

file HR 16243

tive ways of using the energy content of the refuse which would otherwise be buried or burned with no useful return. The city of Nashville, Tenn., for instance, provides heat and cooling for all of the city municipal buildings, some of the State buildings and some nearby private buildings by using one-third of the city's solid waste, plus some reprocessed waste oil, for fuel. Mayor Briley told us that the idea for doing this came when they were struggling with solid waste disposal problems at the same time they were trying to decide what fuel to use for new municipal buildings.

Since the Nashville facility is owned and operated by a public corporation, they were able to finance its construction with general revenue bonds. But many communities contract for solid waste disposal with private companies; more than half of the Nation's residential waste and nearly all of the commercial and industrial wastes are handled in this way. If such towns, cities, and counties want to encourage resource and energy recovery, tax-exempt bonds to reduce the capital investment needed for the new facilities are a useful carrot to be able to dangle in front of the waste disposal industry.

Energy recovery doesn't have to be limited to burning the garbage as is. A plant being built in San Diego will convert solid waste to oil. Other processes are being tested which produce gas from garbage. I have even been told of a system in which bacteria produce electricity directly from fermenting rice hulls. The legislation we produce should allow for all of these, and others not yet thought of. The amendment I offer today would have that effect.

Mr. President, I ask unanimous consent that the text of my amendment be reprinted at this point in the RECORD.

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

AMENDMENT No. 1832

On page 2, line 1, after "of", insert ", or recovery of energy from".

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1975—AMENDMENTS

AMENDMENT NO. 1833

(Ordered to be printed and to lie on the table.)

Mr. KENNEDY submitted the following amendment intended to be proposed by him to the bill (H.R. 16243), making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes:

AMENDMENT No. 1833

On page 7, in line 3, strike "June 30, 1976" and insert "August 15, 1974".

AMENDMENT NO. 1834

(Ordered to be printed and to lie on the table.)

Mr. MUSKIE submitted an amendment intended to be proposed by him to the bill (H.R. 16243) supra.

AMENDMENT NO. 1835

(Ordered to be printed and to lie on the table.)

Mr. KENNEDY. Mr. President, I submit an amendment for printing which

I intend to propose to H.R. 16243, the Department of Defense appropriation bill, and I ask unanimous consent that a letter which I have prepared in connection with the amendment be printed at this point in the RECORD, together with the text of the amendment itself.

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

AMENDMENT No. 1835

On page 50, line 21, insert a new section as follows:

SEC. —. (a) No funds appropriated for the use of the Department of Defense by this or any other Act in fiscal year 1975 may be used for the purpose of stockpiling war materials or equipment for use by any Asian country except to the extent authorized by title VII of this Act or by the Foreign Assistance Act of 1961 or the Foreign Military Sales Act.

(b) Any materials or equipment stockpiled by the Department of Defense on the date of enactment of this Act for future use by any Asian country may not be transferred to any such country except to the extent such transfer is specifically authorized by law.

U.S. SENATE, Washington, D.C., Aug. 20, 1974.

DEAR COLLEAGUE: I intend to offer an amendment to the FY 1975 Defense Appropriations Bill which would prohibit use of defense funds to stockpile reserves for Asian allies.

On May 6 of this year, the Foreign Relations Committee revealed that the DOD has included in its FY 1975 budget a request of \$529 million for "War Reserve Stocks for Allies." These procurement funds are in addition to those which are specifically authorized and appropriated for U.S. forces. In FY 1973 and FY 1974, a total of \$525 million was similarly set aside by the DOD for such stockpiling.

Last June, by voice vote, the Senate approved my amendment to S. 3000, the DOD authorization bill, prohibiting the stockpiling of war reserves for allies out of FY 1975 Defense budget funds and requiring that the \$525 million previously earmarked for such stockpiling be reserved for sole use by U.S. forces. That amendment was dropped in conference.

The arguments for prohibiting the use of these funds for "War Reserve Stocks for Allies" are:

(1) The DOD has been unclear in responding to Congressional inquiries as to the nature, scope and transferral of these stocks. At times, it says these funds will be used to procure weapons for U.S. active and reserve forces. Yet they are labeled "War Reserve Stocks for Allies," and designated to support South Korea, South Vietnam, and Thailand in the event of a future conflict.

(2) If the \$529 million in FY 1975 represent the value of supplies which the U.S. may turn over to allies, then such stockpiling should more properly be authorized in the Foreign Assistance Bill, and not the DOD bill.

(3) These "War Reserve Stocks for Allies" are likely to become part of a highly-abused "excess stocks" program to certain countries, particularly South Vietnam, South Korea, and Thailand, where definite ceilings on military aid have been established by Congress. Under this procedure, the \$529 million would be used to purchase new equipment for U.S. active and reserve forces; the replaced equipment would go into the stockpile; and the equipment in the stockpile would then be declared excess and turned over to the allies.

A GAO study last month concluded that the "War Reserve Stocks for Allies" item con-

tained substantial dangers of abuse in transfers of war stocks to allies, without sufficient accountability to the Congress.

(4) DOD maintains that these stocks can be transferred to allies by the President without the specific authorization of Congress. This practice represents a serious loss of control by Congress of a major part of its powers in the area of foreign policy and military aid.

If you would like to cosponsor this amendment, or would like further information about it, please call Joe Annunziata at X-64543.

Sincerely,

EDWARD M. KENNEDY.

AMENDMENT NO. 1836

(Ordered to be printed and to lie on the table.)

Mr. EAGLETON (for himself, Mr. HATFIELD, Mr. PROXMIRE, Mr. MATHIAS, Mr. STEVENSON, and Mr. KENNEDY) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 16243), supra.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 1553

At the request of Mr. ERVIN, the Senator from Mississippi (Mr. STENNIS) was added as a cosponsor of amendment No. 1553, intended to be proposed to the bill (S. 1361) to revise the copyright law.

NOTICE OF HEARING ON THE NATIONAL PARK CAMPSITE RESERVATION PROGRAM

Mr. JACKSON. Mr. President, I wish to announce for the information of the Members of the Senate and other interested parties that the Committee on Interior and Insular Affairs will hold an open hearing on Wednesday, August 21, 1974, to take testimony concerning the national park campsite reservation program and the awarding of a concession contract by the Park Service to a firm known as the Park Reservation System.

The hearing will begin at 2 p.m. and will be held in room 3116 Dirksen Senate Office Building.

NOTICE OF HEARING RELATING TO EDUCATION IN THE DISTRICT OF COLUMBIA

Mr. STEVENSON. Mr. President, on Thursday, August 22, 1974, at 10 a.m., in room 6226, Dirksen Senate Office Building, the Senate Committee on the District of Columbia will hold a public hearing on H.R. 16543, a bill to reorganize public post secondary education in the District of Columbia, establish a Board of Trustees, authorize and direct the Board of Trustees to consolidate the existing local institutions of public post-secondary education into a single land-grant university of the District of Columbia, direct the Board of Trustees to administer the University of the District of Columbia, and for other purposes.

Persons wishing to present testimony at that hearing should contact Mr. Andrew Manatos, associate staff director of the committee, room 6222, Dirksen Senate Office Building, by 12 noon on Wednesday, August 21, 1974.

ADDITIONAL STATEMENTS

THE WORLD FOOD CONFERENCE

Mr. HUMPHREY. Mr. President, last September, I offered an amendment to the Foreign Assistance Act of 1973 which was subsequently incorporated in the legislation and signed into law calling upon the President to "support the organizing of a world food conference under United Nations auspices in 1974." During the confirmation hearings of Secretary Kissinger, I urged him to lend his support to the proposal.

In his first speech before the United Nations after becoming Secretary of State, Dr. Kissinger asked that such a conference be organized to discuss ways to maintain adequate food supplies and to concentrate the efforts of all nations to meet hunger resulting from natural disasters.

The United Nations formally adopted a resolution calling for a World Food Conference and Secretary General Waldheim appointed Mr. Sayed Marei of the United Arab Republic as the secretary general of the conference.

The conference will take place in Rome, November 5-15. The agenda for the meeting focuses on national and international actions to increase food production, to improve consumption patterns in the developing world, to strengthen emergency relief and food aid, to develop more effective food production and consumption information and stockholding policies and to improve the access of developing country exports to the markets of the developed world.

This conference is most appropriate and timely. Cereal production must increase by an average of 25 million tons each year to meet rising demand. In 1972, instead of increasing, world production of cereals actually dropped 33 million tons thereby creating havoc with prices and the commodity markets. As a result of this shortfall, world stocks of cereals dropped from 49 million tons in 1971-72 to 29 million tons in 1972-73 leaving the consumers of the world dependent on a 27-day buffer of the basis of world consumption as protection against production shortfalls.

The cereal "gap" of the developing world is projected to reach 85 million tons by 1975, a figure which represents almost three times their gross imports in 1969-72. This means that the capacity of the producing countries will become evermore strained to meet world demand, and producers will be subject to the possibility of increasingly wide fluctuations in world demand. The result will be an ever-increasing uncertainty from year to year in regard to food availability.

We have seen how important the weather can be in influencing crop production, and we must begin to share information on a world basis on weather expectations as well as crop forecasts.

World food security should be the theme of the conference, and it requires more than the good intentions of international statesmen. It is more than beautifully worded resolutions and principles; world food security is a commitment, and it is only with a sense of commitment

that the leaders of the world will be able to assure future generations of the availability of mankind's most precious external resource.

Delegates from over 100 nations will gather in Rome to address the issue of food security. The seriousness of their task must not be eclipsed by short range economic interests. Future generations will not judge us kindly if the opportunity to build a foundation for future food security is turned into an arena of myopic political concerns.

I am pleased to see the great outpouring of interest in the World Food Conference. The World Hunger Action Coalition is a group of private organizations which was organized to highlight the conference and build public and private support for it. I hope others will follow their lead in encouraging the broadest possible interest and attention to this most important initiative.

On September 4, Ambassador Edwin M. Martin, Coordinator of the U.S. Participation in the World Food Conference, will hold a meeting with representatives of nongovernmental organizations to discuss the U.S. position in regard to the conference. I encourage every interested individual or organization to contact Ambassador Martin's office at the Department of State.

We must make it clear to our Government that we are prepared to accept the challenge of future world food security now. This means taking constructive action to deal with the urgent issues of assuring food security for all people throughout the world.

The United States as the world's major food surplus Nation must take the lead in dealing with this problem. We have a unique role to play and history will treat us harshly if we shirk our duty and turn aside.

DROUGHT AND MEAT PRICES AND SUPPLIES

Mr. HUMPHREY. Mr. President, the impact and the implications of our recent Midwest drought on meat prices and supplies has only begun to sink into the consciousness of our people. The Washington Post article, "USDA Says Drought Will Boost Meat Prices in '75," provides some understanding of what is expected to happen.

The Department of Agriculture has an explanation as to what that impact will be although it has not been widely discussed. The main result is that producers will begin to reduce their herds and feed them less feed grains.

For this fall and early next year, the prices for meat are expected to remain about where they are now as herds are sold off. The clear implication is that by late 1975 meat will be less plentiful and, of course, much more expensive.

This expected development on future prices and supplies has received very little attention, and the Department of Agriculture refers to this as if it were a minor adjustment.

Mr. President, this is a development of major significance, and I ask unanimous consent that this article be printed in the RECORD.

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

[From the Washington Post, August 15, 1974]
USDA SAYS DROUGHT WILL BOOST BEEF PRICES IN 1975

(By Jack Egan)

Reduced harvest expectations for corn and soybeans because of the drought and resulting higher feed prices "will have a substantial impact on the livestock and poultry industry and could set off a chain of events that may reverberate through the livestock industry for several years," the Agriculture Department said yesterday.

The USDA's livestock and meat situation report predicted a continued drought will force ranchers to move large numbers of cow steers and heifers directly from grassland pasture to slaughter for the rest of the year.

This will increase meat supplies and lower prices in the short run, but will substantially reduce the number of animals and mean higher beef prices in 1975.

Paradoxically, if last week's rains signal an end to the drought, this will mean higher meat prices this fall because more cattle will be kept on pasture and less forced liquidation will take place. But meat prices in 1975 would be lower.

Live cattle prices are currently around \$48 per hundred pounds in Midwest markets. The USDA's outlook report said this could drop to the low 40s this fall in the event of liquidation. But if the drought abates and green grass is again available, the price could get pushed over the \$50 level.

The outlook summary predicted that retail meat prices "will probably turn lower again in the fall and remain below year-earlier levels for most of the last half of 1974."

The farm price of livestock was down 7 per cent in the first half of this year from the comparable period in 1973, according to the report. But wholesale meat prices were only down 1 per cent, and retail prices were up to 10 per cent for the period, the report said.

The American Cattlemen's Association in its monthly survey said the average retail price of beef this month is up 11 cents per pound or 8 per cent from a month ago. But the group noted that beef prices remain below their highs reached earlier this year.

The Agriculture Department meanwhile reported that the number of cattle on feed in seven major beef-producing states was down 23 per cent from a year ago, although total cattle numbers are up significantly.

The sharp drop in the number of cattle on feed lots reflects the high level of feed prices. Farmers have preferred to keep cattle on grass and send them directly to slaughter to save feeding costs and prevent from being squeezed.

Yesterday, corn—a major feed ingredient—sold above \$4 a bushel in some cash markets for the second consecutive day. And on the Chicago Board of Trade, corn futures all rose the 10-cent daily price limit again.

However, the back-step advance of all other commodities with corn that took place on Tuesday was broken as profit taking hit the wheat and soybean pits.

There were reports that some government officials were considering the imposition of export controls because of the bleak harvest prospects, particularly for corn.

But again trader observers discounted the possibility, claiming the price of corn would be sufficient to ration supplies and would make export controls unnecessary.

"If corn goes up to \$4 a bushel, and stays there, our exports will be 50 percent off this year," Hubert Dyke, vice president of the U.S. Feed Grains Council, said.

On Tuesday, the USDA in its latest supply and demand situation report reduced expected exports of corn for the next crop year

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The Senator from Arkansas is recognized.

Mr. McCLELLAN. I yield to the distinguished Senator from Colorado.

GEOHERMAL ENERGY ACT OF 1974—CONFERENCE REPORT

Mr. HASKELL. Mr. President, I submit a report of the committee of conference on H.R. 1492 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HELMS). The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1492) to further the conduct of research, development, and demonstrations in geothermal energy technologies, to establish a Geothermal Energy Coordination and Management Project, to amend the National Science Foundation Act of 1950 to provide for the funding of activities relating to geothermal energy, to amend the National Aeronautics and Space Act of 1958 to provide for the carrying out of research and development in geothermal energy technology, to carry out a program of demonstrations in technologies for the utilization of geothermal resources, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of August 19, 1974, at pp. H8600-H8607.)

Mr. HASKELL. I would like to state for the record that the conference report has been approved by the Senator from Arizona (Mr. FANNIN), the senior Republican member of the conference committee.

Mr. President, on July 11, the Senate took from the calendar H.R. 1492, the Geothermal Energy Research, Development, and Demonstration Act of 1974 and amended the House bill with the text of S. 2465, the companion Senate measure. Subsequently, the committee of conference met and reconciled the differences between the two versions of the measure. I would like to compliment the other members of the conference committee for their fine efforts in bringing this important legislation to the floor of their respective House for final consideration.

It is my belief that the conference report that we have before us is an excellent melding of the strong points which were contained in each version of H.R. 1492. As the Members will recall, the objective of the two versions was almost identical, that is, bringing about the timely development of geothermal energy resources for the benefit of all citizens of our Nation, but the mechanics of how this laudable goal was to be reached differed.

Originally, the House version would have established a "Geothermal Energy Coordination and Management Project" composed of the Federal Energy Administration, the National Science Foundation, the Department of the Interior, the National Aeronautics and Space Administration, and the Atomic Energy Commission with the Administrator of the FEA as Chairman of the project. The project was to have overall management responsibility for geothermal resource inventory, research and development and demonstration programs.

The Senate version called for the Department of the Interior to carry out a resource inventory with assistance from NASA and vested the authority for the research and development of geothermal energy technologies with the Atomic Energy Commission.

The committee of conference adopted the House plan for a management project, but recommends that the chairman of the project be designated by the President. The committee of conference also expanded the membership of the project to include an additional member to be appointed by the President.

Both versions would have established a loan guaranty program to encourage the development of geothermal energy resources by non-Federal entities. This program, of course, was retained in conference with conforming amendments including adoption of the House recommendation that the loan program be administered by a designated agency rather than the Department of the Interior. I should point out that this action does not exclude the Department of the Interior from administering the loan program if so designated by the chairman of the project.

I would like to commend the able efforts of both the Senator from Nevada (Mr. BIBLE), who I think can be characterized as the leader for the development of geothermal resources, and the Senator from Arizona (Mr. FANNIN), who has established a long and distinguished record regarding efforts to bring about the timely development of this important resource.

Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado.

The motion was agreed to.

DEPARTMENT OF DEFENSE APPROPRIATION ACT, 1975

The Senate continued with the consideration of the bill (H.R. 16243) making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes.

Mr. McCLELLAN. Mr. President, today the Senate considers H.R. 16243, the Department of Defense appropriation bill for fiscal year 1975. This is the largest appropriations bill that the Senate will be considering this year, and one that is of vital interest to every American. Although the Nation can be grateful that we were at peace, peace can be

maintained and insured only through vigilance and a strong posture. The committee has carefully examined this year's Defense request and is convinced that the bill before the Senate will maintain the military strength we need at the minimum feasible cost.

OVERALL RECOMMENDATIONS

The committee recommends an appropriation of \$82,079,358,000 for the Department of Defense for fiscal year 1975. This includes transfer authority of \$513.6 million.

This amount will provide: \$20,094,875,000 for the Department of the Army; \$26,973,643,000 for the Navy Department; \$24,727,643,000 for the Department of the Air Force; and \$3,028,197,000 for the Defense Agencies and related items.

By title, the committee's recommendations include: \$24,138,858,000 for military personnel appropriations; \$6,040,600,000 for retired military personnel; \$25,338,303,000 for operation and maintenance accounts; \$16,955,016,000 for procurement; \$8,389,281,000 for research and development; and \$700,000,000 for Military Assistance, South Vietnamese Forces.

