

education, and (4) federally assisted opportunities. Prohibits such discrimination in housing. Amends the Education Amendments of 1972 to prohibit such discrimination in federally assisted education.

H.R. 6142. April 6, 1977. Judiciary. Requires candidates for Federal office, Members of the Congress, and certain officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions.

H.R. 6143. April 6, 1977. Interior and Insular Affairs. Enlarges the boundaries of Sequoia National Park, Calif., by including the Upper Kaweah River addition.

H.R. 6144. April 6, 1977. Judiciary. Establishes a system for settling disputes and appealing decisions settling disputes between executive agencies and private contractors. Permits the establishment within each agency of an agency Board of Contract Appeals. Requires the establishment of procedures for appeals involving claims of \$25,000 or less.

H.R. 6145. April 4, 1977. Veterans' Affairs.

Provides that recipients of veterans' pensions and compensation will not have the amount of such pension or compensation reduced because of increases in social security benefits.

H.R. 6146. April 6, 1977. Merchant Marine and Fisheries. Amends the Marine Mammal Protection Act of 1972 to require the establishment of progressively lower quotas for the taking of marine mammals incidental to commercial tuna fishing.

Requires the Secretary of the Treasury to ban the importation of fish and fish product from foreign nations causing the incidental killing of or serious injury to marine mammals in excess of standards set by this Act.

H.R. 6147. April 6, 1977. Ways and Means. Amends the Internal Revenue Code to allow as a deduction an amount equal to 25 percent of the gross income from geothermal resources property. Provides for the deduction of intangible drilling and development costs in the case of geothermal property.

H.R. 6148. April 6, 1977. Judiciary. Subjects, with certain exceptions, to the appro-

priate punishment for the commission of a criminal act within the special maritime and territorial jurisdiction of the United States persons committing a like act in Antarctica if (1) such person is a United States national or a member of a United States expedition, or (2) such act is committed against property of the United States or against the person or property of a United States national or a member of a United States expedition.

H.R. 6149. April 6, 1977. Judiciary. Directs the Secretary of the Treasury to pay to the Contra Costa County Water District, Concord, California \$156,000 in settlement of any claim of the Water District against the United States due to Federal condemnation of land surrounding the Naval Weapons Station in Concord.

H.R. 6150. April 6, 1977. Agriculture. Amends the Commodity Exchange Act to authorize the President to remove for cause a Commissioner of the Commodity Futures Trading Commission.

EXTENSIONS OF REMARKS

MASON W. GROSS

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. THOMPSON. Mr. Speaker, those of us who have over the years legislated in the area of higher education were enormously saddened with the news of the death of Dr. Mason W. Gross, former president of Rutgers, the State University of New Jersey.

Dr. Gross assumed the presidency of Rutgers at a time when the university was rather uncertain as to its direction and role in higher education. With enormous skill and a good deal of courage, Dr. Gross put into effect policies which have brought the university into a position of esteem and prominence. Perhaps his finest moment came when he prevailed against those who challenged the principle of academic freedom at the university. Later, he insisted upon giving minority students an opportunity to enter the university under a special program. Time has vindicated his wisdom and judgment in that regard.

Mr. Speaker, I am pleased to share with you an editorial from the Home News of New Brunswick, which commented recently upon Dr. Gross and his contributions:

Mason W. Gross, 1911-77

He was a civilizing influence—upon the state of New Jersey, the nation and upon higher education. He was a Renaissance Man who did several things well and was interested in everything from football and crew to the most abstruse problems of symbolic logic.

His name meant "Great Bulldozer," an apt description of a man who lifted Rutgers, during his 11 years as president from a rather mediocre school to a first-rate American university. During his tenure the school spilled over the banks of the old Raritan throughout the state, the enrollment grew to 32,000 students and the physical plant quadrupled in size.

While presiding over such a massive undertaking he miraculously found time for active work in the community and the nation—as president of Middlesex General Hospital, founder of the Middlesex County

Planning Board, chairman of the state Labor Mediation Board. He played a leading role in helping refugees after their flight from Soviet-occupied Hungary in 1956.

An outspoken man who refused to be politically neutral, he was state chairman for the election of LBJ in 1964, fought against the Vietnam war, protected the academic freedom of a controversial history professor who called for a Viet Cong victory.

One was likely to find him in sophisticated talk with publishers or on a late-night TV spot for clean air and water.

He called on those upset by student protests in the 1960s to look for the causes and not just the phenomena of American unrest, and he never feared a battle even with governors and state legislators to further his university.

The students called him a folk hero and he was probably the only university president in America whose face adorned an undergraduate sweatshirt. He always had time for individual problems and was an excellent listener. Once he found time to counsel for an hour every week, a student with emotional problems.

Naturally he made enemies. He was sometimes an impatient man with little tolerance for what he considered nonsense. His detractors were never able, however, to convince the public that this strong-minded man was weak and vacillating.

His favorite role was teacher. Even as a college President Mason Gross continued to teach philosophy courses, and one of the themes that he repeatedly struck was that education was more than a matter of expertise, but had to do with a sense of beauty and humane feeling.

"Knowledge is power," he said in a commencement address, "and power that thrives on being put to work. When we lose sight of this, we tend to trivialize our intellectual efforts."

To him knowledge was not an arcane matter for scholars to argue at conventions, but connected with the values by which he lived. It was quite a life, and we are all the richer for it.

COMPARES CHINESE AND UNITED STATES SCHOOLS

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. SIMON. Mr. Speaker, the distinguished and respected columnist, Carl T.

Rowan, had a column the other day about Chinese schools and U.S. schools that merits wide circulation and attention.

Precisely how we can effectively respond to the challenge which he presents, I am not sure, but I am certain that much of the determination of how and where we go in the future rests on how we respond to that challenge.

CHINA'S SCHOOLS BEAT OURS

(By Carl T. Rowan)

SHANGHAI.—I have just completed a visit to the Children's Palace, a sort of "community center" where 800 or so children go after school.

There I saw and heard violin recitals by 12- to 16-year-olds, puppet shows by 4-year-olds, dances by 8-year-olds, a band concert by children 10 to 14, accordion solos by junior high schoolers, artistic work with paint, clay, paper, by children of all ages.

I left the Children's Palace, as I have left other Chinese schools, certain of two things:

1. The Chinese are counting on education to launch them into economic, technological and military parity with the Soviet Union and the U.S.

2. The Chinese made me ashamed of the abominable excuse for education that is being given to millions of American youngsters.

I watched Chinese 15-year-olds studying advanced physics, building transformers and radios that worked, printing electronic circuitry. I watched children 5, 10, 12, demonstrate remarkable poise and articulation—children taught and coached painstakingly by teachers who obviously care—and I contrasted that with schools in my own land which push kids out of school who cannot read, cannot talk, cannot play any instrument and who have no respect either for themselves or the society in which they live.

Some readers will say angrily that "Rowan is glorifying them Commies," but "the truth is the light." The truth is that the Chinese are preparing some 400 million youngsters to rule the world while we are yarning and abusing millions of our children, inviting them to destroy America.

China's schools are disciplined almost beyond a modern American's belief.

China's students have no problem with heroin, marijuana, LSD, whisky or any other drugs.

Mrs. Chu Chin-na, deputy chairperson of the Women's Federation in a "new workers residential area" in Shanghai, looked at me as if I were insane when I asked if any girls had had to leave school because of pregnancy.

A senior government official told me proudly that his 14-year-old daughter wouldn't even speak to a boy at school.

The Communist party here seeks to take credit for better education, high morality and all else. In Canton they boast that enrollment in primary and night school is five times what it was at the time of "liberation"; Nanking claims "15 institutions of higher education, 163 factory run . . . colleges, 6 . . . agricultural colleges, more than 380 high schools, and over 1,900 primary schools as against 5 colleges, 70-odd middle schools, and 800-odd primary schools before liberation." Nanking also claims a 400 per cent increase in enrollment. Shanghai claims universal education with 2,190,000 pupils in 5,300 schools and 33,000 students in 16 institutions of higher learning.

The Chinese now have day-care centers, nurseries, primary and high schools, and sometimes colleges connected with every factory or commune.

From what I saw, China's system is changing the people and the country—even though China is beset by grinding debates over fundamental education vs. modern, exams or no exams, studying foreign languages and cultures or not.

The important reality is that China is preparing her children to cope. In a tragic number of cases, we are not.

Our distaste for Communism ought not prevent us from looking for what we might learn from China in this regard.

HARLEY WYATT, JR.

HON. E. THOMAS COLEMAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. COLEMAN. Mr. Speaker, I wish to take this opportunity to recognize a constituent of my sixth congressional district who recently was honored by his peers in the field of college admissions counselors.

On October 6, 1977, at the 34th annual conference of the National Association of College Admissions Counselors, Mr. Harley Wyatt, Jr., director of admissions at William Jewell College of Liberty, Mo., received the coveted Gayle C. Wilson Award.

Harley Wyatt, Jr., is a people-oriented man. He approaches life with a twinkle in his eye. He is the kind of person that is always there to lend a helping hand to a new student or a colleague in the field of admissions or high school counseling.

The number of people whose lives have been touched and helped by this unselfish individual are too numerous to mention, but suffice it to say, he is a man who puts himself last and truly cares about what happens to people.

In addition to his position as director of admissions at William Jewell College, Mr. Wyatt has also been past chairman of the NACAC convention, and credentials committee. Mr. Wyatt was past president of the Missouri ACAC and former president of the Association of Collegiate Registrars and Admissions Officers, among many other professional educational associations.

Mr. Wyatt is an outstanding leader in the field of college admissions. I consider it an honor to be counted among his friends and I congratulate him on this significant award.

CHOOSING VICTIMS FOR A HOLOCAUST

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. EDWARDS of California. Mr. Speaker, in the debate on the neutron bomb it was made clear that the U.S. military plans to equip the NATO forces in Europe with this new weapon.

Le Monde, the influential French newspaper, views this idea with dismay. The following is an editorial from the September 29, 1977 issue:

CHOOSING VICTIMS FOR A HOLOCAUST

The nuclear plans group which brings together in Brussels experts from the bigger NATO countries, except France, has not formally objected to the United States government's intention to mass-produce neutron bombs and deploy them eventually in Europe if President Carter decides to give the go-ahead for the project as is expected. Hesitating, as one diplomat put it between "indecision tending to assent and assent tending to reservation," NATO's experts have agreed, without enthusiasm, to sacrifice Europe to the nuclear holocaust set off by what the Soviets describe as the "cruel and barbarous bomb."

Scientists call it an enhanced radiation weapon. The public has come to know it as the neutron bomb, ever since a very large part of the Western and Soviet press condemned this summer the existence of a thermonuclear fusion device favouring, of one may put it that way, the spread of neutron radiation at the expense of its blast, heat and shock effects, which have all been deliberately reduced.

These same scientists triumphantly point out, of course, that the neutron bomb is not new, for it was tried out as far back as in 1963 by the United States, and the Soviet Union—even France for that matter—probably have the wherewithal for manufacturing it. Nonetheless, world opinion discovered with horror and surprise that there could be weapons able to distinguish enemy equipment and buildings from enemy personnel, the better to destroy people and space the material for use in a military occupation of an adversary's territory.

Unmoved by world reaction, military men say the neutron bomb has a precise deterrent role. It is considered the most effective way of blunting a massive armoured attack on European soil, which is the assumption usually invoked by Western military high commands in their assessments of the present strategy of the Warsaw Pack power. At the same time these Western military men dream—technology permits them to dream—of having low-powered miniature tactical nuclear weapons with a selective field strike capability so as to counter-balance the increase in conventional forces of the Eastern countries.

Whatever the Americans say, the neutron bomb is destabilising. It opens the way to a gradual shift from conventional to nuclear war. It makes people used to the idea that the nuclear weapon has ceased to be an unusable deterrent and become a weapon to be actually employed on battlefields. What is more, its high degree of miniaturisation and the ease with which it can be handled reduce the effectiveness of keeping a political check on it from a distance, and increase the chances of its being used without warning as a tactical weapon.

Europe has everything to lose by becoming an operational theatre or testing ground for such weapons which make nuclear war possible and which mainly serve the strategic

interests of an American anxious to limit its commitment in conventional forces in Europe. At a time when Washington says it is optimistic, in the long run, about the talks on arms reduction and Moscow is proposing a suspension of underground testing, it is dismaying to note that NATO's European members have agreed henceforth to be the chosen and willing victims of the neutron bomb.

PEACE INITIATIVES IN MIDDLE EAST

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. COTTER. Mr. Speaker, 2 weeks ago the United States and the Soviet Union issued a joint communique outlining a common policy for the Middle East Geneva Conference. This policy statement generated a great deal of alarm both within Israel and this country because of the major shift it indicated in the administration's attitude toward a Middle East peace settlement.

I was disturbed by this development and explained the reasons for my concern in a recent letter to President Carter, which I would like to share with my colleagues.

HOUSE OF REPRESENTATIVES,
Washington, D.C., October 11, 1977.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I respect your foreign policy record, especially your defense of human rights, but I want to share with you my concern, and that of many of my constituents, over our government's recent peace initiative in the Middle East.

First, why did the joint U.S.-Soviet communique outlining a common policy for the Geneva conference fail to mention that United Nations resolutions 242 and 338 should be the basis of negotiations? Did the United States make any effort to press the Soviets on this point?

Second, the method by which the communique was released is also of concern. The communique signifies the specific inclusion of USSR in the Geneva negotiations. This, of course, was the cause for the outburst of concern. Perhaps much of this adverse reaction could have been alleviated if you had personally explained its significance in an address to the American people. The element of surprise in this most sensitive area of the world is counterproductive.

Third, what is the Administration's present attitude toward the role of the Palestine Liberation Organization in the Palestinian homeland you have advocated? Would the United States delegation at Geneva resist any attempt to impose a P.L.O. regime on the West Bank Palestinians?

It seems to me that, among the "legitimate rights" of the Palestinian people, would be the right for all political forces to participate in their community's political future. The official Arab posture that the P.L.O. is the exclusive representative of the Palestinian people seems to stand in the way of that goal.

Mr. President, I know you support Israel's right to exist and America's traditional friendship with Israel. But I think Israel's many friends in this country, including myself, would be grateful for more specific assurance that a peace settlement will not be imposed on the Israeli people.

I am looking forward to your response.
Sincerely,

WILLIAM R. COTTER,
Member of Congress.

