucrats would explain that it is not U.S. policy to interfere in the internal affairs of other states. That old alibi is always dredged up when it is convenient and conveniently forgotten when administration spokesmen come to Capitol Hill asking for money to shore up a wobbly regime or approval of a new treaty arrangement.

The case is simple. A U.S. protest

would further focus the world's attention on these trials. Such continued attention could convince the Soviets that they have to stand to lose too much in the propaganda battle with the West to proceed with the trials.

I call on Secretary Rogers and President Nixon to denounce the trials and demand their cancellation in the name of justice and humanity.

In fact, the occasion of the Leningrad trials provides an appropriate opportunity for our Government to also call on Premier Kosygin to live up to his 1966 assurance that Russian Jews would be allowed to reunite with members of their own families in Israel and elsewhere.

Frankly, this would spare the Russians a lot of problems in the long run. Certainly, Moscow would survive the embarrassment of the initial spectacle of three to four million Jews leaving the Soviet Union. With this nettlesome minority departed, the Soviet Union would no longer need to conduct show trials, could abandon its official policy of anti-Semitism, and spare itself the continued embarrassment these trials and this policy cause it in the wider international community.

In other words, Kosygin and cronies could get rid of Russia's Jewish problem simply by letting the Jews go elsewhere.

TEXTILE IMPORTS UP 21 PERCENT IN OCTOBER

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. DORN. Mr. Speaker, the upward trend of textile imports continues, as the following news article from the Daily News Record, December 14, 1970, indicates. We must do something at this session of Congress. Next session will be too late.

TEXTILE IMPORTS IN OCTOBER SHOW RISE OF 31 PERCENT

WASHINGTON.—Imports of cotton, wool and man-made fiber textiles jumped 31 per cent in October to 375 million equivalent square yards, according to the Commerce Department.

For the first 10 months of the year, the cumulative total of these imports was 3,694 million yards, a 20 per cent increase over the same 1969 period.

During the first 10 months of the year, the trade deficit in textiles amounted to \$1.1 billion compared with \$855 million last year.

The big growth was in man-made fiber textiles and the biggest supplier was Japan with whom the United States is trying to reach a voluntary agreement.

Of the four leading countries exporting textiles to the United States—Japan, Hong Kong, and the Republics of China and Korea—Japan showed the largest gain in 10 months, 965.3 million square yards as opposed to 902.9 million square yards in the comparable period last year.

Hong Kong and China exports declined during the 10-month period.

Total imports of man-made fiber textiles in October amounted to 25.6 million square yards, 1 per cent higher than in September and 69 per cent higher than in October a year ago. During the first 10 months of this year, these imports reached a record level of

2,250 million square yards—49 per cent more than in the comparable period last year.

During the first 10 months this year, man-made fiber textile imports already were 26 per cent higher than in all of 1969. The trade deficit in man-made fiber textiles alone amounted to \$546 million compared with \$296 million in the comparable period last year.

Imports of cotton textiles in October at 103 million square yards dropped 5 per cent from September and 11 per cent from October a year ago.

SEEKING RESEARCH INCENTIVES

HON. JERRY L. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. PETTIS. Mr. Speaker, the great unemployment of technicians and scientists in the aerospace industry is a tragedy. Our Nation's greatest resource, our brainpower, lies idled by the vagaries of Federal funding. Enclosed for the attention of my colleagues is a recent article which appeared as an editorial in the San Bernardino Sun of December 8, which highlights the problem:

SEEKING RESEARCH INCENTIVES

It is both a scandal and puzzle that today there are unemployed engineers and technicians, while all around us there are problems that cry out for technical solutions.

When the cuts came in defense and aerospace industries, Washington obviously had no plans ready for utilizing the high skills of those who would be laid off.

Dr. Myron Tribus, a former science official in the Nixon administration, has suggested, as an emergency measure, enactment of a special federal tax credit for industries that increase their research and development budgets to a specified percentage of sales.

Technology, says Dr. Tribus, holds the key to mankind's survival, and is "the difference between controlling pollution and wringing our hands over ecology." It is better, he declared, "to more effectively insulate our homes than to compete for oil. It is better to design around a need for a scarce metal than to go to war over it."