These appropriations do not include funds for military construction, family housing, foreign assistance, and civil defense, which are included in other appropriations bills.

RECOMMENDED REDUCTIONS

The \$82,079,358,000 recommended in the bill is a reduction of \$4,978,139,000—or 5.7 percent—below the administration's budget request. It is \$1,314,212,000 below the House allowance and \$3,108,612,000 above the amount appropriated in fiscal year 1974. This will result in a reduction in actual outlays by \$2.7 billion during fiscal 1975, which should have a significant impact on reducing inflation, and it will help us move toward a balanced budget.

SUMMARY OF ITEMS IN THE BILL

The funds recommended in the committee bill buy two basic things—day-to-day pay and operating costs of our military forces and investment in new items of military equipment, including both research and development of new weapons and equipment, as well as actual procurement.

All told, the committee is recommending \$49,477,161,000 for the pay and operating costs of active duty military, Reserve forces, and DOD civilians. This amount includes \$24,138,858,000 for military personnel, and \$25,338,303,000 for operation and maintenance—which includes the pay for most of the civilian personnel.

In the first category, the recommended funds will pay for an active Army of 14 divisions and 4 separate brigades; a Navy with 508 commissioned ships in the active fleet and 6,283 active aircraft; 3 active Marine Corps divisions, each with an associated aircraft wing; and an Air Force with 10,145 aircraft and 1,054 intercontinental ballistic missile launchers.

Manpower funded in the bill is sub-

stantial: 2,127,912 in the Active Forces and 939,647 in the Reserve components, for a total of 3,067,559. This is still a significant reduction from the fiscal year 1974 total of 3,140,527, 72,968 below the number we had last year. In addition to the military manpower, funds are included for a total of 995,000 civilian employees of the Department of Defense.

It is important to keep in mind the very substantial cost of manpower, which is 56.1 percent of the fiscal year 1975 Defense budget.

Now, as to the second aspect of this budget—the development and procurement of new weapons and equipment for our Armed Forces. The committee recommends \$25,344,297,000 for these programs which are a key part of modernizing our military establishment—consisting of \$8,389,281,000 for research and development and \$16,955,016,000 for procurement.

I would like to highlight the funds in the bill for major program in procurement and research and development.

A total of \$1,749,152,000 is recommended for Army research and development. This sum includes: \$32.7 million for the heavy-lift helicopter; \$49.1 million for the utility tactical aircraft system, a new utility helicopter; \$60.8 million for the advanced attack helicopter, a follow-on to the Cobra; \$100 million for the SAM-D, a new and complex surface-to-air missile, a reduction of \$11 million from the request; and, \$60.8 million is recommended for further work on the Safeguard antiballistic missile defense system.

For Navy research and development, the committee recommends a total of \$2,979,612,000. This includes: \$20 million for the Navy's new fighter prototype, but no funds for the F-401 engine. This engine was originally to have powered the F-14 aircraft, but the Navy seems to have abandoned its use in that plane and cannot decide where else to use this new and advanced technology engine; \$31 million for the submarine launched cruise missile; \$641.1 million for the Trident missile system; \$63 million for the AEGIS surface-to-air missile system; \$45.8 million for surface effects ships; \$107.2 million for the Trident submarine system; and, \$15.7 million for the NATO patrol hydrofoil missile ship.

For Air Force research and development, the committee recommended \$3,144,460,000. This includes: \$400 million is included for the B-1 bomber; \$164.6 million for the F-15 fighter; \$55.8 million for an advanced medium STOL—short take-off and landing—aircraft; \$32 million for the air combat fighter; \$123.9 million is included for Minuteman missile squadrons; \$119.9 million for development of advanced ballistic reentry systems; and, \$61.5 million for the air launched cruise missile.

In the area of procurement, some of the major programs include the following:

For the Army, procurement of 25 new helicopters, including six AH-1 Cobra attack helicopters and 19 CH-47 Chinook cargo transport helicopters. New missiles procured include \$80.3 million for the improved Hawk air defense missile; \$86.5

million for the Dragon antitank missile; \$104.6 million for the TOW antitank missile; and \$64.4 million for the Lance surface-to-surface missile. The bill includes funds for 950 tracked combat vehicles, including 510 M60A1 standard combat tanks and 151 M113A1 armored personnel carriers. Over \$720 million is included in the bill for procurement of Army ammunition, including funds to modernize Army ammunition facilities.

For the Navy, the committee recommends \$2,745,200,000 for various aircraft, including procurement of 191 combat aircraft, 13 airlift aircraft, 18 trainers, and 6 tanker aircraft. Some of the more significant aircraft and their associated funding are \$118 million for 30 A-7E attack aircraft; \$617.3 million for 50 F-14A fighter aircraft; and \$388 million for 40 S-3A antisubmarine warfare aircraft.

Funds are included in the bill for procurement of a variety of Navy missiles, including \$48 million for 73 Poseidon submarine-launched ballistic missiles and over 3,000 tactical missiles, including \$51.6 million for 300 Sparrow air-to-air missiles; \$15.5 million for 800 Sidewinder heat seeking air-to-air missiles, \$93.2 million for 340 Phoenix long-range missiles needed to support F-14A aircraft deployments; and \$78.2 million for 150 Harpoon antiship cruise missiles.

The committee recommends \$3,140,400,000 for shipbuilding and conversion programs in the Navy, including purchase of 23 combat and auxiliary ships as well as conversion and overhaul of other ships. The bill includes \$927 million for the second and third of 10 planned Trident ballistic missile firing submarines; \$502.5 million for three SSN-688 class high speed submarines; \$457.1 million for seven DD-963 Spruance class multipurpose destroyers; \$152.3 million for the fourth DLGN nuclear powered guided missile frigate; \$92.3 million for four patrol hydrofoil missile ships; and \$186 million for three patrol frigates. In addition, one destroyer tender, one fleet oiler, and a fleet ocean tug are also funded in the bill.

Funds for procurement of 110 aircraft for the Air Force are included in the bill. This includes \$100.1 million for 24 A-7D attack aircraft; \$118 million for 20 A-10 close air support aircraft; \$276.7 million for four E-3A airborne warning and control system aircraft; and \$690.7 million for 62 F-15A air superiority aircraft and trainers. In addition, \$593.3 million is included for modification and modernization of in-service aircraft such as the E-52, F-4, F-111, C-5 and others.

For Air Force missiles, a total of \$1,518,700,000 is recommended. This includes \$298.4 million for 61 Minuteman III intercontinental ballistic missiles; \$11.1 million for 300 Shrike antiradar missiles; \$57.7 million for 6,000 Maverick air-to-ground missiles; and \$43.3 million for 300 Sparrow air-to-air missiles.

Finally, Mr. President, the committee is recommending an appropriation of \$700,000,000 for military assistance. South Vietnamese forces. This is a reduction of \$750,000,000 from the budget request and funds petroleum, ammunition, aircraft, and other items needed by the South Vietnamese in fiscal year 1975.

The bill also includes \$6,040,000,000 for retired military personnel. There are over 1 million retired persons on the rolls for fiscal 1975.

CEILINGS ON APPROPRIATIONS

Mr. President, on February 27, 1974, at the opening of hearings by the Committee on Appropriations on the administration's record \$304.4 billion-plus budget for fiscal year 1975, I announced that the committee would, as it did last year, establish tentative ceilings for the bills coming before it. As part of that action, the Subcommittee on Defense projected a reduction of \$3.5 billion in new budget authority from a total Defense request which, at that time, was \$85.6 billion.

Mr. President, in announcing this target, I said that it was a goal that we hoped to meet or exceed. The bill reported by the Senate Appropriations Committee has significantly surpassed this original objective. I point out that, subsequent to submission of the fiscal year 1975 budget, amendments adding \$1.5 billion were submitted, bringing the total budget request for fiscal year 1975 up to a total of \$87.1 billion.

THE RAPIDLY INCREASING COSTS OF DEFENSE

I am certain that the Senate is concerned that Defense outlays have risen from \$78 billion in 1968—when we were fighting a war in South Vietnam—to over \$85 billion in fiscal year 1975, when we are no longer at war.

The reason for this phenomenon results principally from the very heavy impact that inflation has had on the Defense budget.

Between 1968 and today's Defense budget, military basic pay rates have more than doubled, adding costs of \$9.9 billion.

Military allowances are up 41 percent. This represents an additional \$1.9 billion to the Defense budget.

Civil service pay has risen 59 percent, requiring an additional \$5.5 billion.

The cost of supplies has increased 54 percent, for an additional \$13.7 billion.

Retired pay cost increases total \$2.5 billion.

In summary, between 1968 and 1975, pay and price increases alone have added about \$34 billion to the Defense budget.

Even as we discuss the Defense appropriation today, inflation is taking its toll.

We will lose \$6 billion to inflation even before we start to spend the money appropriated in this bill.

We will lose \$3 billion to inflation from the money appropriated during prior years before we can spend it.

Indeed, if we wanted to stay even with last year, it would require a total budget of \$86 billion taking into account a yearly rate of inflation of 11.5 percent.

During the last 2 years, purchase price inflation has eaten into defense costs at a rate of 9 percent or more, compared to the period from 1958 to 1964, when it was less than 1 percent a year. There have been substantial increases between the unit prices budgeted last year and the price the military is paying today for the very same item.

The cost of a machinegun is up 23

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percent, for a dump truck 65 percent, for a 105 millimeter shell 29 percent, and for a pickup truck 38 percent.

With increases of this magnitude in a single year, you can see what has happened to the purchasing power of the defense dollar. Of course, a great deal of this dramatic jump in defense costs is due to the sophistication demanded in modern warfare.

In World War II, a B-29 bomber cost \$680,000. On a similar basis, if we buy the B-1, it will cost \$48 million—almost 71 times as much.

A P-51 fighter aircraft of 30 years ago cost \$54,000. An A-7D of today costs \$3.3 million, more than 61 times as much. Some more recent comparisons are:

A jeep has gone from \$3,400 in 1964 to \$4,160 in 1973 and is projected to cost \$7,000 in 1976.

A 2½ ton Army truck cost \$8,700 in 1964. A similar truck costs \$15,500 today and is projected to reach \$26,000 in 1977.

An M-60 tank produced in 1964 cost \$170,000, but today's M-60A2 costs \$717,000.

A nuclear submarine of 1964 cost about \$81 million; today an SSN-688 costs \$194 million.

A destroyer escort in 1964 cost about \$29 million; the DD-963 in the 1975 budget is estimated to cost around \$101 million.

FOOD COSTS

As every housewife knows, food prices have increased significantly in the last few years. In 1967, it cost \$1.30 a day to feed a soldier. This rose to \$1.52 in 1971, to \$1.65 in 1973, and in 1974 has jumped to \$2.28 a day. It is expected to go even higher. As shown by the table which I shall insert in the Record at this point, everyday food items increased on the average about 61 percent over the past 10 years.

I ask unanimous consent that the table be printed in the Record.

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

Cost of food items	Cost in 1964 (cents)	Cost today ¹ (cents)	Percent increase
White bread, 1 lb	0.21	0.27	28.6
Round steak, 1 lb	1.04	1.75	68.3
Rib roast, 1 lb	.83	1.56	88.0
Chuck roast, 1 lb	.57	1.23	115.8
Pork chops, 1 lb	.88	1.80	104.6
Bacon, 1 lb	.67	.90	34.3
Hamburger, 1 lb	.49	.82	67.4
Pork loin, 1 lb	.61	1.60	162.3
Milk, ½ gal	.48	.76	58.3
Butter, 1 lb	.74	.81	9.5
Coffee, 1 lb	.82	1.12	36.6

¹ August 1974. These are prices paid by the Department of Defense.

INCREASES IN FUEL PRICES

Mr. McCLELLAN. Fuel prices continue to increase despite diligent efforts of the Defense Department to reduce petroleum consumption. Even though consumption in 1975 will be 226 million barrels—9 million less than last year's consumption of 235 million barrels—petroleum costs have gone up \$1,558,500,000 over the fiscal year 1974 cost. All told, it will cost \$3,472,600,000 for petroleum products in fiscal year 1975—or 81 percent more than it did during the previous fiscal year, and we will be using less fuel.

For example, between the middle and end of last year, Air Force jet fuel skyrocketed from \$6.43 per barrel to \$13.63, while Navy distillate fuel, which is the prime ship steaming fuel, increased from \$4.51 to \$15.50 per barrel.

Mr. President, I would ask that my colleagues take note of these increased costs in all military operations, so that they may be cognizant that when they insist that we ought to operate our defense establishment on the same level of costs under these inflated prices that we operated it last year, that is tantamount to insisting that we reduce the military strength of this Nation.

It could not have any other effect.

INCREASES IN MILITARY AND CIVILIAN PAY

Certainly one of the principal reasons for rising costs has been the huge jumps in pay of our military and civilian personnel.

Mr. President, I mentioned earlier that pay and related costs consume 56.1 percent of the defense dollar in fiscal year 1975. During the past 10 years, civilian salaries, including those for blue collar wage board employees, have risen by about 85 percent. Average regular military compensation increased about 93 percent, almost double, during the past 10 years.

What effect do increases like this have on our payroll? Ten years ago it cost \$14.7 billion for 2.7 million military personnel and \$7.3 billion for 1 million civilians. Let us look at the contrast. Today—in fiscal year 1975—it costs \$32.6 billion for 2.2 million military personnel and \$14.9 billion for 1 million civilians. In the last 10 years, then, although the number of military has declined significantly and the number of civilians has remained about constant, their pay and related costs have more than doubled.

Although good progress has been made in achieving an all-volunteer force, it has come at a high cost. The Department of Defense estimates the additional cost to be \$3.7 billion alone during fiscal year 1975.

THE HIGH COST OF RETIRED PERSONNEL

The cost of retired military personnel which, unlike most other Federal agencies, is funded in the Defense Department budget, has also increased dramatically in recent years. In fiscal 1964—10 years ago—retired pay was \$1.2 billion. In 1975, it will be well over \$6 billion—a fivefold increase in just 10 years. And with annual or semiannual increases in the cost of living retired pay will continue to rise each year. This increase in retired pay is not unique to the military—Federal civil service retirement has gone up fivefold between 1964 and 1975, and social security increased about fourfold in the same period. All of this, Mr. President, is a product of both increasing numbers on the rolls as well as higher annuities.

DEFENSE IN COMPARISON WITH OTHER FEDERAL AGENCIES AND PROGRAMS

Finally, I would like to address myself for a moment to the charge made by many that there has been no real reordering of national priorities and no significant decline in our defense costs. An examination of the facts shows something quite different.

In the 1950's, outlays for national defense were about 50 percent of the Federal budget of the Federal Government, total spending.

In the 1960's, they were about 40 percent of the Federal budget—45 percent in 1968.

In the 1970's, they have dropped below 30 percent. In fiscal 1975 they will be only 29 percent of the Federal budget.

In the past decade—the 10 years from 1964 to 1974—human resource programs were increasing by the following amounts:

Federal aid to education jumped 46.2 percent from \$1.3 billion to \$7.6 billion. Public assistance increased by 365 percent, from \$3.1 billion to \$14.5 billion.

Social security and related retirement and disability programs increased by 283 percent, from \$19.6 billion to \$75 billion.

Health services, including medicare and medicaid, increased by 4,418 percent, from \$496 million to \$22.4 billion.

So, Mr. President, it is clearly evident that contrary to the misconceptions of many—including some Members of the Senate—we are spending far less proportionately to maintain our national security than we are spending for human needs and nondefense programs.

Looking at this problem from a slightly different perspective, we find that between 1968 and 1975, total Federal budget outlays rose from \$178.8 billion to proposed \$304.4 billion—a rise of 70 percent. Defense costs during that same period of time rose by 9 percent, but the remainder of the Federal budget rose 121 percent, legislative functions rose 161 percent, judicial functions rose 231 percent, executive direction and management rose 433 percent, human resources rose 173 percent, and State and local government spending rose 131 percent.

Mr. President, I think it is obvious that the rising cost of defense is part of a pattern of increasing costs which affects all goods and services—and in most cases these costs all rose much more dramatically and much faster than defense spending.

During fiscal 1975, national defense will receive the lowest share of the Federal budget—under 26 percent, and of total public spending—under 18 percent—since 1940, the year before Pearl Harbor when defense spending was 8.3 percent of all public spending and under 16 percent of the total Federal budget.

During fiscal 1975, Defense will have the lowest level of manpower it has had since 1950.

During fiscal 1975, Defense will have the lowest level in terms of real purchasing power it has had since 1951. This year defense spending will be less than 6 percent of GNP whereas in 1955 defense spending was 11.2 percent of GNP.

In conclusion, Mr. President, I am aware that the amounts included in this bill will not please everyone. No measure that can be sent to the floor of the Senate could do so. No measure providing appropriations for the Defense Department for the military establishment can possibly please everyone.

There will always be some Members who will say that we have cut too deeply;

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there will always be others who will say that we have not slashed enough.

This bill represents the considered and reasoned judgment of the Members of the Senate most familiar with the issues and problems involved in maintaining our national security. In reporting this bill, we have tried to provide security without excess, muscle without fat.

I have been informed that efforts will be made on the floor or may be made to slash this appropriation even further—to make across-the-board cuts—meat ax cuts. Such a move would, in my view, be misguided and irresponsible. The reductions we have already made are substantial and represent the maximum that can prudently be made, in my judgment, in defense spending.

In fact, in an effort to hold down Federal spending and to balance the budget, we may have cut too much already.

It is my hope, Mr. President, that since we have tried to take a middle course, have tried to balance out the necessity for strong defense and also the impact that spending has on deficits and on our economy, that we have struck a balance.

It is my hope, Mr. President, that the Senate will accept and support the recommendations of the committee.

I hope it will accept the recommendations we have made and pass this bill without substantial changes.

Of course, during the debate, Mr. President, I will be happy to answer any questions Members may have.

I yield to the distinguished Senator from North Dakota.

The PRESIDING OFFICER (Mr. BARTLETT). The Senator from North Dakota is recognized.

Mr. YOUNG. Mr. President, the distinguished chairman of the Senate Committee on Appropriations, Senator McCLELLAN, has already explained in considerable detail the various provisions of this defense appropriations bill. It includes the major items of expenditures and other important provisions of the bill. The views he expresses with respect to the defense bill are much the same as mine.