THE LABOR LAW REFORM BILL

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. STEERS. Mr. Speaker, on Thursday, October 6, 1977, the House passed by a vote of 257 to 163, the bill H.R. 8410, Labor Law Reform Act. I voted for this bill, because after the House completed action on the bill, I felt that most of the legitimate concerns of the business community had been answered.

I would be less than frank if I told you that I supported this bill from the outset. I had several major concerns that had to be resolved before I would vote for H.R. 8410. The bill as reported by the House Education and Labor Committee had inserted the provision that no more than a simple majority of the board members may be a member of the same political party. I felt that it was possible that the administration in power, this one or one in the future, could stock the board and eliminate careful nonpartisan work that has marked the efforts of the National Labor Relations Board. The committee's action prevented any such occurrence.

There were also provisions in the bill to allow for three two-member panels to sit and decide on noncontroversial standard labor law decisions. I felt that the two-member panels were inadequate to protect the interests of both parties. I supported an amendment that would increase the panels to three members. This amendment was adopted.

The bill as approved by the committee called for elections to be held within 15 days if the labor organizers had obtained signatures on authorization cards of a majority of the workers. In my discussions with business leaders it was clear that they felt that the 15 days would not be sufficient time for them to present their case to the workers. This time limit was increased from 15 to 25 days, and longer for the more complicated cases. This amendment was approved, also.

Finally there were two other provisions that were amended by the House. The first extended the equal access provisions of the bill to allow employers to visit union halls and other prounion gatherings. The second provision eased the debarment remedy by giving the Secretary of Labor greater flexibility in applying that section of the bill against noncooperative employers.

Let me stress that I believe this bill strikes the proper balance between the rights of unions to organize and the rights of employers to operate their businesses. I do not believe that H.R. 8410 will lead to "rampant unionism" that could destroy our economy. I do believe the bill is fair and is aimed to deal effectively with employers who

have flouted the law and have never paid the penalty. This is the sort of positive legislation that will, I hope, take much of the conflict and antagonism out of labor-management relations.

CANONIZATION OF FATHER CHARBEL MAKHLouF

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Ms. OAKAR. Mr. Speaker, the recent canonization of Father Charbel Makhlouf, a Lebanese Maronite hermit monk is the cause for celebration. This holy man, who died in 1898 at the age of 70, is the first member of the Maronite Catholic rite to be canonized in the Roman Catholic Church.

At a time when Lebanon is attempting to recover from such devastating internal problems, Father Charbel's canonization bears a special significance for the people of that troubled land. This was evident in that some 6,000 Lebanese representing the entire spectrum of Lebanese political and religious life were present at the ceremony in St. Peter's Basilica, Rome. They participated with thousands of other Christians from all over the world in this joyful occasion.

It is also symbolic of the special link between the Roman Catholic Church and the Maronite Catholic Churches that Maronite Patriarch Antoine Pierre Khoraiche participated in the canonization ceremony, and joined with Pope Paul VI in celebrating the Mass.

Father Charbel is Lebanon's first saint, and although he has been canonized by the Roman Catholic Church, he truly belongs to all faiths. His shrine is a mecca for all Lebanese and Maronite and Catholics everywhere and hopefully with his intercession, peace will finally come to a such a beautiful country. May I submit for the RECORD the following article which appeared in the Washington Post.

LEBANESE CHRISTIANS SEE SPECIAL SYMBOL IN NAMING OF SAINT

(By Thomas W. Lippman)

BAABDA, LEBANON, Oct. 9.—For the Maronite Christians of Lebanon, this was a day of exaltation and of defiance.

Charbel Makhlouf, a 19th Century monk and hermit, became the first Maronite in history to be formally canonized as a saint of the Roman Catholic Church.

The Vatican ceremonies, conducted by Pope Paul VI, were carried live on television here and whole families gathered to see their political and spiritual leaders take part. Thousands more marched barefoot for hours to St. Charbel's hilltop monastery in a demonstration of their faith.

President Elias Sarkis, Christian like all his predecessors, joined them there in a solemn Mass of celebration.

For Lebanon's Maronites, the significance of the event was more than religious. The Maronites, Christian Arabs who broke with the Roman Catholic Church in the 7th Century and returned to it 500 years later, have proclaimed their own saints in the past, but Charbel was the first to be canonized by the Vatican.

Thus, the ceremony reaffirmed the Maro-

nites' ties to the West that have sustained them through centuries of conflict with the Moslems who surround them. They took it as a sign of recognition by the outside world that Lebanon's Christians are something more than the trigger happy militiamen who fought the country's Moslems in the recent civil war.

The government has been criticized for its decision to televise the canonization proceedings, to encourage Lebanese to go to Rome to participate and to assist in organizing the trek to the monastery, which, critics say, has only contributed to the country's divisions. Others say that failure to acknowledge the event would have so antagonized the Christians that the results would have been worse.

In a message sent from Rome, where he assisted the Pope in the Mass of canonization, the Maronite Patriarch, Antonious Boutros Kuralsh, said that Charbel's sainthood "means a great deal for the Maronite sect, for Lebanon and for the church as a whole."

He said it means "great spiritual rejoicing after the great crisis to which the church was subjected, after the loss of thousands of its children, the attacks on its churches and institutions and the smearing of its reputation."

He also said it was a source of hope that "God will not abandon the Maronite sect in the future," because of "the sacrifice of the many martyrs who preferred death to apostasy."

It appeared that a cynical Moslem observer was not far wrong when he said, "They think it shows that God is on their side."

That was certainly the atmosphere in which the ceremonies were watched here in the home of Joseph Nahme, an amateur historian who spent 40 years in Lebanon's Christian dominated army. Nahme and his wife and daughters were like American football fans cheering for their team as the Pope and their patriarch canonized Charbel while their Christian countrymen sang and prayed.

"Today, all the world can see that we are not savages," Nahme said. "We aren't fanatics. It's the Moslems who think that unbelievers are infidels and heathens. But we had the courage to fight for ourselves."

In phrases that have been heard from countless Lebanese Christians during the years of religious strife here, Nahme blamed the country's majority Moslems for the trouble, saying they wanted to "massacre" the Christians. He complained that until today, the Maronites' fellow Christians in Europe and America had chosen to ignore this persecution because "Your God is Arab oil money."

This kind of thinking is not unusual in Lebanon, where the civil war ended only when the Syrian army imposed peace. No one imagines that the roots of the strife have been killed or that the bitterness of the war has faded.

Nahme's feelings are common among the Christians of Lebanon, who have continued to recruit for their militias and to solidify their control over the parts of the country they dominated during the war.

The sentiments are just as strong on the other side, among the Moslems who resent the domination of the country's economic and political life by a European-oriented minority and by their Palestinian allies who know that the Christian leadership wants to throw them out of Lebanon. The Christians' military alliance with Israel did nothing to improve relations with the Moslems.

Former President Charles Helou, Phalange Party Leader Pierre Gemayel and members of Sarkis' government were among the estimated 20,000 persons who attended the canonization ceremony at St. Peter's Basilica.

Charbel was born at Beca Kafra in 1828, entered the Monastery of Our Lady of May-

foud 23 years later and was ordained a priest. He died at age 70 after spending his last years at Annaya as a hermit.

INFLATION TOP CONCERN IN WISCONSIN'S NINTH DISTRICT

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. KASTEN. Mr. Speaker, nearly 25,000 residents of Wisconsin's Ninth Congressional District took the time this year to complete my annual legislative questionnaire.

Not surprising, inflation was considered by most people as one of the three most important issues facing the country.

As a reflection of this concern, an overwhelming 92 percent favored a reduction in Government spending even if it meant cutting back some programs they support.

As further evidence of their concern, "Government spending" ranked third among the most important issues facing the country.

Mr. Speaker, this is a clear signal to Congress to eradicate the chief cause of the continuing high rate of inflation—deficit spending. We must work to reduce spending and cut taxes.

I would like to share with my colleagues the complete results of our 1977 legislative questionnaire:

COMPLETE RESULTS OF 1977 LEGISLATIVE QUESTIONNAIRE

1. Do you support a permanent federal income tax cut, rather than a one-time \$50 rebate proposed by President Carter?

	Percent
Yes	93
No	7

2. Should we reduce government spending even if it means cutting back some programs you support?

	Percent
Yes	92
No	8

3. Congressmen just received an automatic \$13,000 pay raise without voting on it. Should they be required to vote on their pay raises?

	Percent
Yes	95
No	5

4. Should there be a limit on the number of years a congressman can serve?

	Percent
Yes	66
No	34

5. Do you support court-ordered busing to achieve racial balance in our schools?

	Percent
Yes	6
No	94

6. Would you favor removing government price controls on oil and natural gas produced in the U.S., if this would encourage development of more oil and gas production here at home?

	Percent
Yes	69
No	31

7. Do you support increased defense spending by the U.S.?

	Percent
Yes	45
No	55

8. Which three of the following do you consider most important issues facing the U.S. today?

(Listed in order of importance)

1. Inflation
2. Energy Crisis
3. Government Spending
4. Too Much Government
5. High Taxes
6. Welfare Abuses
7. Crime
8. Unemployment
9. Environment
10. Farm Income

CARTER ADMINISTRATION NAMES RADICAL TO \$36,000 A YEAR POST

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. RUDD. Mr. Speaker, there are thousands of dedicated American citizens with spotless reputations and unswerving loyalty to our country's political and economic institutions who would qualify for an important \$36,000-a-year position in the Federal Government.

However, it appears that such high qualifications and deep loyalty to American traditions and institutions are not always a key consideration for President Carter and his top advisers.

Sometimes it helps to get a job under this administration if a person has joined in burning American flags, participated in violent demonstrations, and battled against police at a Democratic National Convention, praised the Hanoi government at a time when North Vietnam was killing Americans and South Vietnamese, and espouses a radical leftist philosophy of world socialism.

This is the case in the Carter administration's recent appointment of John Froines, a member of the notorious "Chicago 7," as the first Director of the Occupational Safety and Health Administration's new Office of Toxic Substances.

Froines has a long history of radical leftist associations, which have included violent and nonviolent activities in behalf of asserted causes against American policies and institutions.

In addition to the violent assaults with the likes of Rennie Davis, Abbie Hoffman, Bobby Seale, and other leftists against delegates to the 1968 Democratic National Convention in Chicago, authoritative public sources such as the pink sheet on the left have documented that Froines has been:

A member of the "People's Coalition for Peace and Justice," an antiwar group heavily infiltrated by the Communist Party, U.S.A. He represented this group in France at the Kremlin-sponsored "World Assembly for Peace" in 1972.

A sponsor of the "National United Committee To Free Angela Davis and All Political Prisoners," a group that has been cited by the Federal Bureau of Investigation as a front of the Communist Party.

A delegate to the pro-Hanoi "National Anti-War Unity Conference" in 1973,

organized by Tom Hayden and Jane Fonda following their strategy meetings with Hanoi officials in North Vietnam.

Mr. Speaker, is this the kind of person that the American people want to receive a \$36,000 a year job running a key Federal Government office that affects American business and our economy? I think not.

Why has the Carter administration passed over the thousands of qualified candidates for this position, to appoint a man who according to news reports still ardently advocates a radical leftist philosophy, and most likely will use his new position to help impose unwanted and unnecessary Government regulation and interference on small businesses and employers throughout the country?

I do not believe that a man with Mr. Froines' background should have any job with the Federal Government—let alone a key policymaking position. It is my firm hope that public outrage at such an appointment will convince the administration to give this job to a suitable person.

It is also my hope that such questionable appointments will convince Congress of the need to reestablish some mechanism such as a Committee on Internal Security to maintain proper information about radical activists and groups.

Internal subversion must be closely monitored by our Government, including the Congress, and I believe it was a serious mistake when the House Internal Security Committee was abolished. As a cosponsor of House Resolution 48 to reestablish this committee, I hope that my colleagues will see the far-reaching need for our own mechanism in this area to assist us in the consideration of appropriate national security legislation, as well as of candidates for important high-paying Federal Government jobs.

CHAMBERSBURG, PA., FINALIST IN ALL-AMERICAN CITY CITIZEN ACTION AWARD PROGRAM

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. SHUSTER. Mr. Speaker, I was recently very pleased to learn that one city in the Commonwealth of Pennsylvania had been chosen as one of 22 finalists in the All-American City Citizen Action Award program conducted by the National Municipal League. That city I am proud to say is Chambersburg which is located in my congressional district.

All of the people of Chambersburg should take pride in this achievement since the city was chosen from over 470 applicants. Another unique aspect of this program was stated very well by Borough Manager Julio Lecuona:

It should be stressed the award is really given to the citizens of the town who demonstrate they can organize or meet a challenge to improve the conditions for other citizens. The application was clear in that they (National Municipal League) didn't

want to see what government was doing for the citizens, but what citizen organizations were doing for each other.

The people of Chambersburg are involved and concerned in their community and use their own initiative to solve problems rather than waiting for some government entity to take control.

I wholeheartedly congratulate Chambersburg on reaching the finals and would consider their chances excellent to win it all when the announcement is made early next year.

BILL INTRODUCED TO AID SHIP CONSTRUCTION

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. RUPPE. Mr. Speaker, today I am introducing legislation which is designed to create an incentive for series construction of vessels in U.S. shipyards. Specifically, this legislation would require the Secretary of Commerce to reduce the construction-differential subsidy rate payable under title V of the Merchant Marine Act, 1936, by 5 percentage points if the Secretary finds the type of vessel to be constructed is not a standard vessel and is not an innovative type likely to become a standard vessel; and a standard vessel could substantially serve the purpose for which the vessel is intended to be used.

The concept of series construction of merchant vessels has received the general support of the Shipbuilders' Council of America, the American Institute of Merchant Shipping, and the Maritime Administration during the marine policy oversight hearings conducted by the Merchant Marine and Fisheries Committee in the 94th Congress. The hearing record amply indicates that one of the key reasons why Swedish yards, and other Western European yards in countries having a standard of living comparable to the United States, are competitive on the world shipbuilding market is that they utilize series production.

The concept is, of course, not novel in the United States. Series construction was effectively used by our shipyards during World War II; for example, Liberty and Victory ships. Also, the Secretary of Commerce developed the C-1, C-2, C-3, and C-4-type vessels, as well as the Mariner-class vessels. The Mariners are generally considered by knowledgeable experts as the finest break bulk cargo vessels ever developed in the United States and were by far the most productive and efficient dry cargo ships of their day.