Tax credits to encourage research on environmental matters would help—and so would direct subsidies. After all, the aerospace industry was directly supported by the taxpayers, and such things as transportation and air and water pollution are just as important.

A great leap ahead in technology will be required to overcome the ravages done by uncontrolled technology in the past. And the only way to leap is through extensive research.

SEVEN THOUSAND SMALL CITIES: WHERE IT IS STILL GOOD TO LIVE

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. ZWACH. Mr. Speaker, it has long been my feeling that in order to solve many of our Nation's problems, we must first start with revitalizing our countryside areas. As our urban crises continue to grow, it becomes more evident that we

must expand our efforts to get job-producing industries, housing, and fair farm income into our countryside communities to relieve the congestion in our cities.

I would like to share with my colleagues here in Congress, a recent article by Mr. G. B. Gunlogson, of the Countryside Development Foundation, in which he gives a very clear picture of the problem and how we can begin to find a solution:

SEVEN THOUSAND SMALL CITIES WHERE IT IS STILL GOOD TO LIVE

The small cities and towns of the countryside are the gateways to 98% of the land area and natural resources in the United States.

They are close to the earth and the open spaces. They are centers of trade and service. They are centers for government, schools, health and recreational facilities, religious and cultural activities. These communities are interrelated with the land economy—agriculture, forestry, mining, and recreation.

Among the 16,000 such communities scattered from coast to coast whose population ranges up to 15,000, there are at least 7,000 small cities and towns that are well situated for future development. They are an integral part of the American countryside.

When we look at the plight of the overcrowded cities, these towns could become the most important resource in the nation. Various studies show that an increasing number of people would decentralize population and industry by orderly development of many small cities scattered across the country. A recent Gallup poll says 6 out of 10 would live in the country if they had their choice. To achieve a more rational balance between the big city and countryside, more industry must be developed to supplement the land economy. In these small cities jobs can be created and better living conditions provided more economically than in big cities.

WHAT HAPPENED IN THE COUNTRYSIDE

The stagnation in many parts of the countryside stems mainly from lack of economic diversification. Historically, the countryside has been the producer of raw products from farms, forests, and mines. Farm products have been the most extensive of these. Their value has been a rapidly shrinking share of the nation's total economy.

Furthermore, technology and mechanization wiped out millions of jobs in the countryside. The man-hours moved to the big cities to make machines and to process the products from the land. Larger operating units in agriculture grew. There are now 3 million fewer farms than 30 years ago.

The bottom fell out of the fragile economy in thousands of small towns when local farms were abandoned and a few town jobs were lost. Stores closed up, hope and initiative vanished. Like all single-economy communities, these towns were poorly prepared to cope with such changes. Single economy restricts a community. It limits opportunities and tends to discourage initiative and ventures in other directions.

Conversely, when a new payroll is created in a small community, the multiplying factor is greater and the impact more far-reaching than in a big city. There are countless examples where a small payroll in a country town has changed the community completely in a few years. For every one of the original jobs, several new ones are created. These factors are important in our efforts to create job opportunities anywhere. This is the new future for the countryside.

THE CITIES MUSHROOMED

The manufacturing industry in its early stages sought population centers that provided railway transportation, power and electricity, water, communication facilities, and certain municipal services. As early industries grew, public ownership and corporate

type of management replaced the founders and local management. Growth depended increasingly on capital from public financing. Millions of people throughout the country and even in foreign countries became stockholders and owners of bonds in American industry.

Likewise, markets for the products became nationwide and international. The contribution by the home cities to the growth of their industries became negligible. Instead, the manufacturing corporation became the economic pump behind the mushrooming growth of most big cities. One measure of this growth momentum is provided by the gross national product, which advanced from 284 in 1950 to nearly 1,000 billion dollars in 1970.

PROBLEMS OF THE BIG CITIES

With this concentration of growth, human problems multiplied and the physical limitations became critical. Industry began to move into more favorable locations. Millions of people became caught up with the unreal world of poverty, filth, smog, noise, crime, unsafe streets, danger to normal development of children and to family life, mental breakdowns, deterioration of human character and efficiency.