I recognize that this appropriations bill will not satisfy everyone. Some of our Members will want to reduce it even more by a percentage cut, or other means, to \$81 billion or below, and others may have serious concern that the \$5.5 billion reduction is much too great.

The huge reduction of \$5,491,739,000 in this defense appropriations bill represents the biggest cut in any appropriations bill in my time. This big cut, I believe, is responsive to the economic distress we are experiencing in our country today. However, this reduction in the defense bill is not the only answer to our economic problems. It is only one of many actions that must be taken if we are to again experience economic stability. Reductions in other appropriations have and should be accomplished in an attempt to balance the budget and reduce spending as much as possible.

I have always strongly believed that our Armed Forces should be equipped with the most modern and effective weapons possible, even if it meant that

total troop levels would have to be reduced. It is because of my strong belief in this principle that I am concerned this \$5.5 billion reduction may be too much in some areas. I am particularly concerned about the research and development of newer and more modern weapons.

This austere budget will provide considerable funding for research and development for the start of some new modern weapons and the continuation of others. It certainly is inadequate to support all of what might well be necessary in the development of new weapons of the future that are emerging as ideas today.

At the outset of almost every war in which we have been involved, our enemies have had better, more modern, and effective weapons. This was certainly true of World War I and World War II. The most recent example was the Middle East war. The arms supplied by the Soviet Union to the Arab nations were equal to or better than most of the weapons we supplied to the Israelis. This is but one clear example of the ability of our potential enemy to equip his forces with the most modern and sophisticated weapons. It just does not make sense for a nation as great as ours to be second best in technology and weapons systems necessary to protect our national interests.

One of the major reasons why it is so difficult to cut defense spending this year is the cost of our all-volunteer military force. The average annual pay of military personnel just 6 years ago was approximately \$5,500. Now that average pay for military personnel is considerably beyond \$11,000 a year.

This bill reduced military and civilian manpower. Military manpower overall is reduced by 24,211 to a total strength of 2,127,912 by the end of fiscal year 1975. This will be the lowest military strength in this country since 1950 or before the Korean war. This defense bill, as reported by the Senate Appropriations Committee, requires that the military personnel overseas be reduced by 25,000. This overseas reduction is in no way intended as a unilateral action on the part of the committee to reduce troops in Europe or prejudice the efforts of our representatives to negotiate in Vienna for a mutual and balanced force reduction.

This reduction in our overseas military force is left to President Ford and the Department of Defense.

Civilian personnel will be reduced under this bill by 32,327 below the budget estimate at a savings of an estimated \$403,000,000. Most of this reduction will be by attrition and denial of personnel increases.

There has been a very sizable overrun in the cost of many of the important weapons systems that are now being produced. Inflation is not only resulting in higher costs of weapons systems, but almost everything that people have to buy. The cost of much more simple farm tractors has doubled or even tripled in the last 10 years. To a large extent this is true of automobiles and most things that the housewife has to buy. Inflation hurts

the cost of military equipment even more severely because these weapons systems are much more complex and sophisticated than ordinary industrial goods.

Mr. President, every American is acutely aware of the effect inflation has and is having on our lives today. This is compounded by the energy crisis. The farmer, businessman, manufacturer—and particularly the American family—are having to do without, delay, or go into debt to even continue to do the things they were accustomed to doing only a year ago. This is also true of Government agencies.

The Defense Department faces these same problems. I believe that the \$5.5 billion cut contained in this bill before us today cuts right down to the bone and any further cuts would jeopardize our defense. I urge all of my colleagues to support this bill substantially as reported.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. PROXMIRE. Mr. President, I call up my amendment No. 1810.

The PRESIDING OFFICER. The committee amendments have not been disposed of.

Mr. PROXMIRE. I beg the Chair's pardon.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill as amended be considered as original text for the purpose of further amendment, with the understanding that no points of order be considered as having been waived by reason thereof.

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

The amendments agreed to en bloc are as follows:

On page 2, in line 10, strike out "\$7,875,013,000" and insert in lieu thereof "\$7,762,213,000".

On page 2, in line 18, strike out "\$5,720,230,000" and insert in lieu thereof "\$5,565,510,000".

On page 3, in line 10, strike out "\$1,713,506,000" and insert in lieu thereof "\$1,686,206,000".

On page 3, in line 18, strike out "\$7,332,151,000" and insert in lieu thereof "\$7,210,881,000".

On page 4, in line 1, strike out "\$498,600,000" and insert in lieu thereof "\$485,800,000".

On page 4, in line 9, strike out "\$216,200,000" and insert in lieu thereof "\$202,900,000".

On page 4, in line 17, strike out "\$68,500,000" and insert in lieu thereof "\$67,800,000".

On page 4, in line 25, strike out "\$145,865,000" and insert in lieu thereof "\$147,865,000".

On page 5, in line 7, strike out "\$600,800,000" and insert in lieu thereof "\$661,300,000".

On page 5, in line 15, strike out "\$204,527,000" and insert in lieu thereof "\$205,027,000".

On page 6, in line 10, strike out "\$6,228,389,000" and insert in lieu thereof "\$6,137,532,000".

On page 6, in line 11, strike out "\$370,000,000" and insert in lieu thereof "\$343,000,000".

On page 6, in line 22, strike out "\$7,177,915,000" and insert in lieu thereof "\$7,140,575,000".

On page 7, in line 8, strike out "\$451,624,000" and insert in lieu thereof "\$449,284,000".

On page 7, in line 18, strike out "\$7,113,254,000" and insert in lieu thereof "\$7,077,930,000".

On page 8, in line 2, strike out "\$763,143,000" and insert in lieu thereof "\$748,642,000".

On page 8, in line 4, strike out "\$203,932,000" and insert in lieu thereof "\$201,932,000".

On page 8, in line 7, strike out "\$11,224,000" and insert in lieu thereof "\$10,924,000".

On page 8, in line 8, strike out "\$14,772,000" and insert in lieu thereof "\$14,356,000".

On page 8, in line 13, strike out "\$757,453,000" and insert in lieu thereof "\$765,453,000".

On page 8, in line 14, strike out "\$2,357,375,000" and insert in lieu thereof "\$2,350,159,000".

On page 9, in line 12, strike out "\$279,600,000" and insert in lieu thereof "\$273,600,000".

On page 10, in line 19, strike out "\$286,680,000" and insert in lieu thereof "\$292,580,000".

On page 11, in line 13, strike out "\$586,500,000" and insert in lieu thereof "\$589,500,000".

On page 12, in line 9, strike out "\$632,500,000" and insert in lieu thereof "\$652,500,000".

On page 12, in line 11, after the word "facilities", insert a colon and the following language: "Provided, That not less than ninety-two flying units shall be maintained during fiscal year 1975".

On page 13, in line 5, strike out "\$81,900,000" and insert in lieu thereof "\$56,900,000".

On page 13, beginning at line 17, insert the following new language:

CONTINGENCIES, DEFENSE

"For emergency and extraordinary expenses arising in the Department of Defense, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes; \$5,000,000."

On page 14, in line 18, strike out "\$224,300,000" and insert in lieu thereof "\$265,700,000".

On page 16, in line 5, strike out "\$344,800,000" and insert in lieu thereof "\$343,500,000".

On page 16, in line 22, strike out "\$726,500,000" and insert in lieu thereof "\$720,200,000".

On page 17, in line 20, strike out "\$669,600,000" and insert in lieu thereof "\$689,700,000".

On page 18, in line 11, strike out "\$2,814,000,000" and insert in lieu thereof "\$2,745,200,000".

On page 18, in line 23, strike out "\$726,000,000" and insert in lieu thereof "\$748,600,000".

On page 19, in line 17, after "\$244,300,000" insert a comma and the following language: "which shall be available only for construction of DLGN 41 and for advance procurement funding for DLGN 42, both ships to be constructed as follow ships of the DLGN 38 class."

On page 19, in line 24, after "\$116,700,000;" insert the words "for a fleet oiler, \$81,400,000;"

On page 20, in line 6, strike out "\$3,059,000,000" and insert in lieu thereof the following language: "\$3,140,400,000 and in addition \$103,600,000 for escalation and cost growth on prior year programs which shall be derived by transfer from 'Shipbuilding and Conversion, Navy 1973/1974'."

On page 21, in line 5, strike out "\$1,602,600,000" and insert in lieu thereof "\$1,582,600,000".

On page 22, beginning in line 12, strike out the following language: "\$3,190,300,000, and in addition, \$78,200,000, of which \$49,400,000 shall be derived by transfer from 'Aircraft Procurement, Air Force, 1974/1976' and \$26,800,000" and insert in lieu thereof the following language: "\$2,705,700,000, and in addition, \$153,600,000, of which \$106,800,000 shall be derived by transfer from 'Aircraft Procurement, Air Force 1974/1976' and \$46,800,000".

On page 23, in line 9, strike out "\$1,555,200,000" and insert in lieu thereof "\$1,518,700,000".

On page 24, strike out "\$1,864,400,000" and insert in lieu thereof "\$1,772,000,000".

On page 24, in line 21, strike out "\$102,017,000" and insert in lieu thereof "\$98,416,000".

On page 25, in line 9, strike out "\$1,831,630,000" and insert in lieu thereof "\$1,749,152,000".

On page 25, in line 17, strike out "\$3,065,121,000" and insert in lieu thereof "\$2,979,612,000".

On page 26, in line 2, strike out "\$3,377,317,000" and insert in lieu thereof "\$3,144,460,000".

On page 28, in line 1, strike out the semicolon and the following language: "\$622,600,000, and in addition, \$77,400,000, which shall be derived by transfer from 'Aircraft Procurement, Air Force, 1974/1976' and shall be available only for the procurement of F-5E aircraft" and insert in lieu thereof a comma and "\$700,000,000".

On page 31, in line 5, strike out "\$204,343,000" and insert in lieu thereof "\$202,343,000".

On page 42, in line 14, strike out the words "or drycleaning facility" and insert in lieu thereof the words "dry cleaning facility, or purchase of bulk milk dispensing equipment".

On page 50, in line 9, strike out the figure "427" and insert in lieu thereof "436".

On page 50, in line 9, strike out the figure "567" and insert in lieu thereof "576".

On page 50, beginning at line 15, insert the following new language:

"Sec. 847. None of the funds appropriated by this Act shall be available for use after March 31, 1975, to support United States military forces stationed or otherwise assigned to duty outside the United States in any number greater than 440,000, not including military personnel assigned to duty aboard United States naval vessels."

On page 51, in line 4, strike out "\$1,100,000" and insert in lieu thereof "\$800,000".

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the following changes be made in the bill to correct typographical errors:

On page 20, line 6, after the amount "\$3,140,400,000" insert a comma, and on line 9, strike the year "1974" and insert in lieu thereof "1977".

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Wisconsin.

AMENDMENT NO. 1810

Mr. PROXMIRE. Mr. President, I call up my amendment No. 1810.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 28, line 5, strike out "\$700,000,000," and insert in lieu thereof, "\$550,000,000."

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the following Senators be added as cosponsors: Senators KENNEDY, SCHWEIKER, HART, COOK, HATFIELD, SYMINGTON, CRANSTON, MOSS, CLARK, FELL, GRAVEL, ABOUREZK, MCGOVERN, HATHAWAY, METZENBAUM, BAYH, HARTKE, CHURCH, and STEVENSON.

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

Mr. PROXMIRE. Mr. President, I ask unanimous consent that Mr. Ron Tammen, of my staff, be permitted to remain on the floor during the debate and vote on this amendment.

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

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[No. 372 Leg.]
Bartlett
Byrd, Robert C.
Clark
Cranston
Goldwater
Haskell
Hathaway
Hughes
Inouye
Mathias
McClellan
Proxmire
Stevens
Symington
Tower
Young

The PRESIDING OFFICER. A quorum is not present.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk
Aiken
Allen
Baker
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
Cannon
Chiles
Church
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Griffin
Gurney
Hansen
Hart
Hartke
Hatfield
Helms
Hollings
Hruska
Huddleston
Humphrey
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
McClure
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
William L.
Sparkman
Stafford
Stennis
Stevenson
Taft
Talmadge
Thurmond
Tunney
Welcker
Williams

The PRESIDING OFFICER. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its

reading clerks, announced that the House has passed the bill (S. 1871) to amend the Youth Conservation Corps Act of 1972 (Public Law 92-597, 86 Stat. 1319) to expand and make permanent the Youth Conservation Corps, and for other purposes, with an amendment in which it requests the concurrence of the Senate.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3703) to authorize in the District of Columbia a plan providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the District of Columbia, and for other purposes.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3703) to authorize in the District of Columbia a plan providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the District of Columbia, and for other purposes.

The message further announced that the House agrees to the amendments of the Senate to the bill (H.R. 14402) to amend the Act of September 26, 1966 (Public Law 89-606), as amended, to extend for 2 years the period during which the authorized numbers for the grades of lieutenant colonel and colonel in the Air Force are increased.

The message also announced that 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. 15842) to increase compensation for District of Columbia policemen, firemen, and teachers; to increase annuities payable to retired teachers in the District of Columbia an equitable tax on real property in the District of Columbia; to provide for additional revenue for the District of Columbia; and for other purposes.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1975, and for other purposes; that the House recedes from its disagreement to the amendment of the Senate No. 20 and concurs therein; and that the House recedes from its disagreement to the amendment of the Senate No. 5 and concurs therein with an amendment in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 5507. An act to authorize the conveyance to the city of Salem, Ill., of a statute of William Jennings Bryan;

H.R. 9054. An act to amend the act entitled "An act to authorize the Secretary of Agriculture to execute a subordination agreement with respect to certain lands in Lee County, S.C.;

H.R. 11796. An act to provide for the duty-free entry of a 3.60-meter telescope and associated articles for the use of the Canada-France-Hawaii telescope project at Mauna Kea, Hawaii;

H.R. 12113. An act to revise and restate certain functions and duties of the Comptroller General of the United States, and for other purposes;

H.R. 13157. An act to provide for the establishment of the Clara Barton National Historic Site, Md.; John Day Fossil Beds National Monument, Oreg.; Knife River Indian Villages National Historic Site, N. Dak.; Springfield Armory National Historic Site, Mass.; Tuskegee Institute National Historic Site, Ala.; and Martin Van Buren National Historic Site, N.Y.; and for other purposes;

H.R. 14217. An act to provide for increases in appropriation ceilings and boundary changes in certain units of the National Park System, to authorize appropriations for additional costs of land acquisition for the National Park System, and for other purposes; and

H.R. 14600. An act to increase the borrowing authority of the Panama Canal Company and revise the method of computing interest thereon.

HOUSE BILLS REFERRED

The following House bills were each read twice by their titles and referred as indicated:

H.R. 5507. An act to authorize the conveyance to the city of Salem, Ill., of a statute of William Jennings Bryan; to the Committee on Rules and Administration.

H.R. 9054. An act to amend the Act entitled "An Act to authorize the Secretary of Agriculture to execute a subordination agreement with respect to certain lands in Lee County, S.C.;" to the Committee on Agriculture and Forestry.

H.R. 11796. An act to provide for the duty-free entry of a 3.60-meter telescope and associated articles for the use of the Canada-France-Hawaii Telescope Project at Mauna Kea, Hawaii; to the Committee on Finance.

H.R. 12113. An act to revise and restate certain functions and duties of the Comptroller General of the United States, and for other purposes; to the Committee on Government Operations.

H.R. 13157. An act to provide for the establishment of the Clara Barton National Historic Site, Md.; John Day Fossil Beds National Monument, Oreg.; Knife River Indian Villages National Historic Site, N. Dak.; Springfield Armory National Historic Site, Mass.; Tuskegee Institute National Historic Site, Ala.; and Martin Van Buren National Historic Site, N.Y.; and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 14217. An act to provide for increases in appropriation ceilings and boundary changes in certain units of the National Park System, to authorize appropriations for additional costs of land acquisition for the National Park System, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 14600. An act to increase the borrowing authority of the Panama Canal Company and revise the method of computing interest thereon; to the Committee on Commerce.

DEPARTMENT OF DEFENSE APPROPRIATION ACT, 1975

The Senate continued with the consideration of the bill (H.R. 16243) mak-

ing appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

AMENDMENT NO. 1810

MILITARY AID TO SOUTH VIETNAM

Mr. PROXMIRE. Mr. President, why should the Senate increase the amount of funds it approved last year for the South Vietnamese Armed Forces by 27 percent?

That is precisely what the bill before us will do. It will increase the military aid provided to Vietnam from the \$550 million the Appropriations Committee and the full Senate approved last year to \$700 million. That \$150 million increase represents the 27 percent.

Last year the total amount appropriated by the Senate for military assistance service funded was \$650 million. This money was for two countries, South Vietnam and Laos. Laos received a little over \$100 million. This left about \$550 million as approved by the Senate for South Vietnam.

HOLD THE LINE TO LAST YEAR

My amendment would allow the same appropriations for Vietnam as accepted by the Senate last year—\$550 million. Money for Laos is now contained in the military assistance program—MAP—under the foreign aid bill. It is not a part of this bill and therefore the \$100 million for Laos last year must be subtracted from the \$650 million that was appropriated. This leaves \$550 million—the level established in my amendment.

Mr. President, I am well aware that after the Senate approved the \$100 million for Laos and the \$550 million for South Vietnam last year, the conference committee with the House compromised at a much higher figure of \$1,126 million. Of that total, \$266 million subsequently has been charged to the fiscal year 1975 account to make up for deliveries and expenses incurred in prior years. This so-called bookkeeping was confined to the fiscal year 1974 budget by the action of the Kennedy amendment on the fiscal year 1974 supplemental. The practical effect of the inclusion of the charge of this \$266 million to the fiscal year 1974 budget is to reduce the amount of new money in that budget by \$266 million.

When the Laos money of \$108 million is taken out of last year's final budget for MASF, and the \$266 million is subtracted since it applies to prior commitments, and some \$69 million is reduced for payback of aircraft shipped earlier, only \$683 million was left for new programs.