I would like to point out that this legislation, unlike past efforts to promote series construction of merchant vessels, would not result in a reduction in the construction-differential subsidy rate where the vessel design is likely to become a standard design or where a standard vessel would be inappropriate for the trade route on which the vessel is intended to be utilized. Thus, the

bill encourages innovation and takes into account the realities of the commercial marketplace.

PRESIDENT CARTER AND THE TRI-LATERAL COMMISSION: ARTICLE I

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. McDONALD. Mr. Speaker, until recently, the manipulations of David Rockefeller's Trilateral Commission were the subject of concern by a relatively small number of expert conservative political analysts. The pioneering exposé of the total political indebtedness of the former Governor of Georgia to David Rockefeller and his clique of elite international financiers and corporate executives was published in 1976 shortly after the national political conventions by Gary Allen.

Chapter 6 of Mr. Allen's hard-hitting political critique, Jimmy Carter, Jimmy Carter (76 Press, 1976) entitled "The Un-Free Candidate" provided the first account of how a man with virtually no base in any political party was catapulted to the apparent leadership of the free world. The chapter follows:

THE UN-FREE CANDIDATE

Nearly a month before the Democratic National Convention followed its predetermined course, Joseph C. Harsch, featured columnist for the Christian Science Monitor, laid down a line that would be dutifully echoed by other columnists and commentators in the national press:

"[Carter] has that nomination without benefit of any single kingmaker, or of any power group or power lobby, or of any single segment of the American people. He truly is indebted to no one man and no group interest."

Undoubtedly, most of Harsch's readers—in fact, most Americans—believe every word of it. One of the few persons who knew it was a clever fabrication was the author himself.

Harsch knew that Mr. Goobar is owned, lock, stock and peanut barrel, by the most powerful lobby in the country—the one organization that could truly claim to be kingmakers (and unmakers). The group is the Council on Foreign Relations, and Harsch is one of its members.

In a moment, we will document our charge that the Council on Foreign Relations, or, as it is generally called, the CFR, will be the real power behind the throne of a Carter Administration. But first some background information is necessary on this secretive combine—which Harsch himself has described as "the true core of the so-called 'Eastern Establishment.'"

For more than fifty years, the CFR has operated like the Invisible Man in the novel by H. G. Wells. Its influence could be felt everywhere, but its actual existence was seldom seen.¹ The 1650 members of this elitist organization virtually dominate the fields of high finance, academics, politics, commerce, the foundations, and the communications media in this country. As John Franklin Campbell put it in New York magazine on September 20, 1971:

¹ In 1972, my own book exposing the Council of Foreign Relations, *None Dare Call It Conspiracy*, sold over 3 million copies—although the national media never even acknowledged its existence.

"Practically every lawyer, banker, professor, general, journalist and bureaucrat who has had any influence on the foreign policy of the last six Presidents—from Franklin Roosevelt to Richard Nixon—has spent some time in the Harold Pratt House, a four-story mansion on the corner of Park Avenue and 68th Street, donated 26 years ago by Mr. Pratt's widow (an heir to the Standard Oil fortune) to the Council on Foreign Relations, Inc. . . .

If you can walk—or be carried—into the Pratt House, it usually means that you are a partner in an investment bank or law firm—with occasional 'trouble-shooting' assignments in government. You believe in foreign aid, NATO, and a bipartisan foreign policy. You've been pretty much running things in this country for the last 25 years, and you know it."

Just how powerful is the Council on Foreign Relations? Its membership includes top executives from the New York Times, the Washington Post, the Los Angeles Times, the Knight newspaper chain, NBC, CBS, Time, Fortune, Business Week, U.S. News & World Report, and many others. If you have never heard of the CFR before, it is probably because the national media—which it controls—have planned it that way. (And if those same media decide to make a peanut farmer from Georgia an overnight political sensation, they can do that, too.)

CFR members control the big name foundations which expend more money and effort on politics than philanthropy; other members dominate the "best" colleges and universities; in the business community, there is scarcely a company in Fortune's Top 100 that is not directed by a CFR member.

But the major influence of the Council on Foreign Relations is exercised in the most important public power center in the United States—the federal government in Washington, D.C. As Anthony Lukas commented in the New York Times Magazine:

"... Everyone knows how fraternity brothers can help other brothers climb the ladder of life. If you want to make foreign policy, there's no better fraternity to belong to than the Council. . . .

"When Henry Stimson—the group's quintessential member—went to Washington in 1940 as Secretary of War, he took with him John McCloy, who was to become Assistant Secretary in charge of personnel. McCloy has recalled: "Whenever we needed a man we thumbed through the roll of the Council members and put through a call to New York."

"And over the years, the men McCloy called in turn called other Council members. . . . Of the first 82 names on a list prepared to help President Kennedy staff his State Department, 63 were Council members. . . ."

The CFR provided the key men, particularly in the field of foreign policy, for the Roosevelt, Truman, Eisenhower, Kennedy, Johnson, Nixon, and now Ford Administrations. Indeed, the man who is probably the most powerful member of the Ford Administration (including the President) is Henry Kissinger, who has admitted that he was virtually "invented" by the CFR.² And Vice President Nelson Rockefeller is not only a long-time member of the CFR, his brother David is Chairman of the Board of the group. The CFR has rightly been called the "Shadow Government" or the "Invisible Government" of the United States.

What is the goal of the Rockefeller's CFR? The organization makes no bones about it. The CFR doesn't have to disguise its ambi-

² For the complete story of Kissinger's service to the CFR on behalf of "a new world order," see the author's previous book, *Kissinger: The Secret Side of the Secretary of State*. (1976: '76 Press, Seal Beach, Calif.)

tions because the media are not about to excite the public with exposes of it. The Rockefellers and the CFR call their "grand design" a "New World Order." This is a phrase you will hear used again and again by Rockefeller allies and hirelings.

"New World Order" is a CFR code phrase for a one-world government. As John D. Rockefeller, Sr. learned so well, when you control the government, you can control the economy. The Rockefellers have been working for five decades to control the American government so they can dominate the economy.

But, most of the Rockefellers' wealth is located outside the United States. The family has assets and does business in 125 separate countries. The Rockefeller game plan is to consolidate control over the world's economies by merging all the nations of the world under a single Rockefeller-controlled tent. Such a government would have to be a dictatorship, ruled by Rockefeller puppets or by the Communist-Third World bloc.

Since the Rockefellers' assets are spread across the globe, they long ago recognized the need to control U.S. foreign policy, regardless of whether the Republicans or the Democrats are in the White House. But to control policy, you must select the policy makers. This the Rockefeller-CFR combine has done for more than thirty years. Your only choice is between a Rockedem and a Rockepub foreign policy—whichever party is in power, the foreign policy decisions are always in the hands of dependable Rockefeller-CFR men.

What has all of this got to do with Jimmy Carter, that maverick politico from the deep South, who campaigned as a mortal enemy of the Eastern Establishment and the Washington bureaucracy?

It has everything to do with him—because the evidence is overwhelming that it was the CFR, operating as usual far behind the scenes, that "invented" Jimmy Carter for the 1976 election, as it "invented" Henry Kissinger to protect its interests under Richard Nixon.

Jimmy first came to the attention of the Shadow Government in 1970—not by winning the governorship of Georgia, but by demonstrating after the election that he could be as devious and dishonest as any New York banker. By the time his face appeared on the cover of CFR-controlled Time in 1971, some very important people were watching him with interest.

In late 1972, a Harvard professor named Milton Katz received a telephone call from "the grand old man of the Democrats," W. Averell Harriman. Harriman, whose service to internationalism dates back to 1922, when he helped arrange some crucial financing for the Bolshevik conquest of Russia, called Katz's attention to a rising young southerner, Jimmy Carter. CFR-member Harriman knew that fellow-CFR-member Katz had important connections: as a director of the Ford foundation, the World Affairs Council, the World Peace Foundation, and chairman of the Carnegie Endowment for International Peace (four of the most important groups in the country promoting one-world government), Katz could certainly help a deserving young man get ahead.

Katz delivered like a slot machine hitting the jackpot; he arranged to introduce Carter to David Rockefeller. The talented Rockefeller, who is chairman of both the CFR and the ultra-influential Chase Manhattan Bank, has been called the most powerful man in the world.³ It was an auspicious moment for the Georgia crackerjack.

In the fall of 1973, David invited Jimmy to

have dinner with him in London. Over the hors d'oeuvres, David asked Jimmy to become a member of the Trilateral Commission—an important new group David was forming to promote world government. By the time dessert was served, Jimmy had agreed to come on board. The Trilateral Commission in another CFR front (over half of its 65 North American members also belong to the CFR); its purpose, according to Rockefeller, is "to bring the best brains in the world to bear on the problems of the future"—which is Rockespeak for the creation of a World Government.

The founding Director of David's Trilateral Commission was Dr. Zbigniew Brzezinski; he is, of course, a member of the CFR. If you find his name hard to pronounce, we suggest you practice it—for by 1976 Brzezinski had emerged as Carter's chief adviser on foreign affairs and the odds-on favorite to dictate U.S. foreign policy in a Carter Administration. Henry Kissinger has called Brzezinski my "distinguished presumptive successor," and admits that Carter's foreign policy pronouncements are almost carbon copies of his own. If you like Kissinger, you'll love Brzezinski!

Brzezinski, with Carter's blessing, assembled quite a team for the Boy Wonder from Plains. As reported in the June 24, 1976 issue of the Los Angeles Times, here are Carter's key task force members and foreign policy advisers: Zbigniew Brzezinski of Columbia University; the United Nations' major American propagandist, Richard N. Gardner; Richard Cooper of Yale University; Henry Owen of the Brookings Institution, an Establishment "think tank"; Edwin O. Reischauer, former U.S. Ambassador to Japan; retired diplomat W. Averell Harriman; Anthony Lake, a former aide to Henry Kissinger; Harvard professors Robert Bowie, Milton Katz, and Abram Chayes; former Undersecretary of State George Ball; and, former Secretary of the Army Cyrus R. Vance. It would be worth noting if Carter tapped even three or four CFR insiders to help him. But every person on the list is a member of the Council on Foreign Relations!

As Newsweek magazine reported on June 21 of this year, Jimmy Carter is far from being an opponent of the Liberal Establishment:

"Despite the anti-Washington tone of his campaign, a surprising number of Carter advisers are old Washington hands. Joseph Califano, a top LBJ aide, and Theodore Sorensen, JFK's close adviser, will recommend appointments to a Carter Administration. Johnson's former Secretary of Defense, Clark Clifford, will advise the reorganization task force. Other counselors come from Washington's Brookings Institution (frequently referred to as the Democratic government-in-waiting) and that epitome of Eastern establishmentarianism, New York's Council on Foreign Relations."

By this time, we hope you will not be surprised to learn that Califano and Sorensen are CFR members. And while Clifford is not, his Establishment credentials are otherwise impeccable.

But the above list is by no means complete. Added to it should be the names of such major Carter advisers and supporters as: Bayless Manning, president of the CFR; SALT negotiator Paul Nitze; LBJ adviser Paul Warnke; Richard Holbrooke, editor of Foreign Policy magazine; former Air Force Secretary Thomas K. Finletter; Michael Forrestal, a lawyer for big New York investment firms; Alexander C. Trowbridge, Jr., a former Esso (now Exxon) executive who, as Commerce Secretary, helped open the floodgates for shipping strategic goods to the Communist bloc on credits guaranteed by Washington; Gerard Smith, onetime chairman of the Arms Control and Disarmament Agency; and Yale law professor Eugene

Rostow. Every single one is a member of the CFR.

Other CFR members who have helped make Jimmy what he is today include those early contributors to his campaign, Dean Rusk, C. Douglas Dillon, Henry Luce, and Cyrus Eaton. Hail, hail, the gang's all here!

Syndicated columnist Paul Scott, one of the few reporters with the courage to blow the whistle on the Rockefeller-CFR combine, confirmed Carter's close working relationship with the insiders' Godfather, David Rockefeller, in this July 7 report:

"Most intriguing political connection of former Georgia Governor Jimmy Carter is his relationship with international banker David Rockefeller, one of the most influential men in the world.

"... Carter was picked several years ago to serve on the Trilateral Commission, which was organized by Rockefeller to study problems of common interest to the U.S., Western Europe, and Japan.

"The first director of the Commission was Zbigniew Brzezinski, a long-time associate of the Rockefeller family and now Carter's number one foreign policy adviser.

"... Friends of Brzezinski describe him as close to David Rockefeller as is the present Secretary of State Henry Kissinger to David's brother, Vice President Nelson Rockefeller."

David Horowitz, author of *The Rockefeller Dynasty* and a reporter with a solid-brass Liberal credentials, has said that the interconnection of Rockefeller, Brzezinski, and Carter is "very close." Yes, the Carter bandwagon runs on Standard Oil, not peanut oil. He and Rockefeller are as close as two peanuts in a shell.

With friends like these, it is possible to arrange all sorts of amazing "coincidences." Does the CFR want their man to get more attention in the media than any other candidate? Simply turn on the spigot, and paens of praise to Smiling' Jim roll off the presses.

Want to show how it is possible to butter both sides of a peanut at the same time? Voila! You have Leonard Woodcock, dictatorial chief of the United Auto Workers, and Henry Ford II, the creme de la creme of big business, both endorse Carter on the very same day. (But please don't reveal that Woodcock and Ford are both members of the CFR, or that Woodcock also shares a seat with Carter on the Trilateral Commission. You don't want to give away the game, do you?)

Need a Vice President to go with him? How about a leftist Senator from Minnesota who is a member of both the CFR and the Trilateral Commission? When the envelope is opened, out pops Walter Mondale.

Jimmy Carter has been picked by the powers-that-be as their man to ride the wave of the future. To make sure he keeps his surfboard headed in the right direction, they have already surrounded him with veteran campaigners in their march to a New World Order. And Jimmy is proving he is a very willing recruit.

It is no coincidence, therefore, that Carter's two major foreign policy addresses during the primary campaign were both delivered to CFR front groups—the first, before the Chicago Council on Foreign Relations in March; the second before the Foreign Policy Association in New York in June. In both speeches, Carter repeatedly used such CFR code phrases as "a just and peaceful world order" and "a new international order." Those good ol' boys back in Georgia might not have known what was going on, but you can be certain that the makers and shakers in New York, Washington, and a dozen foreign capitals realized precisely what signals were being flashed to them.