Breakdown of public services became common—costs and taxes proliferated. For example, the cost of disposing of waste materials has doubled in the last two years in some cities. The city of New York has to invest \$21,000 in capital outlay on streets for each suburban dweller who has to struggle back and forth for work each day. In a small city one can drive comfortably from the center to the outskirts in a few minutes.

OUTWARD EXPANSION WOULD BRING NEW LIFE TO THE NATION

The nation may no longer be able to afford and people may no longer be able to withstand the strain of the stifling concentration of population and industry within pinpoint areas. There are many basic reasons why we must come to terms with geography—where there is room to grow and where the environment is more favorable:

1. Only by decentralizing can our vast land area and the natural resources of the country contribute most directly to a better way of life for the greatest number of people.
2. New jobs, housing, and more favorable living conditions can be provided at far less cost in the countryside and in small cities than in metropolitan centers. Recent studies show that industry is better off, human efficiency is higher, attitude and home life of people are better.
3. Dispersion could become an important factor in environmental control. Far too little is known about the action of natural processes in assimilating and neutralizing the elements of pollution. Pollution problems should be approached from all practical angles.
4. The excessive concentration of population and industry in the United States makes the country highly vulnerable to nuclear attack. Here, 42% of the population and 55% of our industrial capacity are concentrated in 50 prime target areas. A more rational dispersal of both could add incalculably to the safety of the nation.
5. Population density may be affecting the normal development of the human race. According to Dr. Desmond Marnier, author of *Human Zoo*, crowded cities bring on a variety of physical and mental abnormalities. The research of Dr. Rene Jules Dubos of Rockefeller University indicates that the impersonal relationship of people in our times is producing a gross impoverishment of the individual. Many other authorities continue to sound similar warnings.

MORE LIVING SPACE AND MORE CONGENIAL ENVIRONMENT

Development of the vast body of America in terms of providing people a better place to live and to make a living would add greatly

to the dimension of the human environment. This future development will be centered in the towns. These towns are integral parts of the total countryside. This total countryside includes some 16,000 towns and small cities as well as 98 per cent of the land area and the natural resources in the United States. Some of these towns may be 15,000 in population or larger, but they are all interrelated with the land economy. About 7,000 of these are well situated to accommodate new industry, various businesses, housing, and more people far more economically than is possible in large metropolitan areas.

Already considerable headway is being made in a number of communities where industries have moved in. This kind of diversification supplementing farming or other phases of the land economy has transformed many small towns into prosperous town and country communities. These are living examples of the kind of environment America has to offer additional millions of people.

Why call the countryside "rural?" The term when applied to territories and people outside urban boundaries is ambiguous and out of place. It helps to perpetuate an image of backwardness and to discount the vast physical improvements which have been made in the countryside the last two or three decades. This label was attached to nearly the entire area of the country by the census department more than two hundred years ago. The character of the countryside has changed tremendously in recent years. In most parts of the United States only minutes separate the town and back country.

People today are seeking different values and opportunities than the settlers when they were pushing the frontiers outward. Now families want hospitable and improved living conditions, and industry wants facilities to meet its special needs. Both want to get away from the pressure of overcrowded cities, but they want the amenities of developing communities.

If we travel around the country, we can see how various town-land related enterprises and a new style of living are developing. Farming may also benefit from these changes in many ways beyond the social gains. Thus, we may see a growing number of backward country towns become prosperous town and country communities.

Despite past economic handicaps, there have been vast physical improvements made in the countryside during the last 30 years. This includes more than highways, power, and communications. New schools, health and recreational facilities are widespread. Actually, the record of literacy and high school attendance in many parts of the countryside is higher than in most big cities. Dr. Sidney F. Manland, the President's designate for U.S. Commissioner of Education, has said, "The desperate problem in education is in the large cities."

NEW TOOLS ARE NEEDED

Lack of information and communication channels has held back expansion progress. Publications oriented to the needs of the total countryside and its markets would be of incalculable value. No doubt they could become highly profitable for the publishers as well.