Therefore, even judging by the figures that came out of the conference committee, a Senate position of \$550 million, the same as last year, is practical and not the reduction the administration would have us believe.

Mr. President, I do not think it necessary to point out just how inflation is affecting our economy. The stark facts are that, due to increased cost of interest on the national debt, the Defense supplemental request, veterans educational benefits, and a rise in court-released impounded funds, spending—that is, cut-

lays—will rise to the \$310 billion level this year. This is a cold fact of life that will occur even though the total appropriations actions of Congress will probably be below the budget request by some \$6 to \$8 billion, and most of that reduction is in this bill. The distinguished Senator from Arkansas (Mr. McCLELLAN) deserves great credit for having made this kind of reduction. I know it was not easy. He worked very hard on it. He and the distinguished Senator from North Dakota (Mr. Young) deserve great credit, in this inflationary year, for being very sensitive to the need for whatever reduction they could make.

Congress and the President now face the fact that even with all of our hard efforts, fiscal year 1975 spending will be a mammoth \$40 billion or 15 percent over last year at a time when we face the worst inflation in our peace time history.

What this means is that the President and this Congress must now decide where further spending can be cut, slowed down, stretched out, or stopped altogether.

Of all the areas in the Federal budget, there is less need for sending hundreds of millions in military aid to Vietnam than any other single item.

What I am proposing is not a cut in terms of the Senate's position of last year. It is the same appropriation as considered in the Appropriations Committee and accepted on the floor last year.

Granted, inflation has had an impact on this military aid to South Vietnam. But should we ask the American public to pay for their own inflation and add on top the inflation in the goods we freely give to South Vietnam?

The very least we can do is let the South Vietnamese military forces absorb the impact of U.S. inflation without asking the taxpaying American public for another subsidy.

STRATEGIC IMPLICATIONS

What about the strategic situation in South Vietnam? By not increasing our military commitment to that nation will we be handing it over to the Communists?

Well, the Vietnamese war has been going on for over 20 years. We have joined in the history of that conflict only in the last 10- or 12-year period. The war was going on before we got there. It is going on even though we left.

No one can say that our contribution has been inadequate. According to the Defense Intelligence Agency—DIA—U.S. military aid to South Vietnam was eight times greater—think of that, Mr. President; our aid to South Vietnam was eight times greater than that given by the two Communist powers to North Vietnam in 1973.

Since 1966 the DIA estimates show the United States spent 29 times as much in Indochina as the Soviets and Peoples Republic of China combined. This amounts to \$2.57 billion from the U.S.S.R. and \$1.08 billion for the Peoples Republic of China—PRC.

The United States on the other hand spent \$107.10 billion in the same period including some \$10.4 billion in direct military aid.

This is not my estimate. It is the estimate of the Defense Intelligence Agency of our Government.

Estimates for U.S.S.R. and PRC support were said to be \$290 million for calendar year 1973 compared to \$2.3 billion in military aid from the United States to South Vietnam.

While Chinese and Russian arms shipments were reduced by more than half from 1972 to 1973, the United States increased its shipments by \$286 million in the same 1-year period.

I ask my colleagues, has our contribution been inadequate? Have we spent enough money? Did we lose enough lives? Are we being foolish to try to hold the line on further spending for South Vietnam?

I think the answer is obvious.

FOREIGN POLICY IMPLICATIONS

The maintenance of high levels of military aid to South Vietnam could be contrary to our long-term foreign policy objectives in Indochina. We are committed to a policy of military disengagement. Yet, the House has proposed an appropriation \$150 million greater than that deemed proper by the Senate last year—a sum actually larger than the fiscal year 1974 final new appropriation when bookkeeping reductions are made.

It has become more and more evident in the past few months that South Vietnam does not need increases in military aid in order to survive. Within the last 2 months, both Defense Secretary Schlesinger and Admiral Moorer have declared that the military situation in South Vietnam is far from critical.

On June 5, 1974, Secretary Schlesinger told the House Foreign Affairs Committee that the United States no longer expects a major Communist offensive in South Vietnam.

On July 8, Admiral Moorer, the former Chairman of the Joint Chiefs of Staff, told U.S. News & World Report that he saw no evidence of an offensive by the North Vietnamese and that the "main thrust of their effort has been directed toward developing the infrastructure and seeing what they could do to increase their political influence with the population."

Reports in recent weeks about a new offensive have now died out, perhaps spawned in the first place by a desire to influence congressional consideration of the military assistance request.

Congressional study groups returning from recent trips to Vietnam, including one led by Congressman PETER FRELINGHUYSEN of the House Foreign Affairs Committee, have reported that the Thieu government has done very well since the cease-fire. His study group estimated that Saigon has gained control over 770 more hamlets since the January 1973 Paris truce, while the Communists have lost their hold on nearly 400 hamlets over that same time span.

There seems little need to increase military assistance to a nation enjoying such successes in the field.

The truth of the matter is that the Thieu government and the North Vietnamese have been on a limited warfare basis since the Paris truce. The peace

agreements have been violated at will by both sides.

WASTE AND CORRUPTION

What happens to the hundreds of millions that we give to South Vietnam?

Unfortunately much of our assistance has gone to line the pockets of corrupt officers and bureaucrats. Talk to anyone who has served in Vietnam at any level. They will tell you of the black market operations, the U.S. military assistance goods being sold on the same street as the U.S. warehouses, the bribery and corruption that is expected at every level of Government.

But we need not rely on second hand evidence. We know about the thousands of "ghost" soldiers added to military payrolls for which the United States pays about 40 percent of the salaries.

South Vietnam's 92 generals have only recently been ordered to cut their personal staffs of chauffeurs, bodyguards, and servants from 36 to 11 each. They have also been told that they must make do with two rather than four motor vehicles. That is where U.S. tax dollars have gone. Think of it. Only 11 chauffeurs and servants each.

Evidence has also been uncovered recently that a number of new American A-37's worth \$500,000 each—are being dismantled and sold for scrap on the black market in Saigon. A police raid on an illegal scrap operation yielded the wings of 15 planes as well as substantial amounts of other U.S.-made military equipment which were being readied for foreign export.

We ship it to them. They tear it down and export it out of the country for a profit. Not a bad deal some would say.

PLENTY OF ECONOMIC AID AVAILABLE

Mr. President, the passage of my amendment would not leave South Vietnam "high and dry." In addition to the \$550 million I would provide in military assistance, the United States will contribute nearly \$1 billion in economic aid to South Vietnam—by far the largest total allotted by us to any nation.

It is true that the Foreign Relations Committee has just voted to reduce this to \$500 million. If it stays at that level, it would still represent the largest total for any nation. This \$500 million is in addition to the \$700 million that we have in this bill.

The administration has requested \$911,553,000 in economic aid to South Vietnam; \$751 million will come out of security supporting assistance and the Indochina postwar reconstruction accounts; \$160,553,000 was requested for Public Law 480, the commodity sales and food for peace legislation.

No other country in the world is scheduled to receive this much economic aid. Not Central West Africa and the drought stricken Sahel, not the war torn Bangladesh, not Cambodia with its continuing strife, not Indonesia, India, or Korea. Not Pakistan, Egypt, or the entire economic assistance package to Africa. It surpassed the total economic aid planned for all of Latin America or the Middle East. It is one-fifth of all U.S. economic aid worldwide.

No—we will not be leaving South Vietnam “high and dry.”

To conclude, Mr. President, there is no reason why the American taxpayer should be called upon to pay \$700 million this year for supporting the South Vietnamese military machine.

Keeping military aid to South Vietnam at the same level as the Senate approved last year, when taken in the context of our raging inflation at home, is the very least we can do.

Mr. President, I yield the floor.

Mr. PELL. Mr. President, I am pleased to cosponsor the amendment of Senator PROXMIRE to the fiscal year 1975 Department of Defense appropriations bill. The amendment, which would reduce military aid to South Vietnam to last year's level of \$550 million, is a necessary step in the process of phasing out the American role in Indochina.

Those who oppose the reduction in military aid claim that additional aid will enable South Vietnam to turn the corner and attain economic and military self-sufficiency. Yet this is a refrain that we have heard for too many years. The United States has sacrificed 50,000 lives and hundreds of billions of dollars to prevent the imposition of a military solution in Vietnam. “Vietnamization” has had ample opportunity to prove itself; the burden of defense must increasingly be borne by the South Vietnamese themselves.

By reducing American aid, we will be saving precious funds we can ill-afford to spare. More important, the United States will be demonstrating its firm conviction that political accommodation must be found in Vietnam. Our aim should not be military victory for the south, but rather a political settlement consonant with the Paris Accords of January 1973. Reconciliation and reconstruction, long overdue, require a context of peace. The continuing war in Vietnam, to a significant extent made possible by American arms supplied to the south, must come to an end.

RECESS FOR 30 MINUTES

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess for 30 minutes.

The motion was agreed to; and, at 4:35 p.m., the Senate took a recess until 5:05 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. TUNNEY).

DEPARTMENT OF DEFENSE APPROPRIATION ACT, 1975

The Senate continued with the consideration of the bill (H.R. 16243) making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes.

Mr. CLARK obtained the floor.

Mr. CLARK. Mr. President, I yield to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the Senator from Iowa not be deprived of his

rights to the floor because of the quorum call.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. CLARK. Mr. President, I wish to add my name as a cosponsor of amendment No. 1810.

I applaud the significant reductions voted by the Appropriations Committee under Senator McCLELLAN's leadership in this appropriations bill. However, in my judgment, there is a need and an opportunity for additional reductions.

Specifically, Senator PROXMIRE has presented a most persuasive case for reducing the military assistance appropriation to South Vietnam from \$700 to \$550 million. To get a complete picture of U.S. assistance to South Vietnam, we must include the \$420 million for postwar reconstruction recommended by the Foreign Relations Committee in the Foreign Assistance Act of 1975 and the \$160.5 million in commodity sales and food-for-peace funds included in Public Law 480. Total aid to South Vietnam then, with the cuts suggested by Senator PROXMIRE, will still approach \$1.13 billion. Surely, this is more-than-generous support, to a less-than-model regime, in these most inflationary times.

There are positive and compelling reasons for limiting our military assistance to South Vietnam. Senator PROXMIRE has cataloged quite comprehensively the gross imbalance between Soviet-Chinese aid to the North and American aid to the South—We provide eight times as much aid to South Vietnam as the Communists provide to North Vietnam—and he has pointed out the waste and corruption which our aid has generated.

The problem of a political settlement in South Vietnam is a key argument in favor of this amendment, because a responsible limitation of our aid can encourage such a long-overdue settlement.

With each new weapon we supply the South Vietnamese, the incentives for the two adversaries to negotiate are further eroded. This is not to say that we should blame the South Vietnamese alone for continuing the largest war on Earth or that we should allow their army to become weak. But by limiting our military assistance, we do signal ally and adversary alike that it is time to negotiate.

The enormous and disproportionate U.S. military assistance undermines the Communist powers' belief in America's peaceful intentions in Vietnam, and despite a carefully built detente, the possibility of a cooperative American-Soviet-Chinese effort to force both sides to observe the Paris agreement is jeopardized. Only through this cooperative effort, with each side bringing pressure to bear on both the North and the South to abide by the Paris agreements, will we have peace in that land. Surely we should have learned by now that there is no military solution to the war in Vietnam.

Today, we can begin to change that. By limiting the military assistance appropriated for South Vietnam to the level approved by the Senate last year, we will responsibly reduce Federal expenditures, while encouraging a real peace in Vietnam.

Mr. GOLDWATER. Mr. President, I rise in opposition to the pending measure. In all due respect to the Senator from Wisconsin, whose efforts to cut the budget I applaud—as I generally go along with him—I must comment that the Committee on Appropriations has done an outstanding job in reducing the defense budget. I believe the cut is slightly in excess of \$5 billion.

I am not going to argue, as I normally would, about that cut, because I think there are places in the military budget that can be cut, and I am sure the distinguished chairman from Arkansas has carefully worked on that bill. I can understand the desire of the Senator from Wisconsin to cut the money that we have promised to South Vietnam, but I am afraid that some of his information, even though it comes from high members of the Defense Department, does not jibe exactly with information that I have from equally high people.

What the Senator does not realize is that the North Vietnamese have been preparing for this massive offensive for a long time. That offensive is underway.

Contrary to what he may have been told, the offensive is underway and the North Vietnamese are in better shape to pursue a successful campaign at this time than they have been at any time in the 20 years that this long war has gone on.

Even though the figure that he uses, that we give eight times the aid that the Soviets in Red China give to North Vietnam, I think if one reduces it to cost, one will find that they probably give a little more than we do in actual equipment. They have not only rebuilt the air bases that were used in the area just south of the DMZ; they have built new paved runways north of the DMZ and south of the DMZ.

They have a petroleum pipeline that now can service air units and reservice ground units to the very close proximity of Saigon. They have railroads built toward the south that they did not have before and, as I have mentioned, some greatly improved roads.

So far, Mr. President, I feel that if we renege on giving South Vietnam what we told her we would give, South Vietnam is going to be in a very bad way. It is true that there has been graft over there. It is true that they have misused our equipment. I have been in that part of the world. In fact, in World War II I served in that part of the world. Misusing equipment and having dishonesty among the military seems to be a way of life for them. It has always been.

But the important thing, I believe, is that—and we cannot laugh this off—with the present ability of the North Vietnamese to wage a successful war, the whole of Vietnam can become a Communist part of this world. Then I have to remind my colleagues that when this happens, Laos undoubtedly will fall,

Cambodia will fall. Then we are going to be confronted with a question of what we do about our very valued ally, the Thais.

Just to the south of Thailand, in fact, on the Thai peninsula, is the opportunity to build a canal or a pipeline across the isthmus that will make the delivery of oil to our own shores and to our ally, Japan, that much easier. If we lose all of Southeast Asia, Mr. President, because we want to renege on the money that we have promised them, then I think the United States is going to wind up suffering far, far more than the \$150 million that is involved in the Senator's amendment.

Mr. President, for these reasons, for the very great importance of Southeast Asia, whether we like to believe it or not, I hope that my colleagues will vote against this amendment. I should not want this to discourage my friend from Wisconsin from offering further amendments to cut. As he knows, I generally go along with him. But in this one, I think we are taking a risk that we cannot afford to take.

Mr. PROXMIRE. Will the Senator yield briefly?

Mr. GOLDWATER. I yield.

Mr. PROXMIRE. I thank the Senator for a very fair and moderate statement on this amendment. I should like to ask the Senator, though, how long he would expect us to go along with this billion dollar aid, in effect, when we consider the economic aid and the military aid, because the average the Committee on Foreign Relations is recommending is that the Senate provide half a billion dollars in economic aid. We are providing \$700 million here in military assistance, so it will be well over a billion dollars. It just seems to be endless. We just seem to be going on forever.

It has been a 20-year war. We are now out of it by a year and a half or so. It seems like an endless, hopeless expenditure.

Mr. GOLDWATER. In answer to that question, I think that we can reach an agreement that if we do not show a military ability to resist the enemy within the next 12 months, we can well say that is all we are going to do.

Mr. PROXMIRE. Does not the Senator agree that the South Vietnamese have done well enough, that all the indications are, on the basis of the testimony of the Secretary of Defense, of Admiral Moorer and others, that they are doing extremely well? They have taken more hamlets than the North Vietnamese have taken. Their position does seem to be strong, and we are providing, with this substantial amount, far more than the other side is providing; eight times as much.

Mr. GOLDWATER. As I mentioned earlier, the eight times figure can be a misleading one because of the difference in their currency and ours, and the difference in the costs of building our equipment and their equipment. But I would accept the eight times figures.

However, I believe that in hardware, they are probably getting as much, if not a little more.

I related, when I think the Senator

was talking to someone else, the fact that they have built roads, they have built a petroleum line. They have built airbases that will accommodate Mig's. We have not given them anything, really, in modern aircraft. Their best aircraft that they use from us is the A-37, which, at its best, is a very light-weight, easily destroyed attack fighter, while they are going up against Mig's, that even we were not up against in large numbers during our stay in that country.

I think the test, to answer the Senator's question, will be what happens in this present engagement. If the South Vietnamese can resist it, then I think we should take another look at it next year. If they cannot resist it, then I certainly would not favor throwing more money into it.

Mr. PROXMIRE. I hope we can come to some kind of conclusion on this, because for so many years, as I say, this has been going on, year after year. We say, "We shall just continue it another year, take a harder look at it next time."

In the midst of tremendous inflation, it is a great burden on the American people, and with the enormous contribution we have made to South Vietnam, compared to anything from the outside, it seems to me that this is a limited, modest request which I make of the Senator.

Mr. PASTORE. Will the Senator yield to me?

Mr. PROXMIRE. I am happy to yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, the thing that bothers me is not so much the money that is involved. The thing that bothers me is the principle that is involved.

I can remember only too well that cold day in January of 1961 when President Kennedy stood before the world and said:

Let the world know, whether they bear us ill will or good will, that we shall endure any hardship, make any sacrifice, support any friend, resist any foe, in the cause of freedom.

That is what America believed.
That is what America is doing. That is why we became involved in Vietnam. That is why we became involved in South Korea.

Now what do we find, in 1974? I picked up a newspaper last week and read that a Catholic bishop, a Protestant minister, and several governmental officials in South Vietnam, by the process of a secret martial tribunal, had been put in jail because they were enemies of the state. Why were they enemies of the state? Because they disagreed with the principles of the man in power.

Is that what we are spending American taxpayers' money for?

Take South Vietnam. We have heard about the tiger cages. We have heard about political adversaries being put in prison. I ask, what are we spending our money for? What is this all about?

We have spent, up to today, \$146 billion in Vietnam. We have suffered more than 45,000 dead, 303,000 wounded, 2,600 paraplegics—young boys today in Amer-

ica who are in wheelchairs, who cannot even light their own cigarettes. We have 13,000 missing in action.

What price must we pay for this independence and this freedom that we are talking about, when there is no freedom in those countries?

I think the time has come when we have to reassess ourselves and find out where we are going. And I say to my friends here in the Senate, yes, maybe we cannot bring an abrupt closing to this charade, to this imposition on the American taxpayers, but something needs to be done. I agree with the Senator from Vermont (Mr. AIKEN), who a long time ago said that all we have to do is declare that we have served our purpose and we are getting out of South Vietnam. We would have been well off if we had done it at that time.