James Reston of the New York Times, who is probably the top media insider, said it was "reassuring" to hear young Jimmy echoing "the basic theme of Woodrow Wilson

³For the complete story of the Rockefellers' incredible power, influence, and ambition, see *The Rockefeller File* by this author. (1976: '76 Press, Seal Beach, Calif.)

and the League of Nations, of Roosevelt and Truman at the founding of the United Nations in San Francisco. . . ." It was the same old shell game; only this time it was being played with peanuts, not walnuts.

Conservative columnist Jeffrey Hart saw the shells being switched, but even he didn't realize how thoroughly we marks are being suckered:

"In the primaries, (Carter) ran as a critic of the establishment and of the Washington bureaucracy. He was a totally unfamiliar figure, and he seemed to represent the South, including the Sun Belt. As he rolled on toward the nomination, he gave the inhabitants of the Cambridge-New York-Washington axis some sleepless nights. They know now that he is going to save their bacon."

Carter's speech at the United Nations on May 13, declaring that "Balance of power politics must be supplemented by world order politics," his comments before the Chicago Council on Foreign Affairs condemning "the strident and bellicose voices of those who would have this country return to the day of the cold war with the Soviet Union;" his pledge to the Foreign Policy Association in New York to work for "a just and peaceful world order;" Dr. Brzezinski's declaration to Democratic Congressmen that "We have to establish some sort of global equity"—such messages were more welcome to the audiences they were addressing than an interest-free loan from Chase Manhattan Bank. Needless to say, this is hardly the rhetoric of a Georgia goober-grower who just happened to be visiting a big Yankee city.

The few foreign-policy specifics that Carter has expressed could have been written in the New York offices of the CFR. (In fact, they probably were!) He has said, for example, that he would remove our troops from Europe and Korea, strengthen the United Nations, promote international controls of all atomic power, yield "part" of our sovereignty over the Panama Canal, kill the B-1 bomber, slash \$5 to \$7 billion from our defense budget, and increase foreign aid.

The accent may come from Georgia, but the words are straight from the CFR.

Only a select handful of insiders are supposed to get the message, of course. The fodder that has been prepared to keep the rest of us sheep happily munching, while we're herded into a Rockefeller-CFR world government corral, comes cleverly disguised.

The following editorial from the Scripps-Howard newspaper, the Fullerton Daily Tribune, is typical:

"Rarely has a politician rocketed from obscurity to capture a presidential nomination as has Jimmy Carter, lately an out-of-office peanut farmer in Plains, Ga., and now the morning line favorite to win the White House.

"His feat is all the more remarkable in that he did it with only a small band of disciples in Atlanta and without early help from Democratic party power brokers—congressional leaders, governors, big city mayors, labor chiefs, and wealthy contributors.

"As a result Carter is unusually free of obligations, owing as he does his nomination mostly to himself. 'Nobody has hooks in Carter,' as the politicos put it elegantly and thus if elected, his policies would be set by his own desires and conscience."

Sure. There is about as much chance of James Earl Carter, Jr. double-crossing the Establishment that has made him, as there is of Richard Nixon winning a clean government award. And if, for some reason, the peanut politico does decide to switch sides once again, he will learn—as have other politicians before him—how quickly the Shadow Government can turn a proud peacock into a discarded feather duster.

WHAT IS HENRY REUSS UP TO?

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Ms. OAKAR. Mr. Speaker, yesterday I placed in the RECORD the first installment of an interview with HENRY REUSS that appeared in Nation's Cities. Today, I would like to place in the RECORD the second part of this interview.

The efforts of HENRY REUSS are an inspiration to all of us who are concerned with the resurgence of America's great cities.

Article from Nation's Cities (October 1977) follows:

WHAT IS HENRY REUSS UP TO?—PART II

Nation's Cities: At the Rebirth of the City hearings last fall before the full House Banking Committee, there was expressed the strong opinion that at the root of the urban problem, as it is generally described, were race and income. Was that your feeling from those hearings?

Reuss: I hesitate to come down on any one problem as the sole or even as the principal cause. Certainly, I don't think race is the problem. Poverty is a problem, and many blacks are poor. I wouldn't call that a race problem. Many whites are poor and live in cities, too.

And some of those most disadvantaged in cities aren't so poor at all; they're the lower middle class who suffer from the fact that they get none of the benefits but bear all of the burdens.

The reason why pockets of poverty and unemployment dog the cities is that the federal government has not lived up to, and is still not living up to its obligation to see that every man and woman willing and able to work has an opportunity to do a job.

In fact, since last November, while general unemployment has gone down, happily, by a full percentage point from 8 percent to 7 percent, unemployment among black women and unemployment among black teenagers has not only not gone down, it's actually gone up. We must do something.

FDR, it should be noted, two weeks after he was inaugurated in 1933 started a Civilian Conservation Corps, which became law 10 days after he introduced it. And two weeks after that, 500,000 young men were at work doing useful things. In that case, most of it was out in the countryside. Here the majority of useful things need to be done right at home in the cities making them livable once again.

And there is no reason under the sun why we shouldn't immediately embark upon such a program. No reason other than the torpidity and languor of some of the bureaucracy, particularly the Department of Labor; which, not having done anything for these many years, wants to continue not doing anything.

N.C.: On a different issue, we see the regional disputes growing and growing, and, of course, from the point of view of the cities, this is rather complex. The National League of Cities does not represent northern cities or southern cities. It represents all the cities of the nation.

Do you see beneath that regional fight a reality of problems that are in part attributable to Federal actions and can be remedied? Or do you see in that dispute a working out of what might be described as natural trends that should be allowed to work out? Or do you see it as a journalistic smoke screen of this year?

Reuss: Well, I see it in terms of everything that you've said and something else, too. Last summer I was one of those who founded the Northeast-Midwest Congressional Coalition, which is now in full cry trying to redress the imbalance seen in the older and colder sections of the country that is losing jobs, losing populations, losing income, growing obsolescent.

I in fact do not agree with those of my colleagues from the Northeast and Midwest who sometimes sound as if they wanted to start another war between the states. This should not be a war between the states.

I believe it's desirable to revisit all the formulas in our various aid programs. We have done so in the case of the community development block grant, and I think it has been useful.

And, incidentally, the Congressional Budget Office is going to make a report to us, which we will then issue as a committee print, analyzing all of the formulas and all of the federal grant programs and making observations as to whether they can be made fairer.

While I believe that formulas should be reexamined and programs fixed up where they tend to be unkind to the Northeast and Midwest, nevertheless, here again, I think, the main problem is undoing wrong-headed things that the federal government has been doing. For example, there's no reason whatsoever why the federal government should, as it now does, give a subsidy through tax-free industrial revenue bonds to a community, which, let us say, is in the sunbelt and has zero unemployment in order to pirate away from a New England or Midwest community or Middle Atlantic community an industry that is desperately needed to provide jobs for the people who live there.

Certainly our governmental intervention ought to be neutral. I'm not saying that we should have an expensive program for pirating them back from the South. I wouldn't suggest that. Equally our Economic Development Administration—I think it's in the process of change under Secretary Kreps—has to much too great an extent fostered new development in new areas at the expense of modernizing and rejuvenating the older and colder places.

So I think that what we need is not a dog-eat-dog war between the states, but an attempt to revise and revisit our existing programs so that people who need help wherever they are can get it, and jobs, wherever they are needed, can be fostered. We should not continue to run with programs that have long since outlived their rationale, if they ever had one.

N.C.: Do you think there will be a great deal of stress on this matter over the next couple of years?

Reuss: Yes. I think that the Northeast-Midwest coalition has a reason for being. And it needs to stick to its guns in this connection.

Another upcoming hearing in the next few months concerns the loss of population in our cities, and this mainly means Northeast-Midwest cities. The question we would want to ask in those hearings is, how does the city grow old gracefully?

It may well be that some of our big cities are too big. Very well, how do they adjust themselves to new circumstances of life in a way that prevents acres of wasteland, boarded-up buildings, arson, and a tax base that declines while service needs grow?

N.C.: Certainly in the '60s you would have gotten wide agreement that many cities should be smaller. Now we find reduced population seems to create worse problems.

Reuss: That's because the reduced population hasn't been accompanied by adequate attention to how you live with a reduced population and still produce a good civil life.

That would be the purpose of our hearing. Obviously a city like Detroit, which has concentrated on the auto industry, is going to have to do some deep thinking. A city like New York, which increasingly finds a polarization between it and the neighboring states of Connecticut and New Jersey, is going to have to do some rethinking.

But there is no reason why, for example, American cities can't do what Vienna did. Vienna was the capital of the Hungarian empire, which, with the fall of the Hapsburgs, ceased to exist.

But today, Vienna has adjusted to a smaller population in the most genial and jound fashion and yields a very happy life to its people including visitors such as myself.

N.C.: Won't that be a tremendous adjustment for this country? I sense that many would view that to be defeat.

Reuss: It will be a tremendous adjustment, and, therefore, the sooner we start thinking about it, the better, and that is why we're scheduling hearings on it. I certainly have the view right now that a smaller population needn't be a defeat and that a New York City with a million less people than it had boasted of in its prime, but with more open space and with a more humane life style, would be a lot better than it was before. You don't, for instance, solve the problems of Detroit, with all due respect to the city fathers there, by building a Renaissance Center. If that's all they're going to do, it isn't going to work because beyond the Renaissance Center lie square miles of ghetto that are untouched. Beyond it lie office buildings whose economics have been knocked galley-west by the construction of the Renaissance Center so that while the Renaissance Center may well be a glorious component of an overall plan, here it's a component of nothing. It's a free-standing entity and does not really, in my judgment, make contact with the problems of Detroit.

Sure, it's very fine that Ford moves in white-collar employees from the suburbs to the Renaissance Center. But what happens to the suburb? What is Detroit doing about its future?

I don't mean to pick on Detroit, but here is an American Vienna that ought to be considered how it can grow old gracefully.

N.C.: On the issue of declining population, one of the problems seems to be that the decline is uneven. It is not simply reduced numbers, but it is a different mix, primarily of income. It is the standard story of the relatively well-to-do leaving, the relatively poor remaining, and the concentration then of the problems and the burden on services that is too great for the resources.

What can be done, or what ought to be done, to address that problem? One school of thought argues that there needs to be a balanced population and thus a return of the prosperous to the central city.

The other argues that there need to be policies that will make those people who are poor prosperous. The outcome for the territory would be the same, but for the people involved, quite different.

Reuss: Well, I think they are both right. I can think of about four things that need examination here. You're quite right, of course, that the population evolving out of the central cities, particularly in the Northeast and Midwest, has been uneven, and to a large extent it has been the affluent who have departed.

I think there are several things that ought to be looked at. Number one is something I've mentioned several times already. To what extent have existing laws and customs accelerated this instead of just remaining neutral?

Of course, this is a free country, and the affluent may move wherever they want, and I would not stand in their way. But it is also

true that the highway system; the system of liberal FHA mortgages; the system of revenue sharing, which gives some money to fairly well-off suburbs; and the system of home-ownership tax deductions, which basically benefits just the top one-quarter of the population because other people take the standard deduction and don't get that benefit—all of those things ought to be looked at to endeavor to get to a position where public policy is at least neutral about whether they opt to leave the city or not.

Second, as you have suggested, we ought to move vigorously to bring jobs and economic activity, blue collar and white collar, back to the city. That means the revival of the neighborhoods; that means some sort of method of getting equity capital—some public, some private—into city neighborhoods so that blue-collar and white-collar jobs improve and increase.

Third, you can take some of the curse off the affluent leaving if you have decent arrangements for metropolitan fiscal burden sharing. For instance, in metropolitan Minneapolis-St. Paul, as we all know, there is an excellent law that says that 40 percent of the increase in revenues of the metropolitan area shall inure to the benefit of people throughout the region on a per capita basis. That means that Minneapolis and St. Paul get a little help when somebody puts new tax values on the books out in one of the suburbs.

So some solution to the metropolitan fiscal mismatch is needed. I'm not saying do in the suburbs, I'm saying just the opposite. Suburbs are neighborhoods, and I'm for neighborhoods and want them to continue. But there ought to be fiscal equalization to the maximum extent within our metropolitan areas. And it's the real sin of the states that though sovereignty is lodged in them, they—with a few honorable exceptions—have done nothing about it.

Fourth, I think that if it is done properly, the return of some of the affluent from the suburbs to the cities is a good thing. It saves energy if they're white-collar workers and can walk to work instead of drive 40 miles every day. And it will help on the tax base though I think there are better ways to handle the tax base problem, as I've just mentioned.

From the standpoint of energy saving alone, it's a good idea to have white-collar people who work in the city live in the city. But if you're going to do that, if you're going to encourage the building of luxury apartments and townhouses in the city, if you're going to encourage individual rehab-ers to upgrade Dupont Circle or Capitol Hill in Washington, or similar areas in a score of cities around the country, you're going to, in my judgment, have to accompany that movement by at least two things.

One, the city or the state—I really think it's the state that ought to assume responsibility for it—is going to have to see that every low-income person has a place to go when the house in which he is living is bought by some affluent person who comes in and wants to rehab it and make a \$100,000 house out of a \$10,000 house. You're going to have to see that a person's housing needs are very well taken care of at a rent or at a price he can afford. And that takes some doing. But there are the tools in Section 8 and other programs to do it.

Second, you're going to have to have some change in tax philosophy by the localities if a poor person who stays in his humble home, or humble small business, near where a big rehab movement by the affluent is taking place, finds that his tax valuation is raised by the local assessor on the grounds that he now lives in a classier neighborhood. That is not going to work.

Somehow or another you're going to have to see that that poor person gets tax treat-

ment similar to what he had before the powers and principalities moved in on him.

N.C.: You mentioned equity capital. There are floating around a variety of proposals like the urban development bank that are calculated to attract investments into cities where investment has not occurred or where disinvestment has occurred. Is the simple creation of a financing mechanism like an urban development bank likely to meet the capital needs of older cities?

Reuss: Well, part of the trouble with the existing urban development bank proposals we hear about is that they are so loosely formulated that they conjure up huge bureaucracies, opportunities for political shenanigans such as clouded the last days of the Reconstruction Finance Corporation, and there is imprecision, to say the least, as to what they're supposed to do.