A non-profit association—a sort of countryside Chamber of Commerce—would provide much needed voice and representation for the town and country population. Actually, the total countryside as such has no effective national representation or voice. Town and country people may be the most overlooked segment of the nation's population. The reasons are lack of an organized front and means for communicating.

WHERE IT'S STILL GOOD TO LIVE

Many city dwellers would be interested in learning about the thousands of places in the United States where it is still good to live, where it is safe to walk the streets at night, where there are no threats to burn the

town, where green grass, trees, and singing birds are familiar sights, and where people can work and yet have time to enjoy their homes, to play, and to know their neighbors.

The need has never been greater to open up this vast body of America to provide a more livable environment for more people.

APPRECIATION DAY

HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. SCHMITZ. Mr. Speaker, the National Committee for Responsible Patriotism in its continuing effort to support and honor those groups in our society which contribute to our greatness as a nation have declared today, December 15, Appreciation Day. Today is the day to honor our law enforcement officials and firefighters.

This organization which has in the past led the longest parade in the United States in 20 years in support of our fighting men in Vietnam, coordinated the "Free the Pueblo" petition campaign, and conceived and promoted "Honor America Week," is asking all Americans to show their gratitude to the law enforcement officers and firefighters which provide our civilization first line of defense against internal dangers.

The National Committee for Responsible Patriotism asks that all of our citizens fly the American flag and drive with their headlights on during daylight hours, and that church bells be rung for 5 minutes from 11:55 a.m.

This is an effort worthy of the support of all Americans who appreciate the outstanding job being done by police and firemen under the most trying and difficult conditions.

MORE FACTS ABOUT THE LETTUCE BOYCOTT

HON. BURT L. TALCOTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. TALCOTT. Mr. Speaker, so many facts concerning the farm labor dispute in California are being misinterpreted by segments of the clergy and the United Farm Workers Organizing Committee—UFWOC—that I want to present some actual figures.

Mr. Cesar Chavez has called a boycott of all lettuce growers in California ostensibly because farm field workers do not earn fair wages and are not represented by unions.

Previously, I have stated that the Antle Co. was unionized long before UFWOC was organized. Antle Co. has had a continuous farm-labor contract with the Teamsters Union since 1961. Ninety-five percent of Antle employees are members of the Teamsters Union. The labor-management contract is better in almost every respect than the UFWOC contract. Mr. Chavez is now in jail for deliberately disobeying a court order prohibiting

the boycott of lettuce produce by Antle Co. This matter is still pending.

Other lettuce producers in the Salinas Valley also have labor contracts with the Teamsters Union. Two companies which produce lettuce in the Salinas Valley have contracts recently entered into with UFWOC—but they are out-of-State companies whose principal products are bleach and bananas—Purex and United Fruit. Another company, D'Arrigo Brothers, produces both grapes and lettuce and their labor contract signed in the San Joaquin Valley during the grape boycott last year required them to include their lettuce operations in the Salinas Valley this year. The latter labor contracts were imposed on the farm employees by the employers to protect their principal products from a secondary boycott. A secret ballot was denied the employees.

I requested payroll information from Merrill Farms of Salinas to ascertain exactly what farm labor wages were this year, 1970, in a typical lettuce producing company in the Salinas Valley.

The following information is a summary. More detailed information is available. The payroll records of farm labor are not confidential.

There are approximately 70 workers in the lettuce harvesting crew of Merrill. Their wages are computed on a crew-average piece rate. Work was available to these workers for 50 weeks during the past year; 28 summer weeks near Salinas, Calif., and 22 winter weeks near Yuma, Ariz.

Any person who chose to work each day the crew worked would have averaged 39 hours of work each week. For each of the 50 weeks he would average \$164.83 or \$4.24 per hour. During 1970, calculating earnings for the remaining 3 weeks on prior experience, he would receive a total income of \$8,241.71. In addition, each employee is covered by and entitled to:

First. California unemployment insurance—3.5 percent of total payroll, paid completely by Merrill Farms.

Second. Workmen's compensation insurance—paid completely by Merrill.

Third. California State disability insurance—1 percent of earnings, paid by worker.

Fourth. Health and welfare and major medical insurance and other benefits as stipulated in the field labor contract with the Western Conference of Teamsters—paid completely by Merrill.