Today we are having problems. We are being told by the President of the United States that we have got to say no—no to housing for the elderly, no to aid for elementary schools, no to all of the things that we need here in America, because we have not got the money.

Here we are, meeting here today: We are asked to shell out almost another billion dollars to South Vietnam. And let me tell you something: With the evolution of time and the vicissitudes that are involved, unless they stand up and fight for their own freedom, and stop the corruption in South Vietnam which we have witnessed up to now, we are going to be in a bad way.

We are in a bad way. Let me say very frankly, I believe what we do for Americans will never bankrupt this Nation, but the way we are spending our money abroad will bring us to bankruptcy, and the sooner we begin to realize that, the better off we are going to be.

Mr. KENNEDY. Mr. President, I intend to support the amendment of the distinguished Senator from Wisconsin, and I have asked to be a cosponsor of the amendment.

I know the arguments that have been made here earlier in the afternoon, and during the recent past. We have heard talk about the buildup, the increased activities of the North Vietnamese in the South, the concentrations of military equipment, and the threat of military expansion by the North Vietnamese in contradiction to the agreements that were made in Paris. But I am also mindful of the testimony that was given by Maj. Gen. William Caldwell before the Armed Services Committee earlier this year, when he testified that outside some so-called landgrabs in the immediate post-cease-fire period, the overall control of territory has not changed adversely to the South Vietnamese; and in fact he indicated that the Saigon forces have increased their territorial and population control since the time of the cease-fire.

He also testified earlier in the year, when questioned about it, that the danger of a potential offensive by the North Vietnamese was also no longer considered an immediate threat.

But there is another factor, Mr. President. I ask the proponent of the amendment whether he is aware of the state-

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ment that was made by the American Ambassador in Saigon when he was asked about what should be the contribution of aid and assistance by the United States, in its support of South Vietnam, as compared with the contributions that would be made by the Chinese and the Soviet Union to North Vietnam.

He indicated, as shown in a cable that we placed in the proceedings of the Subcommittee on Refugees, that he "would completely agree that our intention all along was to balance the aid being given by the Soviet Union and the People's Republic of China to North Vietnam." And he "thought we should give material and training—to Saigon—to match that being given to North Vietnam by the Soviets and the Chinese."

Mr. President, when you consider what the whole direction, what the trend has been over the period of recent years—certainly in the last 3 years—you find, according to Defense Intelligence Agency estimates, that there has been a dramatic decline in military assistance being provided North Vietnam by the Soviet Union as well as by the Chinese, and that there has been a slight reduction in economic aid as well.

As a matter of fact, the Defense Intelligence Agency estimates that in 1973 there was eight times as much military aid to Indochina provided by the United States as that provided by the U.S.S.R. and China. And any review of the last year, as I understand recent estimates—even though the figures have not been developed comprehensively for the whole year—would show that this trend has continued. Reduction in military assistance by the Soviet Union and reduction in military assistance by the People's Republic of China, but an increase in total military assistance by the United States to South Vietnam. It makes no sense.

I want to commend the Appropriations Committee for the job that they have done in many different areas of the request for appropriations. I do feel that in this area, and in the few others which I intend to talk about as this debate continues, it makes very little sense for the United States to be asked for an increase in money, especially for military assistance to South Vietnam.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. PASTORE. Does the Senator know that in Paris they agreed that insofar as the surveillance commission was concerned, the North Vietnamese, the Vietcong, and South Vietnam would each make a contribution to the commission? The North Vietnamese have not paid a dime, and the Vietcong have not paid a dime. And what do you think our State Department has done? They have asked us to pay the whole bill.

How stupid can we become? This is an imposition upon the American taxpayer. All I am saying is that before we stop building homes for the elderly in our own country, let us cut out some of this commitment abroad.

Mr. PROXMIRE. Mr. President, will the Senator yield very briefly on that point?

Mr. KENNEDY. I yield.

Mr. PROXMIRE. Which I think is an excellent point, that is, comparing our aid to South Vietnam with the aid by the Soviet Union and the People's Republic of China to North Vietnam. The Senator's figures were the same figures that I have seen from the Defense Intelligence Agency. In addition, estimates of the aid by the Soviet Union and the People's Republic of China were said to be \$290 million for calendar 1973, compared to \$2.3 billion in military aid by the United States to South Vietnam.

Furthermore, while the Chinese and Russian arms shipments were reduced by more than one-half from 1972 to 1973, we increased our shipments by \$286 million in the same 1-year period.

So if there ever has been a case—a clear, documented case on the basis of the only record we have, from the Defense Intelligence Agency—for us to make a reduction, it is here.

And, as I say, I am not asking to eliminate this military assistance to South Vietnam. I am asking to make a reduction back to the level that the Senate recommended last year.

Mr. KENNEDY. I think this amendment makes sense.

The American Ambassador in Saigon has indicated that we, as a matter of policy, ought to keep our aid in some kind of balance. He did not indicate how long this balance should go on, and I think the Senator is quite correct in asking the question about how long we should expect the American taxpayer to continue to pay for what is a very substantial military assistance program.

But, be that as it may, we have seen the dramatic decrease by those who are supplying the North Vietnamese, while we increase or maintain the levels of our support to South Vietnam.

Finally, I would say this, Mr. President. When we compare this kind of military assistance against our humanitarian assistance to South Vietnam, we find it is far less. Obviously, we have an ongoing and continuing responsibility, I think, in the name of humanitarianism, to provide for the needs of the million-odd orphans in South Vietnam, the thousands of young children who have lost arms and legs—and I believe that responsibility even extends to a child who happens to have lived north of the parallel and had his legs blown off. We have these kinds of responsibilities which are based upon our humanitarian concern for individuals and people.

But we have had very little leadership from our Government in that area. We have had very little diplomatic initiatives to support these programs, or increase our funding for them.

We do not even hear voices saying, "We are going to be able to do the humanitarian job and provide that assistance if we are able to provide this level of military assistance as well." We find a woeful lack of diplomatic initiatives or governmental concern in trying

to end the fighting for which we bear a very heavy responsibility.

It always amazes me to find that the great majority of Americans believe this war is over and ended, simply because we are not shedding American blood. But the war is continuing, and we have an ongoing responsibility to bring that conflict to an end, and to help the victims of that war. Yet we have seen shameful little in new initiatives in this area, despite the brilliance of our diplomacy in other areas—and I have commended the Secretary of State for his actions in the Middle East and in other areas of the world. But the policy of détente and negotiation ought to be renewed in Indochina, instead of endless support of endless war.

But, nonetheless, the war continues. And it seems to me that for all of these reasons the amendment of the Senator from Wisconsin (Mr. PROXMIRE) should be agreed to.

All it is saying is that we should continue military assistance to South Vietnam—which is very substantial—at the same rate as last year, and no more. I think this is a responsible amendment.

I wish we had been able to win the votes to see some gradual modification and some reduction in our military aid program. I think that would have been responsible indeed. But, it seems to me, this amendment is the bare minimum, and it certainly should be supported by the majority of the Members of the Senate who are, I think, concerned about peace in that part of the world and who have a sense of priority in terms of humanitarian needs, and who are concerned about achieving a change in attitude by the Government of South Vietnam in trying to reach some negotiated settlement to end, once and for all, the conflict in Vietnam.

Mr. SYMINGTON. Mr. President, I support the amendment of the distinguished Senator from Wisconsin.

In 1961, on the famous trip of Gen. Maxwell Taylor and Mr. Walt Rostow, I went to Vietnam; in 1965 I went all over the country; in 1966 I went all over the country from top to bottom; and in 1967 I went all over the country.

I came back and told President Johnson that, in my opinion, every penny that we spent from there on out was wasted money.

In 1972 I went back and saw nothing to persuade me that I had not been right in 1967. I can remember making an address in Kansas City in the fall of 1967 and, afterward invited questions from the audience. A young man asked, "Are you saying that 13,500 of our best Americans have died in vain?"

I said, "Well, my answer to you would be by putting another question. Would you rather kill 13,500 more than admit that you made a mistake?"

Mr. President, that figure of the number of men who were killed became 54,000, four times the number who had died up until the fall of 1967.

I told the President at that time that I felt all the money that we put into this country would be wasted because, with-

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out our heavy military support, as well as our political influence, the government in Saigon could not last.

I have never changed by mind since 1967. I have consistently supported all those who worked for a reduction in military aid to this country.

It is for those reasons that I am glad to support the Proxmire amendment.

Mr. McCLELLAN. I yield to the Senator from South Carolina (Mr. THURMOND).

Mr. THURMOND. Mr. President, I rise in opposition to the Proxmire amendment.

The administration originally favored a budget for South Vietnam of \$1.6 billion. But this, I believe, was reduced to \$1.45 billion. The House authorized \$1.126 billion. The Senate authorized \$900 million.

The conference between the Senate and the House agreed upon \$1 billion. Now there was appropriated by the House \$700 million.

The Senate Appropriations Committee also authorized the same amount as the House, \$700 million.

Mr. President, any further reduction will seriously cripple the South Vietnamese capability to defend themselves and will be a violation of the clear understandings they had from us at the time of the cease-fire.

A level of funding of less than \$700 million would be a drastic cut in support. At fiscal year 1974 levels of enemy activity, a program of \$550 million as proposed in this amendment, will probably cause the Government of South Vietnam to abandon large segments of the country and would weaken the prospects for a negotiated political settlement.

The weaknesses such a reduction would cause will be fully recognized by Hanoi. This level invites increased, not reduced, hostilities.

A ceiling of \$700 million or less would mean:

O. & M. funds would have to be used primarily to support only selected operational requirements. Many critical operational requirements could not be supported.

Next, POL will be reduced more than 25 percent from the planned level. There will be more than a 20-percent reduction in current line-haul transportation capacity—essential to a viable defensive posture.

Next, communications will be critically weakened. Command and control will decay from shortages.

Next, ground ammunition will be funded at less than 50 to 60 percent of the Defense-recommended program of \$401 million. There would be a dangerous drawdown of incountry stocks. Ammunition provided at this level will not begin to sustain the fiscal year 1974 level of combat—a level dictated by Hanoi. Ammunition restrictions already in effect have begun to affect the morale of the South Vietnamese soldier and have caused a definite increase in casualties.

Now, Mr. President, many people who did not favor the war at all in Vietnam and have favored a smaller amount to help South Vietnam since the war ended have begun to reappraise the situation and take another view of it.

For instance, the Washington Post—and everyone knows that paper's position on this matter—of August 11, 1974, contains an editorial entitled "Aid For Vietnam." Even the Washington Post has come out for adequate aid to South Vietnam. I congratulate this paper upon its change in attitude in this matter.

I quote a paragraph here from the editorial:

We now conclude that it is wrong to try to make Saigon alone observe the agreement, to its political detriment, when Hanoi is under no similar pressure to observe its side of the agreement. Unilateral pressure, furthermore, preclude's a new American approach to Moscow and Peking—an approach we believe should be made—to reduce further all outsiders' roles, especially as arms suppliers.

Another paragraph in the editorial reads:

The only correct basis for phrasing out aid, we now believe, is a determination that it no longer is important to the United States what happens in South Vietnam. A powerful case for this can be made: the United States has invested an immense amount of blood, treasure and prestige in Vietnam, won that country the opportunity to fend for itself, and now has its own good reason to turn aside. But if this determination is to be made, we Americans owe to ourselves—and to the Vietnamese and to others elsewhere who rely upon us—to make it openly. To pledge fidelity but to reduce our support progressively or even precipitately is to undermine both interest and honor. If the Congress in its fatigue or wisdom—whatever the mix—is to pare aid this year and to threaten to cut even more next year, it should have the courage to announce that it no longer considers the outcome in Vietnam as a matter of American consequence.

Now, Mr. President, do we consider the outcome in South Vietnam a matter of serious consequence?

I should think we would. I should think it is important that we want to see South Vietnam remain free. We know if South Vietnam goes down the drain, Cambodia, Laos, maybe Thailand, and other countries in that part of the world will go down the drain. The whole of Southeast Asia will probably go down the drain. That will place this country at a tremendous handicap in that part of the world.

We know it is necessary for South Vietnam to have aid if it is to deter Communist aggression, and if we are going to give meaning to the sacrifices made in South Vietnam, the more than 55,000 men who died over there, the more than 300,000 wounded, casualties, over there, and the billions of dollars we spent in South Vietnam.

Mr. President, we have a policy there. Are we going to live up to it? Are we going to back down from it? Are we going to step aside and say to the world that although we promised Vietnam a tank for a tank and a gun for a gun that now we will not deliver?

Well, we cannot deliver unless we provide for the aid that is needed. \$700 million is bare bones; it is a bare minimum.

I would remind you again that the administration feels that twice that much is necessary. I would remind you that the conference committee of the Senate Armed Services and the House Armed Services, the men who have studied this matter in depth in conference, agreed on a billion dollars.

Now, the Senate Appropriations Committee cut it to \$700 million, but the amendment of the distinguished Senator from Wisconsin would now reduce it to \$550 million, \$150 million less than the Senate Appropriations Committee agreed upon.

Mr. President, it would be a great mistake, in my judgment, if we do not provide a minimum, a minimum, of \$700 million for aid to South Vietnam.

I hope that our colleagues will think about this matter and not allow Vietnam to go down the drain. I cannot see how anybody could favor this amendment if they want to see South Vietnam remain free. Certainly it is to the advantage of the Free World that South Vietnam remain free, it is to the advantage of the United States that South Vietnam remain free, and from our own selfish interests, our own national interests, we ought to favor South Vietnam remaining free.

Now, there is another paragraph in this editorial that I want to quote from:

We think that Americans would not like to live in a world where a small nation that had strong reason to rely on American steadfastness had been let down.

Quoting again from another paragraph:

We are convinced, nonetheless, that the principle of American steadfastness deserves to be honored as best we can.

Mr. President, does the honor of America mean anything, does our honor, our commitment, mean anything, does our promise to South Vietnam mean anything?

Are we going to live up to it? We cannot live up to it if we cut this appropriation bill further and I believe that the people of this country want to see us live up to our commitment and help keep South Vietnam free.

If South Vietnam goes down the drain the people lose freedom there, and all the fighting in South Vietnam has been in vain. How do the mothers who have lost their sons over there feel about this?

How do those 300,000 injured, 300,000 casualties, feel about it? Do they want anything done?

Do they want to feel that their sons lost their lives in vain?

I should think not.

Mr. President, I want to say that the President of the United States is opposed to this amendment I am informed, I say to you that the Secretary of State is opposed to this amendment I am informed, I say to you that the Secretary of Defense is opposed to this amendment I am informed.

Mr. President, when the conference committee of the Senate Armed Services and the House Armed Services, who are supposed to be experts in this field, go along unanimously and favor \$1 billion for this cause, and when your President and your Secretary of State and your Secretary of Defense all come along and say that they favor a reasonable amount and oppose this amendment, then I think it is time for the Senate, for my colleagues here, to hearken and to think and appraise this situation and not allow South Vietnam to go down the drain.

These brave people have fought and

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they have suffered, probably like no people in any other country. They belong to the free world. Do we want to see them put under the heel of the Communist dictator? Do we want to see them lose their right to freedom? I hope that we will not permit that.

Mr. President, Secretary Kissinger, in a letter that he wrote to the Honorable JOHN C. STENNIS, Chairman of the Committee on Armed Services of the Senate, had this to say:

With regard to South Vietnam, I have a very personal sense of obligation to do everything I can to make good on our moral commitment to assist that nation in its survival as an independent state. The administration's request for \$1.6 billion in military assistance was made because of our conviction that the survival of South Vietnam is indispensable—

Mr. President, did we catch that, that the survival of South Vietnam is indispensable? That is what the head of the Department of State says—

to the creation of an enduring structure of peace in Southeast Asia. Without our military assistance, South Vietnam's ability to resist Communist military pressures, fueled by an extensive flow of arms and supplies from the North, would be critically endangered.

In other words, it simply means that South Vietnam cannot survive if we do not give them adequate assistance.

I hope, Mr. President, that my colleagues will think over this matter. I hope that they will reach a conclusion that we cannot let South Vietnam go down the drain. I hope they will appreciate the hard fighting and the suffering that these people have done to maintain their freedom and not now throw up our hands and say to the world, "We no longer have any interest in the freedom of the people there. America is no longer interested in that part of the world. It can just go, go to the winds."

Mr. President, I do not believe that is the feeling of the people of America. I know it is not in the best interest of the people of America as well as the people of Vietnam. I hope that the Senate will see fit to kill this amendment.

FORMER SENATOR KARL MUNDT

Mr. McCLELLAN. Mr. President, last Friday, August 17, 1974, Karl Mundt, former Senator and Representative from South Dakota, and a dear friend, passed away after a long and fruitful career of service to his community, his State, and his country. He had been a school teacher, public schools administrator, college professor, and official in the government of South Dakota before being elected to the 76th Congress. He served five terms in the House of Representatives and three full terms in the Senate.

The character of a man, however, cannot be fully gauged by the enumeration of the offices which he has held although they do indicate a considerable measure of public esteem. Karl Mundt, as I knew him in the Senate, was a man of high ideals and great integrity, a man of vision and noble purpose, a man of true dedication to the interests of the people with whom he identified and whom he represented so ably.

Karl Mundt's sphere of interests was more extensive than most of the public was aware. Although his accomplishments in the fields of conservation, fiscal responsibility, and sound government operations were public knowledge, his activities in the realm of foreign relations were not so well known. One of his great dreams was the establishment of a Freedom Academy which would prepare young students as potential diplomats to disseminate the philosophy of peace in their assignments to foreign countries. He was not critical of the service schools which trained young men in the skills and science of defense. He realized this was necessary for the protection of our country. But he felt more emphasis should be placed on diplomatic training of our young people to insure peaceful coexistence with other peoples of the world.

One of his most cherished appointments was as a representative to NATO. During the latter period of his service with this organization, he became chairman of the Educational and Cultural Exchange Committee, a post which demanded much of his time and energies. It was shortly after his return from a meeting of this committee in Brussels—in October of 1969—that he was stricken by the illness from which he never fully recovered.