I think that I would like to see three things. First, I would like to see enacted the consumer cooperative bill, a very modest measure but useful and neighborhood-oriented, which has now been favorably reported out by our Banking Committee and just got a rule from the Rules Committee the other day.

Second, I think that the willingness of the banking industry—the financial industry generally—to contribute to the provision of longer-term capital to central-city economic effort ought to be much better tested than it has been. I think that it may be that wiser treatment of our financial institutions can get a lot of run for our money out of them.

Third, however, I think that some kind of a very carefully calibrated urban development bank, federally sponsored and rather lean in its administration, could do some good.

N.C.: A brief and final question. As I recall in the original enactment of revenue sharing, you advanced a variety of reform proposals to be attached to it. Are you still disposed that way?

Reuss: Yes, I think we would be well along the road toward viable cities if we had done what I had unsuccessfully urged we do in 1970 when we passed the revenue sharing bill and what we tried to do again in 1976 and failed to do when we renewed it—namely, tell the states that they will get their revenue sharing widow's mite if, and only if, they make an effort to put forth a long-term plan for helping and saving their cities.

The states' record, it seems to me, is the shabbiest of all three of the levels of government. I haven't given up yet on seeing if we can do something about that.

SHIRLEY MULDOWNEY—FIRST
WOMAN IN RACING

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. BONIOR. Mr. Speaker, I would like to bring to the attention of my colleagues the achievements of an outstanding female athlete. This woman, who I have the pleasure of calling my constituent, has made it to the top in a field of endeavor which has been dominated by men from the beginning. Her achievement is considerably greater because she competed, not in a special woman's division, but against the best men in the sport.

The woman is Shirley Muldowney and her achievement is the 1977 national title

in the National Hot Rod Association, NHRA, top fuel dragster class. Ms. Muldowney is the first woman to ever win that title.

But this title is not Ms. Muldowney's first. Shirley was the first—and only—woman in the United States licensed to drive a top fuel dragster—the fastest of all dragsters, the first woman to reach the finals in a National Hot Rod Association professional category, the first woman to break the 5-second barrier, the first woman to win a NHRA national event in a professional category and the first woman to break the 250 mph barrier.

Beyond these firsts, Shirley has held the record for the fastest drag racing speed ever—252.10 mph—and has once broken her own speed record. Shirley's record itself has since been broken by Jerry Ruth but Shirley can still lay claim to the title of the "world's fastest woman in racing."

Shirley's title means a bit more than the glory of a championship; for her it means she will get a chance to spend more time with her family. In her own words,

It'll mean I'll take off at least one weekend a month without feeling guilty.

Ms. Muldowney should be a source of inspiration to both men and women for her ability, her courage and her simple determination have brought her to the top.

NEW CITIZENS AT HICKEY-FREEMAN COMPANY

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. HORTON. Mr. Speaker, with the complete cooperation of the District Director of Immigration and Naturalization in Buffalo, N.Y., Mr. Benedict Ferro, the citizenship training for Hickey-Freeman aliens was held for the fifth consecutive year. This citizenship training was operated under the auspices of New York State continuing education for adults program under the direction of Stephen D'Agostino. Classes were held on Mondays and Wednesdays from 4:30 to 6:30 p.m. in the Hickey-Freeman cafeteria. By holding the classes in the plant, candidates were able to complete their full day's work without the need for extra travel to an evening school. The teacher for this year's program at Hickey-Freeman was Mrs. Frances Fox.

The names of those persons who were sworn in at the ceremony are:

Francesco Mastroberardino, Concetta Carmela Mastroberardino, Leonardo Pagani, Maria L. Pagani, Maria P. Pagani, Raffaele Parisi, Carmela Callerame, Olexa Charczenko, Nadia Charczenko, Maria Fesik, Archip Fesik, Vincent Vella, Giuseppe Morici, Fina A. Russo, Filippo Sampognaro, Raffaele Teiario, Armando Meli, Concetta Cavallaro, Bartolo Alletto, Fernando A. Sanrocco, Rosa Terranova, Giovanna Ferrauto, Maddalena Dell'Olio, Gisela D'Agostino, Federico Formica, Rosa Visconti, and Dorotea Arbore.

These 27 future citizens took the oath of allegiance before Supreme Court Justice Wilmer Patlow. Speaking to the group of candidates was the Honorable Supreme Court Justice Robert Wagner.

Mr. Speaker, Americans must never forget that our land grew to greatness by being the land of hope and opportunity for peoples from around the globe. It is heartening to me that the melting pot process continues today in my home community of Rochester. I am certain that my colleagues will join me in congratulating these fine new citizens on their achievement, and in welcoming them to full participation in our American system of free and democratic government.

TRIBUTE PAID TO CHARLES MARSHALL

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. SIMON. Mr. Speaker, Ed Darby, the financial editor of the Chicago Sun-Times, wrote his column recently about Charles Marshall, the president of the Illinois Bell Telephone Co., who grew up in Greenville, Ill., which is in my district.

We are proud of the new president of Illinois Bell Telephone, and I am inserting it into the RECORD, not only because of that but because the column touches upon some of the issues that we are discussing in Congress these days.

I hope my colleagues will read the column.

[From the Chicago Sun-Times, Sept. 30, 1977]

WHY PHONE BILL MAY GO HIGHER

(By Edwin Darby)

Like everyone else Charles Marshall knows he is in the hole when he looks at the statistics on the increase in the cost of living. Only the pain is double for him.

Marshall has been president and chief executive officer of Illinois Bell Telephone since April 1977. He arrived in Chicago from New York City where he had been treasurer of parent-company AT&T only a month before the Illinois Commerce Commission handed down a decision that was most painful—for Illinois Bell.

In July, 1976, the telephone company had asked the commission to approve a package of rate increases on a variety of telephone services that would have netted Bell additional revenues of \$110 million a year. Eleven months later the commission told the company it was entitled to increases that would generate only \$8.9 million a year.

Now, after six more months of inflation, Marshall has concluded that the only answer for Illinois Bell is a general increase in basic telephone rates.

"The only major problem our company has here in Illinois," says Marshall, "is inflation. We can live with an inflation rate of 2½ to 3 per cent a year. We can live with that kind of inflation because we expect to achieve an increase in productivity through technology, modernization, smarter management and greater contributions from our people that will keep us even. Our record on productivity increases is excellent. Our gains are often double the national average.

"Anytime you are in a monopoly position—and we are not nearly the monopoly we used to be—you ought to do everything

you possibly can to hold down prices. But an inflation rate double that 2½ to 3 per cent is not tolerable for us without rate relief. Illinois Bell has not had an increase in basic telephone rates in 3½ years and in May the commission denied our request for such things as an increase in the rate for a home telephone extension. We had asked to increase the rate from 95 cents to \$1.25 a month. More than a year ago Ohio Bell was given permission to go from 90 cents to \$1.20."

Marshall is not at all abashed by last week's AT&T announcement that Bell System profits in the first nine months of this year totaled \$4.3 billion. "We simply have to have earnings on that order and better when you consider our investment base and our needs for new investment," Marshall says.

These are home truths for Marshall. He was born in Vandalia, Ill., and grew up in Greenville, a town (then) of 3,000 in southwestern Illinois. His grandfather homesteaded in that country in the 1880s and when Marshall was a child the family farm was on a party line shared by 16 families. It pleases Marshall that nearly 97 per cent of Illinois Bell subscribers now have single party service.

Marshall is also directly familiar with what lack of capital can mean. What he wanted to be as a young man was a farmer like his grandfather and others in his family. His father, a part-time farmer, worked for the Federal Land Bank appraising farmlands for farmers who needed to borrow money. In 1952 Marshall was "farming some bottom land on shares," the "family had just graduated from mules to an inexpensive tractor," and "didn't have the capital to buy the machinery we really needed." In late summer, 1953, Marshall, who had a degree in agriculture from the University of Illinois, spent the early morning hours one day combining wheat and then took off for Chicago to apply for a job with Illinois Bell, having decided there must be a better way. In November that year, after the harvest was in, he went to work for Bell in Chicago as a service engineer. A more accurate title might have been salesman. Marshall spent his time trying to convince service station owners that there was profit for them in installing a coin box telephone.

In the next 23 years, Marshall and his family (a wife, two daughters and two sons) moved 14 times as Bell moved him up the executive ladder.

When Marshall says the Bell System was once more of a monopoly than it is now he is expressing more than a little regret. Bell's standard service and rates for residences and businesses have been threatened particularly, he says, by the entry of the microwave relay people into the business of providing private, leased wires between major cities for corporations. "We no longer have any of the private line business between Chicago and St. Louis," Marshall says, "These competitors move in, use our technology, cut prices below our regulated rates, skin off the cream and leave us with the problems."

PANAMA CANAL: GIVEAWAY OR MAIL FRAUD?

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. MAZZOLI. Mr. Speaker, every office on Capitol Hill is deluged with pre-prepared telegrams, post cards, and mimeographed letters as each controversial issue comes before the 95th Congress.

Every Member encourages his or her constituents to write or send messages on matters of concern. We are all pleased to receive these comments. We learn much from them. They help us cast thoughtful and accurate votes.

However, a situation has come to my attention which causes me to wonder how many of our constituents actually sign, authorize, or even know anything about the communications arriving in our offices over their names.

I recently got a letter from two constituents who complained about having received a response from me on the Panama Canal treaties. My constituents stated they had not contacted me on the subject.

As it turned out, these folks had not written me. Yet I—and other members of the Kentucky delegation—received mimeographed letters with their names signed thereon. A check of my files reveals that other letters I have received on the canal treaties question appear to be signed in the same handwriting.

These deceptive and misleading communications undermine the credibility of all of the post cards, telegrams, and mimeographed letters which reach our offices. If such mailings are unreliable, how are we to gage accurately the public's position on the pressing issues of the day?

My purpose here is to alert my colleagues to the questionable tactics which are apparently used by some to generate mass mailings.

I would be interested in knowing whether any of my colleagues have encountered an experience similar to mine.

CIVIL RIGHTS ENFORCEMENT

HON. BARBARA JORDAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Miss JORDAN. Mr. Speaker, on September 27, 1977, Congressmen EDWARDS and DRINAN and I introduced H.R. 9329, the Federal Assistance Equality Act of 1977. At that time, I stated that the bill was introduced to focus debate on current enforcement of title VI of the Civil Rights Act of 1964 and the organizational structure used to coordinate enforcement.

During the same week that my bill was introduced, the Department of Justice's Civil Rights Division sponsored a comprehensive 3½-day Title VI Conference—September 26-29—here in Washington. Invitees included not only Federal agency personnel and U.S. attorneys but distinguished members of the public interest community as well. Some 300 people attended coming from as far as California. I was pleased to have been able to contribute to this effort by serving as a keynote speaker.

The conference was the first such meeting of the title VI community since 1966 and its success can be largely attributed to the vigorous leadership of the new Assistant Attorney General for the

Civil Rights Division, Drew S. Days, III. Mr. Days' credentials are well known to the civil rights community. Before entering Federal service, he was first assistant counsel to the NAACP Legal Defense and Educational Fund, Inc. in New York City from 1969 until his nomination.

I want to share with those who will be considering my bill, H.R. 9329, Mr. Days' thoughtful and informative opening statement of September 26, 1977, to the conferees. It demonstrates his commitment to insure affirmative action in title VI enforcement.

His statement follows:

SPEECH BY DREW S. DAY III

I welcome you to this conference and ask that over the next several days we forge a partnership to ensure that federal dollars are no longer used to support programs that discriminate on the basis of race, color or national origin. In this regard, affirmative action requirements attach to each application for federal assistance that is placed upon the desk of a federal official responsible for passing upon it. We must start by assuring that each such person is trained to ask the right questions. Such questions should be extended beyond the pre-award stage to include post-award reviews as well.

In order to accomplish this, meaningful data and information must be collected so that disparities in the delivery of services on the basis of prohibited discrimination can be identified. For example, agency program guidelines should require information that serves to define the population eligible to be served, by race, color and national origin. On the subject of program guidelines, by now each agency should have guidelines that describe such things as the nature of Title VI coverage, methods of enforcement and examples of prohibited practices in the context of the particular type program. With regard to public dissemination of Title VI information, where a significant number or proportion of the population eligible to be served needs service or information in a language other than English, such service should be provided. As counsel for HEW, we litigated such a need for that type of service to be provided to Hispanics by the Connecticut Welfare Department, a case recently affirmed by the Second Circuit.

Turning back to our regulations, I want to remind you that every six months each federal agency is required to report to me, as Assistant Attorney General, the receipt, nature and disposition of all Title VI complaints filed with that agency. Additionally, federal agencies are required to notify me when after a finding of probable noncompliance, negotiations have continued for more than sixty days. In that instance, notice to me is to include the reasons for the length of the negotiations.

I realize that to some extent the change in Administration with its attendant delays caused by the natural process of selecting new people for sub-cabinet positions has slowed down agency efforts somewhat. However, by now we should be prepared to quicken our efforts in this area and if there is one thing that I have become increasingly aware of in my job it is the extent to which Title VI enforcement has been neglected over the years.

Perhaps the most basic requirement of our Title VI coordination regulations is that each federal agency subject to Title VI shall develop a written plan for enforcement which sets out its priorities and procedures. This plan is to be available to the public. It is my hope that this conference will serve to assist in expediting the development of such plans for each agency in attendance here.

On July 20, President Carter sent a directive to the heads of executive departments and agencies listing Title VI enforcement as a high priority in this Administration. His message is clear and I quote:

"This means first that each of you must exert firm leadership to ensure that your Department or Agency enforces this law."

As you know, the Attorney General is responsible for the coordination of the Title VI enforcement effort of the Executive Branch. Last July's Presidential directive reaffirmed the Attorney General's authority to provide central guidance in this area and this conference is designed to implement that responsibility. The workshops listed in your agenda are the result of numerous meetings with personnel from various agencies in an effort to cover a broad range of topics that commonly concern us. Those workshops will enable us to both put finishing touches on that portion of our Title VI draft Manual that you now have, and at the same time, obtain the additional information necessary to expand it into those areas listed in the outline that you have been provided. We have included experienced persons from the public interest bar on various of our workshops whose comments we know will be both useful and provocative.

When efforts to obtain voluntary compliance fail, we must stand ready to apply the sanctions provided by law. Such sanctions are either to proceed by administrative hearing or to refer the matter to the Department of Justice for possible suit. We stand ready to assist agencies in making such determinations.