Fifth. Room and board for workers who choose to stay in company housing at \$3 per day. Free transportation to and from work is also available if desired.

Sixth. Social security benefits—4.8 percent of earnings paid by employee, matched by 4.8 percent by Merrill.

Seventh. Safety, sanitation, and health regulations, the most stringent in the Nation, implemented by city, county, State, and Federal inspectors.

This summary is typical for the Salinas Valley. These are low or nonskilled workers. They cannot earn this much money doing anything else anywhere else. They enjoy more fringe benefits than any other farmworker in the United States. They are unionized. They are caught in a jurisdictional dispute

between a bona fide union—Teamsters and UFWOC—an organizing committee—not a union.

If you boycott lettuce you are encouraging a secondary boycott—even tertiary boycotts; you are "union busting"; you are depriving low-skilled workers from earning the best livelihood available to them; you are contributing to the mechanization of all harvests which reduces the quality of produce and increases the cost to the consumer.

I urge my colleagues to support national farm labor legislation which will preclude secondary boycotts and jurisdictional strikes in agriculture as in other industries and business. I urge legislation which will bring the working and living conditions of farmworkers up to the California levels. I urge legislation that will guarantee the farmworker the right to organize and to bargain collectively and to vote for his union representation by secret ballot. The boycotts and jurisdictional strikes are depriving the farmworker of legal rights taken for granted by workers in all other industry and business.

ANOTHER APPARENT TRAVESTY AGAINST SOME 20 MILLION SENIOR AMERICAN CITIZENS

HON. JACK H. McDONALD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 15, 1970

Mr. McDONALD of Michigan. Mr. Speaker, I am embarrassed today to come before this body with an example of what is apparently another travesty against some 20 million senior American citizens.

One of my constituents, who retired in 1968, brought to my attention the fact that retirees must pay income tax quarterly on an estimated basis. It is not my intention today to quarrel with that regulation, Mr. Speaker, but to communicate it to others who either have just retired or are about to do so. That communication is apparently lacking with either the Internal Revenue Service or the Social Security Administration.

Communications are the backbone of any governing body. There is not one man here on the floor of the House of Representatives who does not communicate with his constituents. He who does not communicate, cannot serve.

So that others may be informed of this regulation, I am enclosing copies of letters sent today to Commissioner Robert M. Ball, of the Social Security Administration, and to Commissioner Randolph W. Thrower, of the Internal Revenue Service to be printed as part of my remarks.

I would hope that these two vital departments of the Federal Government will show that I am wrong, and that those who retire on small pensions and Social Security are given the fullest possible information by each of these agencies upon retiring. And if I am not assured that it is being given, I trust I will be assured that it will be given from this day forward.

We have too often denied our senior

citizens the right to a basic standard of living, and a quality of life commensurate with their contribution to this Nation. I will not tolerate any additional burdens or harrassments due to lack of communication with any agency of the Federal Government.

The letters referred to follow:

CONGRESS OF THE UNITED STATES,
Washington, D.C., December 14, 1970.

Commissioner RANDOLPH W. THROWER,
Internal Revenue Building,
Washington, D.C.

DEAR COMMISSIONER THROWER: Enclosed are copies of a proposed penalty tax set against one of my constituents, her letter to me, and a letter I have sent to the Social Security Administration.

It is my judgment that some place along

the line, communications have either broken down or never have existed between your office, Social Security, and some 20 million retirees.

At your earliest opportunity, I would like your comments on why it took 18 months to inform my constituent that she was to pay her taxes quarterly.

Pending your reply, and a reply from the Social Security Administration, I am requesting that the IRS withhold any attempts to collect the proposed penalty.

Sincerely yours,

JACK McDONALD,
Member of Congress.

CONGRESS OF THE UNITED STATES,
Washington, D.C., December 14, 1970.

Commissioner ROBERT M. BALL,
Social Security Administration Headquarters,
Baltimore, Md.

DEAR COMMISSIONER BALL: One of my constituents (letter attached) has been fined by the Internal Revenue Service for failure to pay her income tax quarterly, as prescribed by law. From her letter, I gather she was not informed upon retirement that she would have to pay quarterly.