Senator Mundt and I served together on the Government Operations Committee. While I was chairman of the committee, he was for many years the ranking minority member. We also served together for many years on the Senate Permanent Subcommittee on Investigations—I as chairman and he as ranking minority member. During our tenure on this subcommittee, we conducted more investigations and held more hearings and made more reports to the Senate than possibly have ever been conducted, held, and made by any other investigating committee in the history of the Congress. Our service together on the Senate Appropriations Committee was another challenging and vital interest which we shared for some 17 years.

In the performance of his duties, both in committee and in the Senate Chamber, he was able, vigorous, dedicated, judicious, and effective. His friendship was a gift to be treasured by those fortunate enough to be so blessed. I consider myself among those thus designated, and shall keep his regard for me in cherished remembrance. In this context and in awareness of the lasting effect Karl Mundt and his works will have on those living after him, I recall the words of an unknown poet as he spoke of greatness:

A man is as great as the dreams he dreams:
As great as the love he bears;
As great as the values he redeems,
And the happiness he shares.
A man is as great as the thoughts he thinks;
As the worth he has attained;
As the fountains at which his spirit drinks,
And the insight he has gained.
A man is as great as the truth he speaks;
As great as the help he gives;
As great as the destiny he seeks,
As great as the life he lives.

I believe these words are as applicable to Karl Mundt as any I have ever read. He was a man—statesman and Ameri-

can—whom history will record among our Nation's great.

Mrs. McClellan expresses her deepest sympathy along with mine to Mrs. Mundt. We share with her and the Senator's devoted staff a sense of personal loss in the passing of a dear friend and colleague.

ORDER FOR ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:30 A.M. tomorrow.

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

ORDER OF BUSINESS TOMORROW

Mr. MANSFIELD. Mr. President, at 10 a.m. debate on the pending amendment will occur, the time to be equally divided between the distinguished Senator from Arkansas, the manager of the bill, Mr. McCLELLAN, and the distinguished Senator from Wisconsin, the sponsor of the amendment, Mr. PROXMIRE, and the vote to occur at the hour of 11.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR BARTLETT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, Mr. BARTLETT be recognized for not to exceed 15 minutes. The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF DEFENSE APPROPRIATION BILL TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the hour of 10 o'clock tomorrow morning the Senate resume consideration of the Defense appropriation bill.

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

Mr. McCLELLAN. We have 1 hour, as I recall, equally divided in time.

Mr. ROBERT C. BYRD. That is correct.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATION ACT, 1975

The Senate continued with the consideration of the bill (H.R. 16243) making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes.

AMENDMENT NO. 1835

Mr. KENNEDY. Mr. President, I call up my amendment No. 1835.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

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

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

Mr. KENNEDY's amendment (No. 1835) is as follows:

On page 50, line 21, insert a new section as follows:

Sec. (a) No funds appropriated for the use of the Department of Defense by this or any other Act in fiscal year 1975 may be used for the purpose of stockpiling war materials or equipment for use by any Asian country except to the extent authorized by title VII of this Act or by the Foreign Assistance Act of 1961 or the Foreign Military Sales Act.

(b) Any materials or equipment stockpiled by the Department of Defense on the date of enactment of this Act for future use by any Asian country may not be transferred to any such country except to the extent such transfer is specifically authorized by law.

Mr. KENNEDY. Mr. President, this is an amendment that deals with the war reserve stocks for allies. The amendment was initially accepted by the Senate last June, as part of the Defense Authorization bill, but it was dropped in conference because of the opposition of the House conferees. Hopefully, they will have a different attitude this time in conference.

Specifically, Mr. President, this amendment will prohibit \$529 million from being used for war reserve stocks for allies. This ambiguous account is reportedly used to obtain weapons and ammunition on a contingent basis for the support of forces in the event of a future war involving South Vietnam, South Korea, or Thailand.

This new funding account, quietly built up in the last 2 fiscal years, has not gone through the authorizing committees of the Congress. It is a back-door means of bolstering increased procurements by the Defense Department.

When the disguised account was discovered by Senator FULBRIGHT last spring, the Defense Department explained it as being used for supporting these three allies—South Vietnam, South Korea, and Thailand. At the same time, the Defense Department stated that the equipment remained in stockpiles controlled by the United States. However, the Department would not state that, in the event of hostilities, congressional authorization was required be-

fore these weapons could be turned over to other countries.

In fact, when the General Accounting Office reported its findings to the Senate Foreign Relations Committee last month, the Defense Department objected to the GAO's use of the word "authorization" as being required prior to the transfer of stockpiled items to these Asian allies. The Department argued instead that only "consultation" with the Congress was required.

I find this appropriation objectionable on two counts. First, it could mean that congressionally established ceilings—on aid to Vietnam, for example—could become meaningless if the Defense Department can circumvent those ceilings by comingling U.S. and allied reserve stockpiles, and thereby escape congressional control over their distribution. Second, it means that we are being asked—at a time of difficult economic circumstances—to boost our own Defense budget for the purpose of meeting the future military needs of South Vietnam, South Korea, and Thailand. Clearly, this major item should be considered as part of the foreign aid request, not as a disguised account in the DOD appropriations bill.

The Defense Department now argues that much of the new equipment purchased by this account goes directly to the U.S. active military forces and the U.S. Reserves. If that is the purpose of these funds, then they should not be categorized as "war reserve stocks for allies."

Moreover, the GAO has informed me that there is a circle at work: Even if some of these weapons go to U.S. troops in the field, the weapons that are replaced go to the Reserves and/or to the stockpile. Then, once in the stockpile, there is a clear tendency for the supplies to be declared excess and turned over to South Vietnam, South Korea, and Thailand. Thus, the will of Congress can be thwarted by the backdoor.

The process is misleading in another way. For example, in fiscal year 1973, the Defense Department listed \$24.3 million in excess stocks as going to South Vietnam, \$6.4 million as going to Thailand, and \$8.3 million as going to South Korea. But those figures are what the DOD calls actual value, not the acquisition cost of the supplies. The GAO found that the Department of Defense was listing those weapons at 8.9 percent of their acquisition cost. Thus, the acquisition of weapons declared excess and turned over to those countries in fiscal year 1973 was approximately \$390 million. In fiscal year 1974, the acquisition cost of equipment declared excess and turned over to those three countries was approximately \$620 million. And in fiscal year 1975, the Defense Department plans, according to the GAO, to turn over to those three countries weapons and equipment whose acquisition cost is approximately \$738 million.

I see no reason for the U.S. Congress to approve \$529 million in an account listed as was reserves for allies and designated for South Vietnam, South Korea, and Thailand, at the same time that the Department of Defense contemplates turning over excess items costing an estimated \$738 million to those countries.

If there are stockpile needs that are not being met for U.S. active duty forces, let the Defense Department ask specifically for that equipment as it usually does in its normal procurement requests. If this is a legitimate foreign military aid request, then let it be properly considered under the foreign aid bill.

Mr. President, it is also important to note what this amendment does not do:

First, it does not affect in any way the Department's service-funded program of aid to South Vietnam. The committee has recommended \$700 million for that fund.

Second, it does not affect in any way the level of assistance which may eventually be approved by the Congress under the authority of the Foreign Assistance Act or the Foreign Military Sales Act—\$300 million has been requested for South Korea and Thailand under those programs. This amendment is unrelated to congressional approval or rejection of those requests.

Finally this amendment does not affect the approximately half-billion dollars worth of stocks which have already been set aside for these Asian allies in the past 2 fiscal years. But it does put a halt to adding another half-billion dollars worth of weapons to that stockpile this year, until the purposes of the stockpile are more clearly explained to Congress, and the implications of such foreign aid have been properly deliberated.

Mr. President, I have grave doubts whether such foreign aid should be authorized at all. Certainly, it should not be done without the consent of Congress. But primarily, I wish to stress that such foreign aid does not belong in this bill. This is a budget bill to provide funds for the operation and maintenance of the Department of Defense. Foreign assistance appropriations should not be mixed with appropriations for the U.S. armed services.

The only foreign assistance fund appropriated along with funds for the services in this bill is the assistance for South Vietnam. All other foreign assistance is authorized in the Foreign Aid bill, under the military assistance program. This is true even of the \$2.2 billion in military assistance authorized for Israel last year.

The Armed Services Committee report on the Defense authorization bill strongly emphasizes the same point:

As it did last year, the Committee is again recommending reductions of the items included for war reserves for allies. The Committee does not agree that these items should be procured for storage for allies in a title that is intended for the procurement of items for U.S. forces.

In this year of the war powers bill and economic belt-tightening, Congress cannot avoid its responsibility to guarantee that such programs are fully justified in terms of foreign assistance, and that there are proper controls over transfer of these weapons. We have had enough of Presidential wars.

Mr. President, I ask unanimous consent that the recent study prepared on this subject by the General Accounting Office may be printed in the Record at this point.

There being no objection, the study

was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF DEFENSE STOCKPILING OF WAR RESERVE MATERIALS FOR USE BY UNITED STATES ALLIES

COMPTROLLER GENERAL OF THE UNITED STATES,

Washington, D.C.

Hon. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations,
U.S. Senate.

DEAR MR. CHAIRMAN: This report is in response to a May 6, 1974, letter requesting information on the stockpiling of war reserve materials by the Department of Defense (DOD) for possible future use by Asian allies.

Our study concentrated on the scope of the program, the statutory authority being relied on by DOD for stockpiling these materials, and the authority under which they could be turned over to any of the allied forces. Our work was performed at DOD in Washington, D.C.

Because of the short time allowed to meet the Committee's needs, we have been unable to verify the information provided by DOD or to obtain a legal analysis of the propriety of the program. However, we have included our views and interpretations and believe this report will be helpful during the upcoming foreign assistance authorization hearings.

We have not submitted the report to DOD for its official position; however, we have discussed the observations with DOD officials and have considered their views.

SCOPE OF THE PROGRAM

According to a DOD directive, the total quantity of a defense item authorized for peacetime acquisition includes the quantity estimated (1) to equip and sustain U.S.-approved force levels in peacetime and in wartime for periods specified in planning documents, (2) to equip and sustain allied forces by satisfying approved requirements of the Military Assistance Program, the approved requirements of the Foreign Military Sales Program, and approved wartime requirements for those allies specified in current program planning documents, and (3) to provide support for other U.S. Government departments and agencies. The term used to describe the above procurement requirement is approved force acquisition objective.

This objective includes a quantity to be stockpiled abroad and in the United States for future national emergencies—war reserves. These reserves are intended to sustain operations until production can be expanded to match combat consumption.

DOD believes that the war reserves are essential to rapidly deployable combat forces so that the United States has the future capability to respond and be supported in combat for whatever period the national interest requires.

We determined from DOD planning and programing documents that the approved force levels used to plan future requirements included the estimated number of allied forces that might need logistics support in future Asian hostilities. Estimated allied requirements add to but do not replace U.S. requirements.

DOD stocks of munitions and equipment have traditionally been available for transfer to allies pursuant to appropriate military assistance legislation, as well as for use by U.S. Forces. Specific identification of war reserve stocks for possible future transfer to allies in DOD budget documentation planning began with the development of the fiscal year 1972 Defense program. Some available assets were allocated for this purpose in fiscal year 1973. However, funds were not requested in budget submissions to the Congress until fiscal year 1974.

Items held in reserve that are planned for potential allied use are not segregated from

other reserve stocks, and almost all the same kinds of items are also required as war reserves for U.S. Forces. If necessary, the war reserves for allied forces could be used to support U.S. Forces.

DOD considers that war reserve stocks for allies are not yet committed or authorized for transfer to any nation. They are for "allies" in theory only and, according to DOD officials, will remain U.S. property until the President, with appropriate congressional consultation determines that such stocks should be released to a specific ally. DOD officials said that the portion of the total war reserve stocks designated for future allied use is based on an arbitrary decision and it is the total (United States and allied) war reserve requirement that has validity.

DOD planners for fiscal year 1973 allocated \$23 million of its reserve assets toward the total allied requirement; for fiscal year 1974, \$494 million was allocated. For fiscal year 1975, \$529 million of the total procurement request has been proposed for application toward allied requirements. Some of each of the following types of items are proposed to be procured from the fiscal year 1975 funds.

Army

Small arms ammunition.
Artillery ammunition.
Tank recovery vehicles.¹
Portable radar sets.¹
Minor miscellaneous items.
Spares and repair parts.
Mortar ammunition.
Tanks.¹
Machine guns.
Rocket launchers.¹
Landing boats.¹

Air Force

Air-to-ground munitions.
Tanks, racks, adapters, and pylons.

LEGAL AUTHORITY CITED BY DOD FOR STOCKPILING AND TRANSFERRING STOCKS

We were told by officials of the Office of General Counsel, DOD, that DOD's legal authority to both stockpile war reserve assets and transfer these assets to allies is contained in:

- The annual DOD authorization and appropriation acts;
 - The Foreign Assistance Act of 1961, as amended; and
 - The Foreign Military Sales Act, as amended.
- No specific sections of these acts were cited.

AUTHORITY FOR STOCKPILING AND TRANSFERRING STOCKS—GAO VIEWS

Time did not permit us to perform a search for all possible means available to stockpile war reserves and to transfer these stocks. However, our brief look at the legislation mentioned by DOD disclosed that the general authority to procure U.S. defense material is contained in the annual DOD authorization and appropriation acts. This authority does not provide for the procurement of war reserves but rather for specific defense items (for example, Procurement of Ammunition, Army). Nevertheless, through backup data submitted with appropriation requests and the testimony of witnesses, the congressional committees responsible for DOD authorizations and appropriations were aware of DOD's program of stockpiling for

¹ All new procurement of these items will go directly to U.S. Army active and reserve units. The older pieces of equipment displaced by the new procurement will go into the war reserve stockpile that could be used to replace U.S. or (with proper authorization) allied combat losses in some future conflict. Therefore, this procurement, although labeled as allied reserve, modernizes the U.S. Army Force structure while increasing the total assets available as war reserves.

possible future allied use. Thus, the legislative history of the annual DOD authorization and appropriation acts suggests that the committees intended to authorize this stockpiling.

However, the congressional committees responsible for authorizing military grant and sales assistance to foreign allies apparently were not aware of the stockpiling program.

We were informed that the Senate Foreign Relations Committee was unaware of the planned stockpiling, even though transfers to allies (as well as the transfer of any defense articles to foreign governments, except Vietnam) would go through programs under the jurisdiction of the Committee.

Authority to transfer procured defense stocks is separate from the authority to stockpile war reserves. Authorizations relating to transfers are contained in various sections of the Foreign Assistance Act of 1961, as amended; the Foreign Military Sales Act, as amended; the Foreign Military Sales Act Amendments, 1971, as amended; and the annual DOD authorization and appropriation acts (Military Assistance Service Funded). Some of the pertinent sections of these acts are discussed below. (See app. I through III.)

Foreign Assistance Act—Military assistance

Section 503(a) of the Foreign Assistance Act of 1961, as amended, gives the President the authority to provide military assistance to friendly countries and international organizations. In fiscal year 1974, the Congress authorized the President to spend either through loans or grants up to \$512.5 million for this assistance, although actual appropriations amounted to \$450 million.

Section 503(c) provided that, when defense articles are loaned to foreign countries or international organizations, under section 503(a), the military assistance appropriation will be charged only for out-of-pocket expenses and depreciation. In our report to the Chairman, Committee on Foreign Relations, in March 1973,¹ we indicated that previously DOD had leased defense articles on the basis of different law (10 U.S.C. 2667).

This law authorizes leasing of nonexcess defense articles when it is in the public interest or will promote national defense. However, the law has no relation to foreign assistance and was enacted to authorize the leasing of defense plants and production equipment to private commercial interests. In our report, we specified that articles were leased under law (10 U.S.C. 2667) at no cost to foreign governments or international organizations and that it appeared the use of this provision circumvented the Foreign Assistance Act of 1961, as amended. Our view was that such loans or leases constituted military assistance and should be subject to restraints imposed by the act.

Additionally, under section 506(a), if the President determines it is in the security interests of the United States, he may order up to \$250 million in defense articles from stocks—in addition to the \$450 million appropriated—and reimbursement will be provided in subsequent appropriations available for military assistance. He exercised this authority during fiscal year 1974 by authorizing the transfer of up to \$200 million in defense articles to provide additional military assistance to Cambodia.

Under section 614(a), the President also may authorize assistance, in an amount not to exceed \$250 million, without regard to any provisions of the act. However, the President may only use funds already appropriated under other sections of the act. During fiscal year 1974, the President exercised his authority under section 614(a) five times for purposes of military assistance. The total amount

¹ "Use of Excess Defense Articles and Other Resources to Supplement the Military Assistance Program," B-163742, Mar. 21, 1973.

authorized by the President was \$133.4 million.

These and other related sections of the act are shown in appendix I.

Foreign Military Sales Act

Although the Congress placed a ceiling on the total credit sales and guarantees under sections 23 and 24 of the Foreign Military Sales Act (see app. II), no similar restrictions are placed on cash sales under sections 21 and 22 of the act. Thus, an unlimited quantity of defense stocks could be sold under sections 21 and 22. During fiscal year 1974, DOD estimates that credit sales will amount to \$730 million, the authorized ceiling, and cash sales will amount to approximately \$7.2 billion.

Military assistance service funded authority

The provisions in annual DOD authorization and appropriation acts (see app. III) give DOD authority to use its appropriated funds to transfer any defense articles, including war reserve material, to support South Vietnamese forces, subject to the \$1.126 billion ceiling.

Foreign Military Sales Act amendments—Excess Defense articles

Excess defense articles are items in excess of DOD-approved force requirement level. The authority to transfer excess defense articles is contained in section 8 of the Foreign Military Sales Act Amendments, 1971, as amended. (See app. II.)

In our report to your Committee in March 1973, we indicated that excess defense articles were generated through modernizations of forces and changes in authorizations of articles to equip and sustain the approved forces. The decision as to what portion of the DOD inventory will constitute the approved force requirement level and what assets may be transferred as excess defense articles rests entirely with DOD. Excess articles are continuously available in vast quantities and have been used in military assistance programs since the inception of foreign aid. Use of excess articles to supplement the regularly funded military assistance program has increased since 1968 because of reduced military assistance appropriations.