Within the Civil Rights Division, the Federal Programs Section is assigned the responsibility for Title VI enforcement. Those agencies that have already been selected for reviews by personnel from that Section know that a concerted effort is being made to effect constructive changes. It is our intention to implement the recommendations contained in our interagency survey reports by continuing to effect Memoranda of Understanding with those agencies reviewed. Generally, I have been quite pleased with the cooperation that those agencies have afforded us in this regard during these first eight months since I have arrived. If, however, I am advised that in a particular instance, negotiations have broken down, then if appropriate, I shall recommend to the Attorney General that pursuant to his authority, he issue a directive to such agency. In other words, it is our intention effectively to police our own efforts in the area of Title VI enforcement rather than await federal officials being turned into would-be clients of the Justice Department by my former colleagues in the public interest bar. It is our intention to be much more than reactive, we intend to stimulate action.

It is important that through our efforts this week, we take steps to assure that federal assistance programs are administered in a consistent and fair way. We are working closely with the Office of Management and Budget to develop a joint plan of action in this regard. At the same time, it is necessary for us to examine the subject of interagency delegation agreements and I am particularly pleased that there will be a workshop on that subject.

Tomorrow morning, we have scheduled a workshop that will include a discussion of the kind of evidence necessary to justify a suit based either on services discrimination or covered employment. In this regard, I want to make it clear that as a matter of policy we will continue to require that goals and timetables be a necessary part of any court settlement in which the United States is a party. Without such benchmarks, it is impossible to monitor effectively the quality of a recipient's efforts to implement an agreement. With regard to services discrimination, we will continue to require that a plan to

equalize services be part and parcel of our settlements. For example, earlier this year a court approved equalization plan regarding the provisions of municipal water and sewage to a City's black community was filed as a matter of record in Folkston, Georgia.

I have seen estimates that indicate somewhere between 65 to 70 billion dollars a year are disbursed to recipients covered by the provisions of Title VI. We will have a more definite view of the specifics as to the exact number of federal programs involved after agencies have all succeeded in supplementing their Title VI regulations with an appendix listing the types of federal financial assistance (including specific reference to statutes) to which those regulations apply. Such a current listing is basic to our efforts. I have seen some estimates that would indicate about 400 programs will be included as the final figure.

Additionally, we all recognize that within disbursing agencies there is a need for closer cooperation between the Office of General Counsel and Title VI personnel. I hope that the scheduled workshop on this topic will provide a discourse that will give these two resources a better awareness of what each has to offer the other. While on the subject of workshops, I might point out that the purpose of the one scheduled to be conducted jointly by Assistant Attorney General Babcock of the Civil Division and myself is to make it known that identical standards will be applied by our respective Divisions when evaluating the merits of an existing civil rights suit.

Also, I am most interested in the conclusions that you arrive at in terms of striking a balance between centralization and decentralization. Although active regional offices are desirable, it is similarly important for Central guidance to be provided by the national office. In other words, decentralization should not be an excuse for abdication of responsibility by the Washington office.

At this point, it is tempting to digress and provide you with anecdotal material that would illustrate why I have a sense of excitement over the tremendous task before us. Instead, I will close simply by saying, so much for the welcome, let's get started. We cannot require the recipients of federal funds to go out and make that extra effort at affirmative action unless we begin to set the example and show the way, here and now.

WE CAN DO ANYTHING TO YOU YOU
CAN'T STOP US FROM DOING

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mrs. SCHROEDER. Mr. President, the double standard is not new around these parts. Certainly if Congress did not invent the practice, it has adopted it as its modus operandi, and enthusiastically used it in all those situations where Joseph Heller's rule applies: We can do anything to you you can't stop us from doing.

Thus the miserable state of affairs described in the New Republic article below:

ABORTION DOUBLE STANDARD

If anyone in the family of Representative Henry J. Hyde should need an abortion, the federal government has arranged to have it taken care of without charge. Representative Hyde is covered by the federal employee Blue Cross-Blue Shield health insurance plan,

which pays for 100 percent of the cost of any legal abortion performed for any reason. President Carter, Rosalynn Carter and Amy have the same benefit. So do HEW Secretary Joseph Califano and his family. Thanks to the government, none of these people needs to worry about suffering an unwanted pregnancy or back-alley butchery for lack of funds to pay for a competent doctor and decent hospital.

In fact, virtually every federal government employee is covered by a group insurance plan that pays for all or most of the cost of a legal abortion. The government pays for about 60 percent of the cost of this health protection, with the rest coming from the individual employee.

Some of these federal employees have been spending a lot of their working hours lately trying to deprive poor people, equally dependent on the government for their health care arrangements, of the abortion benefit they themselves enjoy. As of this writing, the Senate and the House have been unable to settle their differences over the extent of the abortion exclusion to be written into the 1978 HEW appropriation bill. The Senate wishes to permit abortions under Medicaid and other social service programs whenever the woman's life or health is threatened. The House feels this is too generous, and wants to restrict abortions to occasions when full-term pregnancy would threaten the woman's life. (It has agreed to permit "medical procedures" including dilation and curettage, as long as pregnancy has not been diagnosed.)

Last year's HEW bill actually contains this extreme restriction, known, after its most ardent congressional supporter, as the Hyde amendment. Until the Supreme Court indicated otherwise in June, most people assumed that the Hyde amendment was unconstitutional and therefore unenforceable. Now that it stands as a genuine threat, the Senate is making an admirable attempt to temper its harshness. Meanwhile President Carter and Secretary Califano both are on record in favor of restricting Medicaid abortions. If they find the "life or death" language of the Hyde amendment a bit extreme, they are not going out of their way to say so.

Unfortunately, this nasty little measure and all the misery it will cause won't even begin to achieve its symbolic purpose of getting the government out of the abortion business. Not only do government employee health plans cover abortions, the military is a major provider of abortions as well. The regulations governing military hospitals permit abortions to be performed there on military personnel and their dependents, and on military retirees and their dependents (no joke, given the military's extravagant early retirement arrangements) "when medically indicated, or for reasons involving mental health"—the usual code words for "on demand." Furthermore, the military's own CHAMPUS insurance program for civilian medical care of dependents and retirees pays for about 75 percent of the cost of any legal abortion. The plan, as you might expect, is non-contributory, meaning that the government pays the whole premium.

If Carter, Califano and Hyde feel that the government has blood on its hands because of its payment for abortions, why don't they do something about these federal employee health plans and military arrangements? The answer is simple: they wouldn't dare. Federal employees and their families, military personnel and veterans are simply too politically powerful to be denied what most Americans now consider to be a basic health care requirement. Poor people, on the other hand, make the ideal sacrificial victims to pacify the rabid right-to-life campaign. Rarely has the class bias of government policy been more vividly on display.

THE ETHIOPIAN-ISRAELI CONNECTION AND THE HORN OF AFRICA

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues some correspondence I had recently with the Department of State regarding press reports of continued Israeli-Ethiopian military cooperation. Recent press stories have focussed on continuing Israeli support for the Ethiopian Flame Unit, a relatively new elite combat unit.

This Israeli-Ethiopian cooperation comes at a time when United States-Ethiopian relations are at a low ebb, United States military relations with Ethiopia have been terminated by Ethiopia and Ethiopia is engaged in two regional conflicts, an old one in its Eritrea Province and a new one in the Ogaden area with Somalian forces and Somalian supported forces.

We have both complementary and divergent interests with Israel in the Red Sea and Horn of Africa regions. We desire good relations with both Somalia and Ethiopia. In the present situation it may well be in our interest for states friendly to us to maintain working ties with Ethiopia, but under present conditions, we cannot support continued military supplies coming into the Horn of Africa.

Over the last few years, an important revolution has occurred in Ethiopia. That revolution has not run its course, but many aspects of it have frustrated sincere American efforts to come to grips with a new manifestation of African socialism.

In the coming weeks, it should be our goal to try to defuse tensions in the Horn of Africa. Continued hostilities in this region serve no useful purpose and threaten stability and peaceful development throughout the Red Sea region.

My correspondence with the State Department regarding Israeli-Ethiopian military ties follows:

SEPTEMBER 1, 1977.

HON. CYRUS R. VANCE,
Secretary of State, Department of State,
Washington, D.C.

DEAR MR. SECRETARY: There have been reports recently that the Israeli Government has transferred or loaned a squadron of planes to Ethiopia.

I would like to know whether we have any evidence of Israeli transfers to Ethiopia, whether any U.S. equipment is involved, what the precise extent of Israeli assistance to Ethiopia is at this time, what Ethiopia activities include Israeli military personnel and whether there are still Israeli military advisors in Ethiopia.

I would appreciate an early reply to this matter.

With best regards,

Sincerely yours,

LEE H. HAMILTON,

Chairman, Subcommittee on Europe and Middle East.

DEPARTMENT OF STATE,
Washington, D.C., October 6, 1977.

HON. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and
the Middle East, Committee on International
Relations, House of Representatives.

DEAR MR. CHAIRMAN: This is in response to your letter to the Secretary of September 1, in which you ask about the military relationship between Israel and Ethiopia. I regret the delay in this reply.

It is our understanding that Israel may have transferred small amounts of military equipment to Ethiopia and may have provided some military personnel and training assistance. The extent of such transfers and their precise nature are not known, however, nor do we know whether Israeli advisors are still present in Ethiopia. We have no information to support reports that the Israeli Government has transferred or loaned a squadron of aircraft to Ethiopia.

We have been assured, however, that no equipment of U.S. origin has been involved in such transfers as may have taken place. As you are aware, our policy is not to approve third-country transfers of U.S.-origin equipment which the United States would not itself transfer. As long as our position remains against sales of U.S. equipment to Ethiopia, we would not approve sales by Israel of U.S.-origin equipment to that country.

Sincerely,

DOUGLAS J. BENNET, Jr.,
Assistant Secretary for
Congressional Relations.

LABOR LAW REFORM LONG OVERDUE

HON. CHARLES W. WHALEN, JR.
OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. WHALEN. Mr. Speaker, my duties as a member of the U.S. Delegation to the United Nations General Assembly precluded my participation in the debate on H.R. 8410, the Labor Reform Act of 1977. Nevertheless, I feel that it is important to outline my position regarding this important legislation.

When Congress passed the National Labor Relations Act in 1935, it declared it the "policy of the United States—to encourage—the practice and procedure of collective bargaining—by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection." Today, that basic principle has been undermined by the growing number of cases before the National Labor Relations Board and by ineffective remedies to thwart needless delay and willful violation of the act. The result: many workers who want a union to represent them at the bargaining table experience unreasonable delays and frustrations because of the sluggish and outmoded procedure involved in gaining recognition for their union. Of course management benefits from such delays since workers have no bargaining power during the interim period.

The NLRB currently takes an average of 2 months to hold an election after receiving a petition from workers seeking union recognition. But if the election is challenged by management, it often takes 2 years to settle the dispute. As the Chattanooga Times recently noted, "There is not much justice for the workers who decide in a secret election that they want to be represented by a union, only to find that the present NLRB procedures are in effect a mechanism for thwarting their right to organize, as they are allowed to do under the Wagner Act of 1935."

Furthermore, without congressional action, the delays will surely worsen. The total number of cases has increased 70 percent in 10 years. Even worse is the increasing backlog of cases. At the end of fiscal 1966, the NLRB had 9,317 cases still pending; by April 30 of this year, that figure had climbed to 20,897.

More ominous, Mr. Speaker, is the increasing number of charges of law violation by employers. While the total number of cases has climbed 70 percent over the last decade, cases involving employer violations has risen by 115 percent. Still more alarming is the growing evidence, so well documented by the hearings conducted by the Labor-Management Relations Subcommittee under the able direction of the gentleman from New Jersey (Mr. THOMPSON), that some employers find it more profitable to break the law than to observe it. The record of one company, J. P. Stevens & Co., is so bad that a three-judge panel of U.S. Court of Appeals recently found that the company's antiunion efforts "raises grave doubts about the ability of the courts to make the provisions of the Federal law work in the face of the persistent violations."

The growing delays and increasing abuse of the labor law clearly indicates that new legislation is necessary. Congress cannot allow the goal of the Wagner Act—to protect the right of workers to organize—to be negated by obsolete procedures and ineffectual penalties.

Many constituents have written me to express their preference for H.R. 8310, the "Employee Bill of Rights Act," over H.R. 8410. While I support at least one provision of H.R. 8310—the religious freedom clause that would protect any individual with religious scruples against belonging to a union from being forced to join one—I oppose the bill itself because it would seriously undermine the system of collective bargaining. Furthermore, the drastic changes it proposes have not been studied by a congressional committee—we have yet to hear a single employee's testimony on this legislation. Finally, I feel that H.R. 8310's provisions do not address the twin problems of increasing procedural delay and rising incidence of labor law violations by employers.

In my view, H.R. 8410 represents the superior approach in correcting the inadequacies of the present law. It is the product of years of study and oversight hearings by the Education and Labor Committee and its subcommittees. Rather than drastically reforming the

Wagner Act, it provides the modern means for guaranteeing a workers right to full "freedom of association" by limiting opportunities for bureaucratic delay and by strengthening the penalties for violation of the law. As Labor Secretary Marshall noted, "law-abiding employers and unions have nothing to fear from this bill."

Mr. Speaker, workers attempting to organize a company or unions trying to negotiate a first contract should not be subjected to endless litigation. Had I been present I would have voted for H.R. 8410 because I believe it represents a reasonable method of expediting the labor-management process in a manner consistent with the Wagner Act.

Labor law reform, Mr. Speaker, is long overdue—the shortcomings of the present law were apparent years ago. One panel of labor law experts, chaired by Archibald Cox, had this to say about the need for changes:

A major weakness in the labor management relations law is the long delay in contested NLRB proceedings. In labor-management relations, justice delayed is often justice denied.

That report was issued in February 1960. Last week, 17 years later, Congress finally acted on its findings.

ISSUANCE OF THE NATHAN HALE COMMEMORATIVE POSTAL CARD

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. DODD. Mr. Speaker, today marks a special event for residents of the town of Coventry as well as for all Americans. The Nathan Hale Stamp Committee together with the U.S. Postal Service will be holding a ceremony for the First Day Issuance of a Nathan Hale Postal Card.