There is an apparent lack of communications between retirees and regional Social Security offices. Will you inform me at your earliest opportunity whether retirees are informed of this regulation at the time of their retirement? And if no, why not?

Pending your answer, I am requesting the IRS to withhold any attempts to collect the penalty from my constituent.

Sincerely yours,

JACK McDONALD,
Member of Congress.

SENATE—Wednesday, December 16, 1970

(Legislative day of Tuesday, December 15, 1970)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by Hon. BIRCH BAYH, a Senator from the State of Indiana.

The Reverend Dr. C. Ralston Smith, director of development, Christianity Today, Washington, D.C., offered the following prayer:

Almighty God, our gracious Heavenly Father, we thank Thee for Thy generous treatment of us and all men. We recall with gratitude that Thou dost cause Thy sun to shine on the evil and the good; and dost send Thy rain on the just and the unjust.

We commend to Thee this deliberative body of our Government. Thou alone knowest the opportunities for service awaiting and the temptations to default lurking ahead in this day. May Thy wisdom guide and Thy courage empower these leaders of our people. Let the wills of the Senators conform to Thy will, and the ends which they seek be agreeable to Thy purposes for our Nation.

We seek Thy blessing also for our President and the leaders of his Cabinet. Endue them plentifully with grace and understanding that the fulfillment of their hopes might be a means of peace in this country and among the family of nations.

Finally, watch over our fellow citizens in the service of our country. Wherever they are, let them sense Thy nearness and Thy love. Let this be true particularly for those imprisoned and their waiting families, longing for an early joyous reunion.

These things we implore in the name of Bethlehem's Babe, Jesus Christ. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. RUSSELL).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., December 16, 1970.
To the Senate:

Being temporarily absent from the Senate, I appoint Hon. BIRCH BAYH, a Senator from the State of Indiana, to perform the duties of the Chair during my absence.

RICHARD B. RUSSELL,
President pro tempore.

Mr. BAYH thereupon took the chair as Acting President pro tempore.

SPECIAL FOREIGN ASSISTANCE ACT OF 1971

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the pending business, which the clerk will state.

The legislative clerk read as follows: H.R. 19911, to amend the Foreign Assistance Act of 1961, and for other purposes.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, the Chair recognizes the distinguished Senator from Florida (Mr. HOLLAND) for 30 minutes.

Mr. MANSFIELD. Mr. President, will the distinguished Senator from Florida yield to me for a few unanimous-consent requests?

Mr. HOLLAND. I am happy to yield to the majority leader for that purpose.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Tuesday, December 15, 1970, be approved.

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

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

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

NOTICE OF OBJECTION TO COMMITTEE MEETINGS

Mr. MANSFIELD. Mr. President, for the information of the Senate, after discussing this matter with the distinguished minority leader, the leadership wishes to serve notice that we will object to any committees meeting after today, except under extraordinary circumstances. This, of course, does not apply to conference committees and does not apply to the permission granted by the Chair for committees to meet today.

We think, however, that Senators should be here facing up to the issues and participating in debate and, hopefully, helping to make some progress not only on the unfinished business but also on other matters before the Senate.

Time is growing short. We have a collective responsibility as well as an individual responsibility. I would hope that all Senators would subordinate their personal feelings to the collective will of the Senate, so that we may complete as much of the business before us as possible in the few days remaining.

Mr. SCOTT. Mr. President, will the Senator from Florida yield to me for a few moments?

Mr. HOLLAND. I am glad to yield.

Mr. SCOTT. With the consent of the distinguished Senator from Florida, and if the distinguished majority leader will yield further, I should like to recall that on yesterday, both of us urged that a vote be taken on the pending amendment as soon as it could be reasonably managed.

I serve notice that if we have extended debate on amendments whose subjects have been discussed for so many weeks in the Senate, I shall make a motion to table these amendments.

I regret to do so. Of course, if anyone can convince me that there is need for more time, in all good reason, then I would certainly be amenable; but time is running out and those who believe that the educative process needs to be continued indefinitely should know that they are depriving someone else's children of enjoying their families at Christmas. That also is an overriding consideration.