At the time of our earlier review, "value" was defined as not less than one-third of the amount the United States paid when the articles were acquired (acquisition cost). Since then, the law has been changed and value is now defined only as actual value plus the cost of repairing, rehabilitating, or modifying the article, which could range from as low as salvage value to as high as acquisition cost. A recent sampling by DOD showed the actual value of excess articles averaged only 8.9 percent of acquisition cost, considerably less than the one-third minimum required under previous legislation.

Orders for excess defense articles are to be considered expenditures of military assistance funds. However, those articles generated abroad are charged to the appropriation only if the aggregate actual value during any fiscal year exceeds \$150 million. Under the old definition of value this would equal about \$450 million (3 x \$150 million) in excess articles, based on acquisition cost. Now, however, if DOD decides to use the 8.9 percent (1/11) figure as actual value, approximately \$1.65 billion (11 x \$150 million) in excess articles, based on acquisition cost, could be granted to foreign countries without charge to the military assistance appropriation. This is over three times more than the value of excess defense articles granted through the military assistance program during any single previous year.

The proposed Foreign Assistance Act of 1974 would further liberalize the use of excess items. Our analysis of the proposed act showed that the theoretical ceiling of \$1.65 billion could be increased to \$4.4 billion. We believe that consideration should be given to providing more congressional control over excess defense articles.

The stockpiling of defense assets for potential use by allies adds another level to the DOD procurement base. We previously mentioned that new Army procurement will modernize U.S. active and reserve units and the older articles being replaced will make up the war reserve stockpile. It is conceivable that once these U.S. Forces have been modernized, DOD will modernize the war reserve, and thus make large quantities of defense assets excess and available for transfer to foreign governments, including those for which the stockpile was originally intended.

More importantly, however, is the fact that DOD has the authority to decide what portion of the DOD inventory will make up the approved force requirement level. Since the war reserve for allies represents a portion of the total war reserve in excess of U.S. approved force requirements, DOD can now stockpile older items that would immediately become excess upon replacement. If a future emergency arises over seas, DOD could reduce the approved force requirement level and immediately make the war reserve for allies available as excess for transfer to whichever country may need them. All this could be accomplished without adversely affecting the total U.S. approved force requirements.

CONCLUSION

In conclusion, we feel that the President and DOD at the present time have considerable statutory authority to transfer reserve materials to allies if they are needed. It should be pointed out that the authority to transfer U.S. defense stocks under these provisions applies to any defense item in the inventory, whether planned for future use by allies or U.S. Forces.

The broad authority is especially prevalent in the area of excess defense articles. Under present authority DOD is permitted to transfer vast quantities of excess items to foreign governments with little or no charge to any future increase in available excess items (1) because of the modernization of forces and/or the reduction in the approved force requirement level and (2) because of the proposed liberalization of the no-cost transfer ceiling, the Committee may wish to consider tighter controls over the quantity of excess articles that can be transferred to foreign governments. This may include retaining section 8 of the Foreign Military Sales Act Amendments of 1971, but modifying it (1) to establish actual value at not less than 33 1/3 percent of acquisition value and (2) to require that excess programs be stated in congressional presentation documents in terms of acquisition cost.

We recognize that there is legislation pending on the DOD procurement authorization bill that would forbid the stockpiling of defense assets for possible future use by allied forces. Although passage would eliminate the war reserve for allies, it would not strengthen control over excess defense articles.

We plan no further distribution of this report unless you agree or publicly announce its contents.

Sincerely yours,

ELMER B. STAATS,

Comptroller General of the United States.

EXCERPTS FROM FOREIGN ASSISTANCE ACT OF 1961, AS AMENDED MILITARY ASSISTANCE

Section 503—General Authority—(a) The President is authorized to furnish military assistance on such terms and conditions as he may determine, to any friendly country or international organization, the assisting of which the President finds will strengthen the security of the United States and promote world peace and which is otherwise eligible to receive such assistance, by—

(1) acquiring from any source and providing (by loan or grant) any defense article or defense service; or

(2) assigning or detailing members of the Armed Forces of the United States and other personnel of the Department of Defense to perform duties of a noncombatant nature.

(b) In addition to such other terms and conditions as the President may determine pursuant to subsection (a), defense articles may be loaned thereunder only if—

(1) there is a bona fide reason, other than the shortage of funds, for providing such articles on a loan basis rather than on a grant basis;

(2) there is a reasonable expectation that such articles will be returned to the agency making the loan at the end of the loan period, unless the loan is then renewed;

(3) the loan period is of fixed duration not exceeding five years, during which such article may be recalled for any reason by the United States;

(4) the agency making the loan is reimbursed for the loan based on the amount charged to the appropriation for military assistance under subsection (c); and

(5) arrangements are made with the agency making the loan to be reimbursed in the event such article is lost or destroyed while on loan, such reimbursement being made first out of any funds available to carry out this chapter and based on the depreciated value of the article at the time of loss or destruction.

(c) (1) In the case of any loan of a defense article or defense service made under this section there shall be a charge to the appropriation for military assistance for any fiscal year while the article or service is on loan in an amount based on—

(A) the out-of-pocket expenses authorized to be incurred in connection with such loan during such fiscal year; and

(B) the depreciation which occurs during such year while such article is on loan.

(2) The provisions of this subsection shall not apply—

(A) to any particular defense article or defense service which the United States Government agreed prior to the date of enactment of this subsection to lend; and

(B) to any defense article or defense service, or portion thereof acquired with funds appropriated for military assistance under this Act.

Section 504—Authorization—(a) There is authorized to be appropriated to the President to carry out the purpose of this part not to exceed \$512,500,000 for the fiscal year 1974: *Provided*, That funds made available for assistance under this chapter (other than training in the United States) shall not be used to furnish assistance to more than thirty-one countries in any fiscal year: *Provided further*, That none of the funds appropriated pursuant to this subsection shall be used to furnish sophisticated weapons systems, such as missile systems and jet aircraft for military purposes, to any underdeveloped country, unless the President determines that the furnishing of such weapons systems is important to the national security of the United States and reports within thirty days each such determination to the Congress. Amounts appropriated under this subsection are authorized to remain available until expended. Amounts appropriated under this subsection shall be available for cost-sharing expenses of United States participation in the military headquarters and related agencies program.

Section 506—Special Authority—(a) During the fiscal year 1974, the President may, if he determines it to be in the security interests of the United States, order defense articles from the stocks of the Department of Defense and defense services for the purposes of part II [military assistance], subject to subsequent reimbursement therefor from subsequent appropriations available for military assistance. The value of such orders under this subsection in the fiscal year 1974 shall not exceed \$250,000,000. (b) The

Department of Defense is authorized to incur, in applicable appropriations, obligations in anticipation of reimbursements in amounts equivalent to the value of such orders under subsection (a) of this section. Appropriations to the President of such sums as may be necessary to reimburse the applicable appropriation, fund, or account for such orders are hereby authorized.

GENERAL PROVISIONS

Section 610. Transfer Between Accounts.—

(a) Whenever the President determines it to be necessary for the purposes of this Act, not to exceed 10 per centum of the funds made available for any provision of this Act (except funds made available pursuant to title IV of chapter 2 of part I [Overseas Private Investment Corporation]) may be transferred to, and consolidated with, the funds made available for any other provision of this Act, and may be used for any of the purposes for which such funds may be used, except that the total in the provision for the benefit of which the transfer is made shall not be increased by more than 20 per centum of the amount of funds made available for such provision. * * *

Section 614. Special Authorities.—(a) The President may authorize in each fiscal year the use of funds made available for use under this Act and the furnishing of assistance under section 506 in a total amount not to exceed \$250,000,000 and the use of not to exceed \$100,000,000 of foreign currencies accruing under this Act or any other law without regard to the requirements of the Act, any law relating to receipts and credits accruing to the United States, any Act appropriating funds for use under this Act, or the Mutual Defense Assistance Control Act of 1951 (22 U.S.C. 1611 et seq.), in furtherance of any of the purposes of such Acts, when the President determines that such authorization is important to the security of the United States. Not more than \$50,000,000 of the funds available under this subsection may be allocated to any one country in any fiscal year. The limitation contained in the preceding sentence shall not apply to any country which is a victim of active Communist or Communist-supported aggression.

(c) The President is authorized to use amounts not to exceed \$50,000,000 of the funds made available under this Act pursuant to his certification that it is inadvisable to specify the nature of the use of such funds, which certification shall be deemed to be a sufficient voucher for such amounts. The President shall promptly and fully inform the Speaker of the House of Representatives and the chairman and ranking minority member of the Committee on Foreign Relations of the Senate of each use of funds under this subsection.

Section 652. Limitation Upon Exercise of Special Authority.—The President shall not exercise any special authority granted to him under section 506(a), 614(a), or 614(a) of this Act unless the President, prior to the date he intends to exercise any such authority, notifies the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate in writing of each such intended exercise, the section of this Act under which such authority is to be exercised, and the justification for, and the extent of, the exercise of such authority.

Section 653. Change in Allocation of Foreign Assistance.—(a) Not later than thirty days after the enactment of any law appropriating funds to carry out any provision of this Act (other than section 451 [Contingency Fund] or 637 [Administrative Expenses]), the President shall notify the Congress of each foreign country and international organization to which the United States Government intends to provide any portion of the funds under such law and of the amount of funds under the law, by cate-

gory of assistance, that the United States Government intends to provide to each. Notwithstanding any other provision of law, the United States Government shall not provide to any foreign country or international organization any funds under that law which exceeds by 10 per centum the amount of military grant assistance or security supporting assistance, as the case may be, which the President notified the Congress that the United States Government intended to provide that country or organization under that law, unless the President (1) determines that it is in the security interests of the United States that such country or organization receive funds in excess of the amount included in such notification for that country or organization, and (2) reports to Congress, at least ten days prior to the date on which such excess funds are to be provided to that country or organization, each such determination, including the name of the country or organization to receive funds in excess of such per centum, the amount of funds in excess of the per centum which are to be provided, and the justification for providing the additional assistance.

(b) The provisions of this section shall not apply in the case of any law making continuing appropriations and may not be waived under the provisions of section 614(a) of this Act.

APPENDIX II—EXCERPTS FROM FOREIGN MILITARY SALES ACT AMENDMENTS, 1971 AS AMENDED

EXCESS DEFENSE ARTICLES

Section 8. (a) Subject to the provisions of subsection (b), the value of any excess defense article granted to a foreign country or international organization by any department, agency, or independent establishment of the United States Government (other than the Agency for International Development) shall be considered to be an expenditure made from funds appropriated under the Foreign Assistance Act of 1961 for military assistance. Unless such department, agency, or establishment certified to the Comptroller General of the United States that the excess defense article it is ordering is not to be transferred by any means to a foreign country or international organization, when an order is placed for a defense article whose stock status is excess at the time ordered, a sum equal to the value thereof shall (less amounts to be transferred under section 632(d) [Reimbursement Among Agencies] of the Foreign Assistance Act of 1961) (1) be reserved and transferred to a suspense account, (2) remain in the suspense account until the excess defense article is either delivered to a foreign country or international organization or the order therefor is cancelled, and (3) be transferred from the suspense account to (A) the general fund of the Treasury upon delivery of such article, or (B) to the military assistance appropriation for the current fiscal year upon cancellation of the order. Such sum shall be transferred to the military assistance appropriation for the current fiscal year upon delivery of such article if at the time of delivery the stock status of the article is determined, in accordance with section 644 (g) and (m) [definitions of "excess defense articles" and "value"] of the Foreign Assistance Act of 1961, to be nonexcess.

(b) In the case of excess defense articles which are generated abroad, the provisions of subsection (a) shall apply during any fiscal year only to the extent that the aggregate value of excess defense articles ordered during that year exceeds \$150,000,000.

(c) For purposes of this section, the term "value" has the same meaning as given it in section 644(m) of the Foreign Assistance Act of 1961.

(d) The President shall promptly and

fully inform the Speaker of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate of each decision to furnish on a grant basis to any country excess defense articles which are major weapons systems to the extent such major weapons systems was not included in the presentation material previously submitted to the Congress. Additionally, the President shall also submit a quarterly report to the Congress listing by country the total value of all deliveries of excess defense articles, disclosing both the aggregate original acquisition cost and the aggregate value at the time of delivery.

(e) Except for excess defense articles granted under part II of the Foreign Assistance Act of 1961, the provisions of this section shall not apply to any excess defense article granted to South Vietnam prior to July 1, 1972.

CASH AND CREDIT SALES

Section 21. Cash Sales From Stock.—The President may sell defense articles from the stocks of the Department of Defense and defense services of the Department of Defense to any friendly country or international organization if such country or international organization agrees to pay not less than the value thereof in United States dollars. Payment shall be made in advance or, as determined by the President to be in the best interests of the United States, within a reasonable period not to exceed one hundred and twenty days after the delivery of the defense articles or the rendering of the defense services.

Section 22. Procurement for Cash Sales.—(a) Except as otherwise provided in this section, the President may, without requirement for charge to any appropriation or contract authorization otherwise provided, enter into contracts for the procurement of defense articles or defense services for sale for United States dollars to any foreign country or international organization if such country or international organization provides the United States Government with a dependable undertaking (1) to pay the full amount of such contract which will assure the United States Government against any loss on the contract, and (2) to make funds available in such amounts and at such times as may be required to meet the payments required by the contract and any damages and costs that may accrue from the cancellation of such contract, in advance of the time such payments, damages, or costs are due.

(b) The President may, when he determines it to be in the national interest, accept a dependable undertaking of a foreign country or international organization with respect to any such sale, to make full payment within 120 days after delivery of the defense articles or the rendering of the defense services. Appropriations available to the Department of Defense may be used to meet the payments required by the contracts for the procurement of defense articles and defense services and shall be reimbursed by the amounts subsequently received from the country or international organization to whom articles or services are sold.

Section 23. Credit Sales.—The President is hereby authorized to finance procurements of defense articles and defense services by friendly countries and international organizations on terms of repayment to the United States Government of not less than the value thereof in United States dollars within a period not to exceed ten years after the delivery of the defense articles or the rendering of the defense services.

Section 24. Guaranties.—(a) The President may guarantee any individual, corporation, partnership, or other juridical entity doing business in the United States (excluding United States Government agencies) against

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political and credit risks of nonpayment arising out of their financing of credit sales of defense articles and defense services to friendly countries and international organizations. Fees shall be charged for such guarantees.

(b) The President may sell to any individual, corporation, partnership, or other juridical entity (excluding United States Government agencies) promissory notes issued by friendly countries and international organizations as evidence of their obligations to make repayments to the United States on account of credit sales financed under section 23, and may guarantee payment thereof.

(c) Funds made available to carry out this Act shall be obligated in an amount equal to 25 per centum of the principal amount of contractual liability related to any guaranty issued under this section, and all the funds so obligated shall constitute a single reserve for the payment of claims under such guaranties. Any funds so obligated which are deobligated from time to time during any current fiscal year as being in excess of the amount necessary to maintain a fractional reserve of 25 per centum of the principal amount of contractual liability under outstanding guaranties shall be transferred to the general fund of the Treasury. Any guaranties issued hereunder shall be backed by the full faith and credit of the United States.

Section 31. Authorization and Aggregate Ceiling of Foreign Military Sales Credits.— (a) There is hereby authorized to be appropriated to the President to carry out this Act not to exceed \$325,000,000 for the fiscal year 1974. Unobligated balances of funds made available pursuant to this section are hereby authorized to be continued available by appropriations legislation to carry out this Act.

(b) The aggregate total of credits, or participations in credits, extended pursuant to this Act and of the principal amount of loans guaranteed pursuant to section 24(a) shall not exceed \$730,000,000 for the fiscal year 1974, of which amount not less than \$300,000,000 shall be available to Israel only.

APPENDIX III.—EXCERPTS FROM DOD AUTHORIZATION AND APPROPRIATION ACTS

DOD APPROPRIATION AUTHORIZATION ACT, 1974

Section 801. Subsection (a) (1) of section 401 of Public Law 89-367, approved, March 15, 1966 (80 Stat. 37), as amended, is hereby amended to read as follows:

“(a) (1) Not to exceed \$1,126,000,000 of the funds authorized for appropriation for the use of the Armed Forces of the United States under this or any other Act are authorized to be made available for their stated purposes to support: (A) Vietnamese and other free world forces in support of Vietnamese forces, (B) local forces in Laos; and for related costs, during the fiscal year 1974 on such terms and conditions as the Secretary of Defense may determine. None of the funds appropriated to or for the use of the Armed Forces of the United States may be used for the purpose of paying any overseas allowance, per diem allowance, or any other addition to the regular base pay of any person serving with the free world forces in South Vietnam if the amount of such payment would be greater than the amount of special pay authorized to be paid, for an equivalent period of service, to members of the Armed Forces of the United States (under section 310 of title 37, United States Code) serving in Vietnam or in any other hostile fire area, except for continuation of payments of such additions to regular base pay provided in agreements executed prior to July 1, 1970. Nothing in clause (A) of the first sentence of this paragraph shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military sup-

port and assistance to the Government of Cambodia or Laos: *Provided*, That nothing contained in this section shall be construed to prohibit support of actions required to insure the safe and orderly withdrawal or disengagement of United States forces from Southeast Asia, or to aid in the release of Americans held as prisoners of war.”

DOD APPROPRIATION ACT, 1974

Section 737. (a) Not to exceed \$1,126,000,000 of the appropriations available to the Department of Defense during the current fiscal year shall be available for their stated purposes to support (1) Vietnamese and other free world forces in support of Vietnamese forces; (2) local forces in Laos; and for related costs on such terms and conditions as the Secretary of Defense may determine: *Provided*, That none of the funds appropriated by this Act may be used for the purpose of paying any overseas allowance, per diem allowance, or any other addition to the regular base pay of any person serving with the free world forces in South Vietnam if the amount of such payment would be greater than the amount of special pay authorized to be paid, for an equivalent period of service, to members of the Armed Forces of the United States under section 310 of title 37, United States Code, serving in Vietnam or in any other hostile fire area, except for continuation of payments of such additions to regular base pay provided in agreements executed prior to July 1, 1970; *Provided further*, that nothing in clause (1) of the first sentence of this subsection shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos. *Provided further*, That nothing contained in this section shall be construed to prohibit support of actions required to insure the safe and orderly withdrawal or disengagement of United States forces from Southeast Asia, or to aid in the release of Americans held as prisoners of war.