Nathan Hale, a native of Coventry, Conn., is noted for his dedicated contributions to education and to the cause of the American Revolution. Connecticut cherishes with special pride the patriotic spirit of Nathan Hale. He exemplified the ideals of patriotism and freedom for all Americans. It was revolutionary leaders like Nathan Hale who with a burning love for freedom helped to lay the foundations for our existing democratic political system. The importance of freedom was expressed in Nathan Hale's teachings as a school master in East Haddam and New London, and in every action of his life. The story of Nathan Hale is a continuing reminder of his service and sacrifice in the fulfillment of patriotic courage.

Gov. Ella Grasso has issued a proclamation declaring September 22, 1977, as "Nathan Hale Day" in order that the spirit of his sacrifices in the struggle to establish a free and independent United States might be recognized by all citizens of Connecticut.

It gives me great pleasure to bring to the attention of the Members of Congress the magnificent contributions that Nathan Hale made for our Nation as the

commemorative postal card is issued in his honor today.

I would at this point in the RECORD, like to submit a statement by the Antiquarian & Landmarks Society of Hartford, Conn. noting, on this historic occasion, the issuance of the postal card today in Coventry:

Over the years the name of Nathan Hale has become in everyone's mind the ultimate symbol of patriotism and self sacrifice. When volunteering for the dangerous spy mission in 1776, he said: "I am not influenced by the expectation of promotion or pecuniary reward; I wish to be useful, and every kind of service necessary to the public good, becomes honorable by being necessary."

While spoken over 200 years ago by a brave 21 year old youth, born and raised in Connecticut, these noble words may well serve today to inspire everyone concerned with loyalty to and the preservation of his country.

Today, the 1776 Nathan Hale Homestead, South Street, Coventry, Connecticut, birthplace of the patriot, stands as a fitting symbol and lasting memorial to the memory of Nathan Hale. The Nathan Hale Homestead is owned and maintained by the Antiquarian & Landmarks Society, Incorporated of Connecticut and is open daily to the public May 15 through October 15.

The Antiquarian & Landmarks Society is deeply appreciative of the issuance of the new nine-cent postal card bearing the likeness of Nathan Hale. In keeping with the highest ideals of patriotism for which Nathan Hale stood, the Society is proud to have a part, along with the United States Postal Service in perpetuating his last contribution.

SOCIAL SECURITY REFORM SHOULD NOT IMPAIR PUBLIC RETIREMENT PLANS

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. McCLORY. Mr. Speaker, today about 9 out of every 10 American workers participate in the social security system. It is becoming increasingly difficult—especially in light of the current social security funding crisis—to justify to the "nine" why the "one" is not covered. Social security is a nationwide social insurance system, and therefore it is a natural and desirable goal to provide for universal coverage.

The Advisory Council on Social Security stated in its most recent report to the President that—

It is of great importance from the standpoint of assuring good protection for all workers on an equitable basis that all jobs be compulsorily covered under social security.

Heeding this advice, the Ways and Means Committee recently voted to require that all American workers participate in Social Security beginning in 1982.

I have received numerous letters and petitions from my constituents who are concerned about certain aspects of the universal coverage provision of H.R. 9346. Therefore, I feel that it is in order to provide an explanation of what the bill will do and what it will not do.

H.R. 9346 would provide universal social security coverage—that is, it would require all Federal employees, all State and local government employees, all the employees of nonprofit organizations—and all Congressmen—to participate in social security. Roughly 70 percent of State and local government employees and 90 percent of the employees of nonprofit organizations are today covered by social security on a voluntary basis. They would not be affected by this provision. However, the bill terminates their option to withdraw from the social security system.

The move to universal coverage is a step which the Congress must take. The social security system suffers a tremendous loss because of the large numbers of noncovered employees who eventually draw social security benefits due to jobs they have held in the past, post-retirement jobs, and moonlighting. These workers get nearly the same benefits as others but pay in far less. Second, millions of people in State and local government service do not have insurance coverage as broad and basic as social security provides. These individuals will be provided with important new protection under this provision. Third, the contributions these workers make will provide important short-term benefits to the social security trust fund and will cause no long-term loss.

Funds from the civil service retirement fund will not be used to shore up social security. The bill cannot and does not authorize that one penny be transferred from any other retirement system to the social security fund. Moreover, it does not change any of the rights or benefits earned by employees under Federal, State, local, or private retirement plans.

Likewise, this bill will not require that the Federal civil service program be merged with social security. At some future time Congress may want to alter the Federal civil service retirement system to take account of the new social security coverage. Even if this should happen, we expect the Federal civil service program to remain a large, independent retirement program—similar to a private pension plan—which would be supplemented by social security benefits. There would not be a "merger."

The bill provides that universal coverage would not become effective until 1982. Prior to this date, in order to assure that no one is burdened with excessive taxes or suffers a loss in benefits, the Civil Service Commission and the Department of Health, Education, and Welfare, along with the appropriate committees of Congress, will conduct a study of the best method to phase in universal coverage. The basic plan is to make adjustments in the Federal civil service retirement program so that the total costs and total benefits to each Federal employee will remain the same when universal coverage begins.

No person should be allowed to suffer an economic loss as a result of universal coverage.

DRUG TRAFFIC LINKED TO TORRIJOS FAMILY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. McDONALD. Mr. Speaker, on October 5 in testimony before the Senate Committee on Foreign Relations calling for the rejection of the Panama Canal Treaty, I called attention to the involvement of the Torrijos family in trafficking in narcotics in our own country.

Since my testimony I note from press accounts that the Attorney General has briefed President Carter in this matter, and that much speculation has been generated as to the extent of this problem. References have been made to sealed indictments and secret reports which can only serve to obscure the known facts.

I would remind my colleagues that our Committee on Merchant Marine and Fisheries in their report to the 92d Congress (January 2, 1973) revealed the narcotics problem that we were experiencing with Panama. A problem that has not been solved and can only be increased by the shameful treaty that seeks to abrogate our national responsibility.

In 1973, the Merchant Marine Committee reported that some 20,000 American drug addicts were getting their daily supply through Panama. The committee reported on a special report prepared by Mr. John Ingersoll, then the Director of the Bureau of Narcotics and Dangerous Drugs that—

Panama is one of the most significant countries for the transshipment of narcotic drugs to the United States. Its geographic location facilitates the illicit traffic because it is a terminus for air and sea transport. Additionally, domestic and international telecon facilities are well developed. The significance of Panama is evidenced by the fact that during the past twelve months, 641 pounds of heroin were seized in the United States which had transited through Panama. This 641 pounds consists of only four single seizures and does not include seizures of less than 100 pounds. . . .

It is clear that the Republic of Panama has not and is not paying sufficient attention to narcotic enforcement activities to achieve noticeable results. This may be due to high level apathy, ignorance and/or collusion.

The committee report continued:

This conclusion was given further support in a January 1972, briefing arranged by Myles Ambrose, former head of the Bureau of Customs. Special agents of the Customs Bureau briefed the Chairman of the Subcommittee on the "major" seizure cases during the pre-Republic of Panama, specifically the Rafael Richard, Nicholas Polanco, Guillermo Gonzalez case. (Information developed during investigation of the case indicates this was the fifth instance wherein similar quantities of heroin were smuggled into the U.S. in this manner.)

The briefing team concluded that based on the Customs investigation this case reached into the highest levels of Panamanian officialdom and included Moises Torrijos, the brother of General Omar Torrijos, and the Panamanian Foreign Minister, Juan Tack. This involvement was confirmed by BNDD

officers in the Republic of Panama on February 23 during a Subcommittee briefing in that country. In summary, the Customs files show the following:

Rafael Richard Jr., (23) was arrested in New York on July 8, 1971, with Nicholas Polanco who was chauffeur for Guillermo Gonzalez. Gonzalez, a long-time friend and former bodyguard for Moises Torrijos, is Richard's uncle. After his arrest, Customs agents determined that Richard and Polanco were to call Gonzalez in Panama to inform him that the 70 kilos had been delivered to two consignees in New York. Customs instead had Richard call Gonzalez and convince him to come to New York to handle the delivery personally. Gonzalez—who had accompanied Richard on the alleged previous four smugglings of 70 kilos each—came to New York and was arrested by Customs agents. He was found guilty on a narcotics charge and was sentenced to seven years in prison. The Customs agents deduced that because Richard's father was in Taiwan at the time of these transactions that he got his diplomatic passport from Moises who had access to them as a Panamanian Ambassador. Customs confirmed the BNDD report that Juan Tack had personally signed the diplomatic passport despite the fact that Rafael Richard Jr., had absolutely no credentials warranting such a passport.

The 1973 report continued to provide further shocking details of the involvement of Panamanian officials in the drug traffic. It stated:

Another case which prompted the original BNDD assessment of Panamanian official involvement centered around Joaquin Him Gonzalez, a notorious smuggler who was arrested in the Canal Zone by U.S. authorities on February 6, 1971. Within two weeks he was brought to Dallas, Texas, for his active participation in the drug market and tried for conspiracy.

Him Gonzalez was international transit chief at Panama's Tocumen Airport and he used his high position to protect shipments of drugs to the United States. He was accused on this occasion of sending to Dallas somewhat over a million dollars worth of heroin. Gonzalez was allegedly a Torrijos protege and this relationship was made clear when the Panamanian Government mobilized all its resources, something it had not done until that point, for the offender to be returned to Panama. Reports in the press cited the "angry outburst" and "outraged" protest of the Panamanian Government—led by Juan Tack—over the arrest of Gonzalez.

An indication of the duplicity of certain Panamanian officials is found in a comparison of their public statements and their private or official actions in this regard. For example, in October 1972, Colonel Manuel Moriega, the Intelligence Chief of the National Guard, proclaimed a desire for Panama to become the enforcement center for fighting the drug traffic in Latin America. Yet that same month intelligence reports of the United States Government sustains the 1971 BNDD assessment and we still find that Panamanian officials and security agents are allegedly involved in narcotics trafficking. A similar "offer" was made on April 8, 1972, which received worldwide publicity. However, U.S. officials, when questioned by the Subcommittee, were unaware of any direct contact by the Panamanian Government which would have brought this about.

The arrest of Manuel Rojas Sucre, the nephew of Panama's Vice President Arturo Sucre at Kennedy International Airport on December 3, 1972, with cocaine, liquid hashish, and a diplomatic passport (his mother is Panama's consul general in Montreal) is further indication of a need for continued efforts by the United States Government to impress upon the Panamanians the seriousness with which we view the drug problem.

Then as now, there was information of a coverup by our Department of State, House Report 92-1629 stating:

THE POSITION OF THE DEPARTMENT OF STATE

The State Department has had a history of policy of ignoring or denying the involvement in the narcotics traffic into the United States of high-ranking officials of friendly foreign governments.

While the Department has taken a "soft" approach to the narcotics problem generally, in Panama it has reached an absurd extreme. For example, the Subcommittee was told by the director of the BNDD that as a result of the strong Panamanian objections to the arrest of Him Gonzalez, it is highly doubtful that the State Department would ever again allow the arrest of a Panamanian national in the Canal Zone; BNDD agents claimed the Panamanians were only paying lip service to narcotic drug enforcement and that the big trafficking was going on full tilt with the knowledge, sanction and even involvement of certain Panamanian officials and Guardia members.

The report continued by quoting a Government law enforcement intelligence report which in part read:

Generally speaking, the greatest detriment to effective enforcement in Latin America is corruption. The corruption goes all the way to the top of some Latin American governments. One of the more glaring examples of official corruption is the country of Panama, . . .

. . . Because of the known involvement of Panamanian government officials in the international narcotics traffic, the U.S. Government should take a firm stand in the current negotiation of a new treaty for the continued use of the Panama Canal Zone.

Mr. Speaker, we have no information that there has been any change in the Panamanian attitude toward flooding our country with narcotics. Just the reverse, Moises Torrijos, who has a currently pending indictment in the United States for trafficking in narcotics, has been appointed as the Panamanian Ambassador to Spain.

I am urging that the appropriate committee hold public hearings on the present state of the narcotics traffic in Panama and the involvement of the Torrijos family in these activities.

NATURAL GAS REGULATION: THE BIG RIPOFF

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. EDGAR. Mr. Speaker, I would like to congratulate the President for correctly pointing out the "war profiteering" which would result by allowing domestic energy producers to "ripoff" American consumers by becoming de facto members of the OPEC cartel. Yesterday, an excellent article by Hobart Rowen, which appeared on the op-ed page of the Washington Post pointed out the absurdity of a policy of natural gas deregulation. The article calls to mind the study released last month by the Subcommittee on Energy of the Joint Economic Committee which explodes the myths about the need for deregulation.

I would like to share with my colleagues the conclusions of this study and I urge my colleagues to obtain a copy of the full report from the committee. I would also like to share the article by Mr. Rowen, which I feel is right on target:

[A staff study from the Subcommittee on Energy of the Joint Economic Committee]

THE ECONOMICS OF THE NATURAL GAS CONTROVERSY CONCLUSIONS

This paper has been prepared to provide information and discussion on the economics of the natural gas pricing issue. It describes the historical experience under Federal Power Commission price controls, potential future supplies of gas, and methods for curbing demand. The potential macroeconomic effects of natural gas price increases are dealt with along with measures by which the natural gas pricing dilemma can be resolved.

Some of the more important points made in the study are:

The early years of Federal Power Commission (FPC) regulation probably resulted in prices higher than would have been the case without regulation. However, the 1960s saw real prices decline as a result of controls.

Savings on the order of \$6.7 to \$12.0 billion annually accrued to both inter and intrastate gas users during the 1960s as a result of controls.

New reserve additions dropped sharply after 1967, and production declines followed in 1973. Drilling activity, especially for gas wells, has risen sharply since 1973.

The existing regulatory structure will result in substantial rises in gas prices in the foreseeable future. Under prevailing tariff rulings, consumers eventually will pay \$10 billion per year more than they are paying now for today's supply of gas.

The lower 48 States and readily accessible offshore areas already have been extensively exploited. Recent estimates see much lower potential reserves discovered compared to just a few years ago. Estimates of possible production levels have been consistently reduced, even at high projected prices.

Production economics are such that higher prices beget higher costs. Potential excess profits in the producing sector are, to a significant extent, captured by the equipment and labor supply sectors and mineral rights owners.

Expectations of increasing gas prices create a situation in which gas left in the ground is perceived as a better investment than cash in the bank. An incentive to withhold production is thereby created. There is circumstantial evidence that producers recently have been responding to this incentive and withholding production.

At today's prices, only wells with very high costs and low potential production will not be produced. No substantial finds will be rendered uneconomic by maintaining price constraints within today's price range.

The profitability of new energy production in the United States remains higher and more secure than in virtually any other part of the world.

An unambiguous statement that gas price increases will be limited to moderate rates below the returns on other investments is essential to end the incentive to withhold production. Such a clarification of price policy must be a primary objective of Congress as it considers legislation reforming natural gas regulation.

The demand for gas is not very price sensitive, implying that price is a relatively poor conservation tool, especially in the short run.

In the face of rigid constraints on domestic supply and the very limited availability of natural gas imports, gas prices in the absence of controls could go to extremely high levels. High prices for domestic production can be

justified, however, only to the extent that they serve U.S. national purposes such as reduced import dependency.

After the 1973 oil embargo, energy prices rose by \$58 billion over a two-year period, causing perhaps one-half of the inflation of 1974 and 1975.

The immediate deregulation of gas prices would cause similar, although smaller, inflationary effects. Under deregulation, the Nation's gas bill would be about \$25 billion per year higher than under extension of the regulatory status quo.

Because clauses in many existing natural gas contracts for large volumes of gas stipulate price renegotiation in the event of deregulation, this action would increase prices on old as well as new gas, unless measures are specifically mandated to proscribe this. Old gas prices would then gravitate toward the upper price level.

There are numerous ways in which the potential inflationary impact can be both minimized and spread out over time. The most important options are:

- (i) A ceiling price which would prevent scarcity pricing of gas;
- (ii) A tight definition describing what gas is eligible for the higher price. This will place the incentive strictly on the discovery of truly new gas in locations other than in currently known producing fields;
- (iii) Strong measures to ensure that producers continue to deliver old gas at old gas prices;
- (iv) Measures to protect intrastate gas users from higher energy prices;
- (v) Unification of the national gas market and abolition of the inter-intrastate dichotomy is desperately needed in order to achieve a semblance of proper allocation.

[From the Washington Post, Oct. 13, 1977]
GAS DEREGULATION: "THE PUBLIC IS BEING HAD"

(By Hobart Rowen)

The industry's effort to deregulate the price of newly discovered natural gas threatens to be one of the boldest and biggest steals of all time. "What is being done here is the greatest unarmed robbery in the history of the country," according to Sen. Don Riegle (D-Mich.).

It's important to get some impression of the monumental nature of the ripoff. Not content with a price increase for new gas of 445 per cent from 1972 through 1976, the industry in reality is seeking to get the equivalent of the monopoly price of oil, as set by OPEC: \$2.50 to \$2.75 per thousand cubic feet.

That would give the industry a price increase of 2,000 per cent—yes, 20 times the 13- to 14-cent price at which it was making a good profit in 1968.

The industry lament is that it needs ever higher prices to provide incentive for new explorations. But a hard-to-counter analysis by the Consumer Federation of America shows that while prices were increasing 445 per cent in 1972-76, gas production decreased 12 per cent, reserves declined 19 per cent, and profits boomed by 50 per cent.

Lee C. White, former chairman of the Federal Power Commission, now lobbying hard against deregulation, observes that before 1968, "we argued over pennies." And for good reason: Every added penny on the gas price per thousand cubic feet costs consumers \$200 million. Every dime costs \$2 billion.

Yet, in an effort to stave off the greedy drive for total deregulation, hard-pressed Democratic senators are giving away dimes and quarters like chicken feed.

Last year, two statistical agencies of the Federal Power Commission estimated that a fair price for "new" natural was between 60 cents and 67 cents—"fair price" meaning a return of 15 to 18 per cent.

But the commission itself figured the fair price at \$1.42, allowing, in its computation, a federal tax burden calculated at the theoretical corporate-tax-table maximum of 48 per cent. Of course, no industry pays 48 per cent. "If they paid more than 7 per cent [as an effective tax rate], they need a new lawyer," says White.

Then the Carter administration came along, after the U.S. Court of Appeals sustained the FPC's \$1.42 price, and proposed a formula that would sweeten the price for "new" natural gas to \$1.75.

Even that didn't satisfy the industry, so Henry Jackson made an abortive attempt to avert a deregulation vote in the Senate with a proposal for \$2.03 per thousand cubic feet, and a more generous interpretation of "new" gas. The price would rise to \$3.36 in 1985, with full deregulation in 1987. How utterly ridiculous can this get? How long will it take before the public realizes that it is being had?

A high administration official dealing with energy matters, who saw the turn of the tide some weeks ago, put it this way:

"The moral imperative for American business is to maximize profits. Natural gas is no exception. You just go over the debates over the years. Give us 35 cents—that's all we want, they said. Give us 50 cents. Last year, they said a dollar will produce all the gas you want. Now, at a \$1.75, for the shallow deposits, the incentives are just overwhelming. . . .

"The incentives are so damn great that the producers are bidding one against the other for drill rigs, for steel, for trained manpower, for leases."

There was a time when the administration thought the industry couldn't turn down a price between \$1.75 and \$2 because the profits would be so great. But the natural-gas industry isn't satisfied. It's had the deregulation bug ever since President Nixon planted the idea, and now sees no reason why it shouldn't get the OPEC equivalent, and with that a transfer of some \$10 billion annually from consumers to the gas producers. Who knows? The OPEC oil price one day may be \$25 a barrel.

The huge increase in the price of oil from around \$2 to \$3 a barrel in 1972 and 1973 to \$13 or \$14 a barrel today, as many officials have once again concluded, created unmanageable financial problems. It has led to enormous debt and, currently, a serious worldwide flirtation with protectionism.

The price of oil is today's key issue—and everyone talks about it merely in whispers, fretful of the effect on Mideast politics. The world today appears to be concerned more about the fear of an empty gas tank than about moral attitudes. But having let OPEC dictate this country's oil prices, it would be criminal if we let OPEC dictate natural-gas prices as well.

TREATIES WITH LIBERIA NOT AFFECTED BY CARGO EQUITY LEGISLATION

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 14, 1977

Mr. MURPHY of New York. Mr. Speaker, one of the arguments offered in opposition to cargo equity legislation is that the bill would create some conflict with existing treaties with other sea-going nations. In that vein, I recently received a communication from the Ambassador of Liberia—a nation which provides a very large percentage of the

documentation for foreign-flag vessels which carry American-bound cargoes—the essence of which was the Ambassador's concern for the effect of the legislation on existing treaties.

I would therefore like to enter into the RECORD the copies of both his letter to me expressing his concern about the matter, and my reply to him which indicates that the findings of the Merchant Marine and Fisheries Committee do not support such an allegation. Indeed, the Department of State has not supplied us with any such information, which we had specifically requested during hearings on the bill.

It is such misinformation which has plagued the committee during the consideration of this vital legislation. I trust that the Members of Congress who are interested in fact rather than fiction will take note of this exchange.

EMBASSY OF THE
REPUBLIC OF LIBERIA,
Washington, September 30, 1977.

HON. JOHN M. MURPHY,

Chairman of the Merchant Marine and Fishery Committee, U.S. House of Representatives, Capitol Hill, Washington, D.C.

MR. CHAIRMAN: An article in the September 30th, 1977 issue of the Journal of Commerce of New York, New York, reported that Honourable John M. Murphy, Chairman of the Merchant Marine and Fishery Committee, declared in a letter to each member of the House of Representatives that the United States does not have treaty obligations to the Republic of Liberia. I respectfully wish to advise that on August 8, 1938, the United States and Liberia entered into a Treaty of Friendship, Commerce, and Navigation which was subsequently ratified by each country and which has remained in effect since November 21, 1939 (54-Stat. 175) (TS No. 956).

The terms of the treaty would, in the opinion of the Republic of Liberia, clearly be violated by either nation's unilateral allocation of a percentage of its commercial cargoes in international shipping on the basis of national flag.

Very sincerely yours,

FRANCIS A. DENNIS,
Ambassador.

COMMITTEE ON
MERCHANT MARINE AND FISHERIES,
Washington, D.C., October 12, 1977.

HIS EXCELLENCY FRANCIS A. DENNIS,
Ambassador of the Republic of Liberia,
Washington, D.C.

DEAR MR. AMBASSADOR: This will acknowledge receipt of your letter of September 30, 1977, in which you called my attention to the fact that the United States and Liberia entered into a Treaty of Friendship, Commerce, and Navigation which has remained in effect since November 21, 1939. You questioned an article in the Journal of Commerce, reporting an earlier statement attributed to me to the effect that the United States does not have treaty obligations with the Republic of Liberia. Although the language in question may be ambiguous to some, the intent was that there is no such treaty obligation which would guarantee equal access to cargo.

While I appreciate the fact that you wish the record to be absolutely correct, and are concerned on the subject of treaties between our respective nations, I question the propriety of my entering into a direct discussion with a foreign representative on differences of opinion in the interpretation of treaties existing between our two nations.

In connection with the Journal of Commerce report, I point out that in the wording

of my letter of September 22, 1977 to certain Members of the House of Representatives, in connection with legislation pending before the House, I stated that the United States does not have *such* (emphasis added) treaty obligations, referring to certain treaties with other nations.

I have carefully reviewed the Treaty of Friendship, Commerce, and Navigation between the United States and Liberia, signed at Monrovia on August 13, 1938 and ratifications exchanged at Monrovia, November 21, 1939. I can find nothing in the terms of that Treaty which would be violated by the enactment of H.R. 1037. In considering this same subject, the Committee on Merchant

Marine and Fisheries has requested from the Department of State the citation of any treaty provisions involved not only in our treaty obligations with the Republic of Liberia but also with any other nation which would be violated by the passage of cargo equity legislation. Thus far, we have received no such information.

Since I note that in your letter you make reference to a clear violation of the terms of the Treaty, presumably by the passage of H.R. 1037, I respectfully suggest that it would be in the interest of both our governments if you would express your concern to the Secretary of State, with specific citations as to the articles of the treaty involved. The Secretary of State would then be in a

position to furnish to the responsible Congressional officials the specific information which the Congress should take into account on the subject of our treaty obligations.

I sincerely appreciate your concerns, and I understand the reason for expressing those concerns directly to me. However, I believe that the discussion would be more fruitful and better handled if the detailed information which would be necessary were transmitted through regular diplomatic arrangements.

With assurances of my highest personal regard, I remain,

Very truly yours,

JOHN M. MURPHY,
Chairman.

SENATE—Monday, October 17, 1977

(Legislative day of Tuesday, October 11, 1977)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by Hon. SPARK M. MATSUNAGA, a Senator from the State of Hawaii.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let us pray:

God of grace and God of glory, we thank Thee for Founding Fathers who built an altar of faith at the heart of our national life and kindled a flame upon it in the morning hours in this Chamber. Thou knowest we need Thee every hour of every day. Grant us wisdom, grant us courage for the living of these days. When there is darkness give us the sight and insight of the pure in heart. When there is confusion and uncertainty keep our minds clear and clean that we may speak for justice and freedom and brotherhood. And when some grow mad and sad give us the grace and serenity, the peace and power of Thy spirit that we may be instruments of healing in our troubled world.

For thine is the kingdom and the power and the glory forever. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., October 17, 1977.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable SPARK M. MATSUNAGA, a Senator from the State of Hawaii, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. MATSUNAGA thereupon assumed the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Thursday, October 13, 1977, be approved.

CXXIII—2129—Part 26

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

MESSAGES FROM THE HOUSE DURING THE RECESS

Under authority of the order of October 13, 1977, a message from the House of Representatives was received on October 14, 1977, stating:

The House further insists upon its amendment to the bill (S. 1811) to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended, and for other purposes; requests a further conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. TEAGUE, Mr. FUGUA, Mr. FLOWERS, Mr. MCCORMACK, Mr. BROWN of California, Mr. THORNTON, Mr. OTTINGER, Mr. HARKIN, Mr. AMERO, Mrs. LLOYD of Tennessee, Mr. WATKINS, Mr. WYDLER, Mr. WINN, Mr. FREY, Mr. GOLDWATER, and Mr. GARY A. MYERS were appointed managers of the Conference on the part of the House.

The House agrees to the amendment of the Senate to the bill (H.R. 5675) to authorize the Secretary of the Treasury to invest public moneys, and for other purposes.

The House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6415) to extend and amend the Export-Import Bank Act of 1945.

The House agrees without amendment to the concurrent resolution (S. Con. Res. 46) providing for certain corrections to be made in the enrollment of the bill (H.R. 6415) to extend and amend the Export-Import Bank Act of 1945.

The House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 3816. An act to amend the Federal Trade Commission Act to expedite the enforcement of Federal Trade Commission cease-and-desist orders and compulsory process orders; to increase the independence of the Federal Trade Commission in legislative, budgetary, and personnel matters; and for other purposes;

H.R. 8309. An act authorizing certain public works on rivers for navigation, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTION SIGNED
H.R. 6415. An act to extend and amend the Export-Import Bank Act of 1945.

S.J. Res. 89. Joint resolution to amend the act entitled "To authorize certain appropriations for the territories of the United States, to amend certain Acts relating thereto, and

for other purposes" (enrolled bill H.R. 6550, Ninety-fifth Congress, first session).

The enrolled bill and joint resolution were signed on October 14, 1977, by the Acting President pro tempore (Mr. METCALF).

RECOGNITION OF THE LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

TIME-LIMITATION AGREEMENT—H.R. 5383, AGE DISCRIMINATION IN EMPLOYMENT AMENDMENTS OF 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as H.R. 5383, Calendar No. 451, is made the pending business before the Senate, there be a time limitation thereon of 1½ hours of debate on the bill, to be equally divided between Mr. WILLIAMS and Mr. JAVITS; that there be a time limitation on any amendment of 1 hour; that there be a time limitation on any debatable motion, appeal, or point of order of 20 minutes; and that the agreement be in the usual form.

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

The text of the agreement is as follows:

Ordered, That when the Senate proceeds to the consideration of H.R. 5383 (Order No. 451), an act to amend the Age Discrimination in Employment Act of 1967 to extend the age group of employees who are protected by the provisions of such act, and for other purposes, debate on any amendment shall be limited to 1 hour, to be equally divided and controlled by the mover of such and the manager of the bill, and debate on any debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of final passage of the said bill, debate shall be limited to 1½ hours, to be equally divided and controlled, respectively, by the Senator from New Jersey (Mr. WILLIAMS) and the