(b) Within thirty days after the end of each quarter, the Secretary of Defense shall render to Congress a report with respect to the estimated value by purpose, by country, of support furnished from such appropriations.

Mr. KENNEDY. I appreciate the consideration of this amendment by my colleague and friend from Arkansas, and I hope that he will be willing to take the amendment to conference and fight for it there.

Mr. McCLELLAN. Mr. President, I have discussed this amendment with its distinguished author, the Senator from Massachusetts (Mr. KENNEDY). I have considered it first in the light of the fact that apparently it is legislation on an appropriation bill; that was my first reaction to it, and I think that is true, and it might be subject to a point of order.

However, this same language, as I understand it, has been considered by the authorization committee and was reported out and passed here in the Senate—no, it was a floor amendment agreed to in the Senate earlier this year, to the authorization bill; am I correct?

Mr. KENNEDY. The Senator is correct.

Mr. McCLELLAN. Therefore, the Senate having acted upon it legislatively, I feel inclined, as I have said—from I do not find any objection to it and those with whom I have conferred—to go ahead and accept the amendment and let it go to conference and see what we can do with it there.

I have no objection to the objectives and purposes of the amendment, if it can be accepted. It is an attempt to get control and keep control of expenditures and of materials and supplies that we may be appropriating for and trying to give away as assistance, and we have not made a provision in this bill with respect to even the sale of weapons, and so forth, to other countries, to try to get better control of that so we will know what is going on, and requiring reports.

So I have no objection, unless there is objection on the part of some other member of the committee—and I hear none—to accepting the amendment and doing the best we can with it.

Mr. KENNEDY. I thank the Senator. The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

AMENDMENT NO. 1836

Mr. EAGLETON. Mr. President, I ask unanimous consent that the Senate revert once again to the consideration of amendment No. 1836.

The PRESIDING OFFICER (Mr. HELMS). The Chair will advise the Senator that that is automatic.

Mr. EAGLETON. Mr. President, I yield 10 minutes to the distinguished junior Senator from Illinois.

Mr. STEVENSON. Mr. President, I want, first of all, to commend the junior Senator from Missouri for the extraordinary effort with which he has invested this amendment, and for bringing it to the floor of the Senate, and I also commend the chairman of the Appropriations Committee for his work and the work of that committee. It has done a good job of cutting excessive spending from the defense budget, though it has not, Mr. President, in my judgment, gone far enough.

When it comes to national survival, we all agree that such sums as are necessary for national security must be raised and spent. The tragedy is that we stumble through our debates about national defense with no reliable definition of national security and no reliable standard for determining what is necessary.

An adequate definition of national security includes not just military hardware and personnel, but the confidence of the American people in their Government; the confidence of the world in our country for enlightened leadership; a healthy domestic and world economy, and the conditions of a good life at home.

In order to rationally determine military policy, we need a coherent foreign policy. It is asking too much of the Congress and the military to forge a rational defense and military strategy if they do not have a clearly defined and articulated foreign policy.

We do not have such a foreign policy. What we have had, instead in recent years, are promises, slogans, contradictory gestures, and personal diplomacy.

An opening by the U.S. Government to the People's Republic of China, was appropriate and long overdue. But President Nixon's Peking visit was handled in

a way—by secret arrangements and shock announcements—that demoralized our Allies in Asia and undermined our position in the United Nations with respect to Taiwan. And when the U.N. accepted the logic of his action, President Nixon chastised the U.N.

President Nixon's visit this year to the Soviet Union was at best unnecessary. None of the heralded arms limitation agreements materialized. And in order to make some gesture of success for global television, President Nixon signed a limited nuclear test-ban treaty which implies that the United States and the Soviet Union are not very serious about stopping nuclear proliferation. This comes at a time when worldwide interest in obtaining nuclear reactors is rapidly accelerating. The visit—and the administration's continuing conduct—suggest American indifference to the repression of personal freedom in the U.S.S.R.

What the United States has gained from these exercises in Presidential diplomacy remains to be seen and, whatever it is, it could have been achieved without President participation and without the shocks we suffered in East Asia, South Asia, and Europe, as a result of our bilateral maneuverings. Presidential posturing is no substitute for a prudent and thoughtful worldwide foreign policy which recognizes the world's pluralism and the Nation's multitude of interests in all its parts.

Drift and weakness in foreign relations and economic policy have direct and dangerous results in defense policy.

The notion persists that world power and influence and national security are directly related to the size of the defense budget. As mistakes of foreign policy, or more accurately the absence of a principled foreign policy, produce from Southeast Asia to Eurasia U.S. weakness, the pressure increases to spend more money on the military—and so the wheel takes another turn.

Military spending by itself does not bring us added security in the world. Each increased expenditure usually brings a response from the other side, leaving us by and large in the same relative position, but always poorer and a little closer to the flash point.

The notion also persists that increased defense spending can stimulate a troubled economy. The idea that domestic problems might be solved simply and quickly by throwing dollars at them finds no advocates. Yet, the same notion drives us to compulsive expenditures for weapons, military personnel, and power.

Military spending does not stimulate the economy. It is an unhappy fact that excessive military spending contributes heavily to inflation. It diverts resources from productive uses—housing, health, energy, transportation, education—to nonproductive uses. Unlike most forms of Government spending, defense spending increases demand, without increasing supply.

Other nations, notably West Germany and Japan, rose from the ashes of World War II to become our principal competitors in the world marketplace by spend-

ing little on the military—much on their economies. Now, our heavily weighted economy is crumbling. It is experiencing inflation and recession. Consumer prices are increasing at a rate of 12.6 percent, while wholesale prices increased in July at an incredible annual rate of 44 percent. Unemployment in July was 5.3 percent and rising. And productivity increased only 1 percent last quarter.

The economic consequences of runaway military spending—inflation, the diversion of funds from demonstrable needs, declining productivity, unemployment—are as destructive to the national security as an inadequate defense budget.

It is wrong to argue, as President Ford does, that inflation can be halted by cutting in the domestic sector but not in the defense sector of the budget. Some Government spending in time is deflationary. Initiatives in health, housing, energy, and transportation could increase productivity and supply demand. Agricultural production can be increased in part at Government expense—to meet growing demands for food at home and abroad with deflationary consequences. President Ford, like his predecessor, appears to have his priorities mixed up. If he offers more of the same, the Nation will suffer more of the same.

The defense appropriations bill for fiscal year 1974 as reported by the Appropriations Committee provides funds for the Department of Defense over and above those necessary for an adequate military posture. Reductions can be made without impairing the ability of the military forces of the United States to carry out those missions essential to our national security.

The bill would provide \$82,079,358,000 in new appropriations and transfers. On December 20, 1973, the House and Senate agreed to the conference report on the fiscal year 1974 Department of Defense appropriations bill providing a total of \$74,218,230,000. It was signed into law by the President on January 2, 1974.

On February 4, 1974, about 1 month later, the President transmitted to Congress a fiscal year 1975 defense budget totaling \$85,582,297,000. This represented an increase of \$11,364,067,000, a 15-percent increase over the amount provided by Congress 1 month before. At the same time, the President transmitted a fiscal year 1974 defense supplemental request of \$6,200,421,000, made up of \$3,412,741,000 for a so-called readiness requirement due to the Middle East crisis and \$2,787,680,000 for pay increases. On May 30 and June 24, 1974, the President transmitted budget amendments totaling \$1,475,200,000 for fuel price increases and certain personnel benefits, increasing the fiscal year 1975 Defense budget to a new total of \$87,057,497,000. Thus, between February and June 1974, Congress was requested to consider a total increase of \$19,039,688,000 for the Defense Department.

To date, the Congress has by law reduced this increase by a mere \$4,873,032,000. The House recently passed a military appropriations bill of \$83.4 billion for a further reduction of \$3.7 billion. And the Senate Appropriations

Committee has reported out a military appropriations bill with an additional reduction of \$1.4 billion. Yet, we still have left an increase of \$11 billion.

This increase in defense appropriations comes when the United States is militarily powerful and not at war. The involvement in Southeast Asia has been wound down—yet the spending winds up.

When President Nixon signed the military procurement authorization bill into law on August 5, he said that he was not completely satisfied with the bill because "A number of provisions authorize spending for unneeded equipment and could thus inflate defense spending unnecessarily in a time when we all should recognize the need to avoid waste."

This amendment to the defense appropriations bill will establish a ceiling on new budgetary authority of \$81 billion, and help eliminate some of the wastes to which the President referred.

Next year the new Budget Committee will establish ceilings such as the one we are recommending. This method is also used by the Office of Management and Budget within the executive branch to establish priorities for the Federal budget. It is an approach which has been used extensively in the past to control and delimit the categories of the Federal budget, and now has been adopted by the Congress for the future.

The Nixon administration asked that the Federal budget be reduced by \$5 billion in outlays to help control inflation. President Ford has indicated that he would seek reductions in Federal spending, and some predict that he will ask for greater cuts. A reduction in outlays of \$5 billion would require a reduction in budgetary authority of \$11 to \$12 billion. If this goal is to be reached, the proportionate reduction in the defense budget would be in the \$6 to \$7 billion range. The \$81 billion ceiling we propose is on the high side of such a formulation.

If Congress is serious about reducing the Federal budget as a means of controlling inflation, it cannot overlook the fact that 70 percent of the controllable portion of that budget is attributable to the military and due to the nonproductive, demand-generating nature of defense spending. Reductions made in the defense appropriations bill, dollar for dollar, will be more effective in countering inflation than any other cuts.

Congress has appropriated more money over the past 4 years than the delivery system—the defense industry—can keep up with. This is illustrated by the steady increase in unexpended balances—money obligated but not spent—over the past 4 fiscal years. In effect the delivery of goods and services cannot keep up with the orders placed for them. An \$81 billion ceiling on this year's budget can help rectify this unhealthy distortion of the appropriations process.

Mr. President, the Senate Appropriations Committee should be commended for the diligent job it has done in examining the defense budget. It has, after months of work, reported out a bill which cuts over \$5 billion from the administration request.

bill HR 16243

documents be printed at this point in the RECORD.

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

CAPITOL HILL UNITED METHODIST CHURCH, Washington, D.C., September 24, 1974.

DEAR FRIEND: Today as delegates from 30 of the United States and Canada arrive in Washington, D.C. to assemble for the first national conference of Meals-on-Wheels, Senator George S. McGovern will introduce for himself and Senator Richard S. Schweiker, the attached resolution which would declare the week of September 23-27 national "Meals-on-Wheels" week.

It is our hope that you will join your fellow Senators in unanimous support of this resolution. It is designed to draw the nation's attention to a program which seeks to meet—now—the needs of those who are elderly and convalescent by providing them with home-delivered, hot nutritious meals.

These are mostly private programs, sponsored by local religious and civic groups. The programs work because volunteers prepare, cook, package, and deliver the food at cost.

It is a worthy program worthy of recognition. We hope you agree with us and will give your support by unanimous consent today when the resolution is introduced.

With warm wishes, I am Sincerely yours,

NEIL SCOTT

Chairman, Greater Washington Meals-on-Wheels Confederation.

HOME DELIVERED MEALS—A NATIONAL DIRECTORY SOUTH DAKOTA Aberdeen

Aberdeen Recreation-Home Service. Sponsor, if any: Aberdeen Senior Center, Inc.

Meals served per week, 178. Different persons served per week, 34.

Restrictions: 55 years and over. Other, unspecified restriction.

Meals served: Hot lunch meal \$.76-\$1.00. Provision for special diets: Flexible diets. Minimum length of enrollment: No limit. Maximum length of enrollment: No limit. Age distribution of participants: Under 55, none; 55-64, 2 percent; 65-74, 23 percent; 75-84, 61 percent; 85 and over, 14 percent.

Brookings

Meals on Wheels-Brookings Hospital Auxiliary.

Sponsor, if any: Hospital and Rest Home Auxiliary.

Meals served per week, 55. Different persons served per week, 11.

Restrictions: None. Meals served: Hot lunch meal \$1.01-1.25. Provision for special diets: Flexible diets. Minimum length of enrollment: No limit. Maximum length of enrollment: No limit. Age distribution of participants: Under 55, 9 percent; 55-64, 37 percent; 65-74, 54 percent; 75-84, none; 85 and over, none.

Clare

Meals on Wheels. Sponsor, if any: Local churches.

Meals served per week, 4. Different persons served per week, 4.

Restrictions: None. Meals served: Hot lunch meal \$.76-1.00. Minimum length of enrollment: No limit. Maximum length of enrollment: No limit. Age distribution of participants: Under 55, none; 55-64, none; 65-74, 50 percent; 75-84, 50 percent; 85 and over, none.

Madison

Meals on Wheels, Madison Senior Center. Sponsor, if any: Interlakes Community Action.

Meals served per week, —. Different persons served per week, 35.

Restrictions: 55 years and over. Meals served: Hot lunch meal, \$.51-.75.

Minimum length of enrollment: No limit. Maximum length of enrollment: No limit.

Age distribution of participants: Not noted.

Milbank

Meals on Wheels. Sponsor, if any: Ministerial Association.

Meals served per week, 75. Different persons served per week, 15.

Restrictions: None. Meals served: Hot dinner meal, \$.76-1.00.

Provision for special diets: salt and sugar substitutes.

Minimum length of enrollment: No limit. Maximum length of enrollment: No limit.

Age distribution of participants: Under 55, none; 55-64, none; 65-74, 10 percent; 75-84, 90 percent; 85 and over, none.

Rapid City

Mobile Meals, Inc., 213 Berry Pine Road.

Sponsor, if any: Independent Corporation. Meals served per week, 50. Different persons served per week, 12.

Restrictions: Shut in, living alone. Meals served: Hot dinner meal, \$.76-1.00.

Provision for special diets: Special diet prescribed.

Minimum length of enrollment: No limit. Maximum length of enrollment: No limit.

Age distribution of participants: Under 55, none; 55-64, 10 percent; 65-74, 50 percent; 75-84, 40 percent; 85 and over, none.

Sioux Falls

Meals on wheels. Sponsor, if any: Lutheran Social Services.

Meals served per week, 215. Different persons served per week, —.

Restrictions: Poor nutrition. Meals served: Hot lunch meal, \$.76-1.00.

Provision for special diets: Special diet prescribed.

Minimum length of enrollment: 5 days. Maximum length of enrollment: No limit.

Age distribution of participants: Under 55, 5 percent; 55-64, 24 percent; 65-74, 24 percent; 75-84, 29 percent; 85 and over, 18 percent.

Spearfish

Meals on wheels. Sponsor, if any: Spearfish Senior Citizens.

Meals served per week, 20. Different persons served per week, 6.

Restrictions: None. Meals served: Hot lunch meal, \$.76-1.00.

Provision for special diets: Flexible diets. Minimum length of enrollment: No limit.

Maximum length of enrollment: No limit. Age distribution of participants: Under 55, 0 percent; 55-64, 0 percent; 65-74, 80 percent; 75-84, 20 percent; 85 and over, 0 percent.

Vermillion

Meals on wheels. Sponsor, if any: Vermillion Civic Council.

Meals served per week, 60. Different persons served per week, 22.

Restrictions: 55 years and over; other, unspecified restriction.

Meals served: Hot dinner meal \$.76-1.00. Provision for special diets: Flexible diets.

Minimum length of enrollment: No limit. Maximum length of enrollment: No limit.

Age distribution of participants: Under 55, 0 percent; 55-64, 0 percent; 65-74, 10 percent; 75-84, 70 percent; 85 and over, 20 percent.

Watertown

Meals on wheels. Sponsor, if any: None at present.

Meals served per week, 110. Different persons served per week, 22.

Restrictions: None. Meals served: Hot dinner meal \$.76-1.00.

Provision for special diets: Flexible diets.

Minimum length of enrollment: No limit. Maximum length of enrollment: No limit.

Age distribution of participants: Under 55, none; 55-64, none; 65-74, 50 percent; 75-84, 40 percent; 85 and over, 10 percent.

Yankton

Meals on wheels. Sponsor, if any: Yankton Senior Citizens.

Meals served per week, 60. Different persons served per week, 15.

Restrictions: None. Meals served: Hot lunch meal \$.76-1.00.

Provision for special diets: Special diet prescribed.

Minimum length of enrollment: No limit. Maximum length of enrollment: No limit.

Age distribution of participants: Under 55, 20 percent; 55-64, 20 percent; 65-74, 30 percent; 75-84, 20 percent; 85 and over, 10 percent.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was considered and agreed to.

The preamble was agreed to. The resolution (S. Res. 409), with its preamble, is as follows:

S. RES. 409

Resolution, designating the week of September 23 through September 27 as "Meals-on-Wheels Week".

Resolved, Whereas, the World Hunger Action Coalition has proclaimed the week of September 22 through September 29 as the "Week of Concern for World Hunger," and

Whereas, the thousands of Meals-on-Wheels organizations in the United States, Canada, and many other countries provide hot, nourishing meals each day to the hungry, housebound, elderly, handicapped, and the disabled, without regard to race, creed, color, or financial ability, and

Whereas, the vast majority of these Meals-on-Wheels organizations are privately organized as activities of local churches, temples, or concerned civic groups, and

Whereas, such Meals-on-Wheels programs enable millions of individuals to remain in their homes and maintain their health, and

Whereas, Meals-on-Wheels has grown to serve the purposes previously listed since it was first started in England in 1939 and begun in the United States in 1954, and

Whereas, as elected public servants, we welcome and encourage programs which serve the less fortunate and are especially grateful for efforts which originate on a volunteer basis in the private sector, and

Whereas, those meals are planned, packaged, and delivered by the enterprise, compassion and devotion of literally thousands of volunteers who are helping to bring a measure of human warmth and love to those they serve: Now, therefore, be it

Resolved, That the week of September 23 through September 27 be designated as "Meals-on-Wheels Week" in the United States in recognition of the selfless service these Meals-on-Wheels units perform and in honor of the first National Conference of Meals-on-Wheels.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1975—CONFERENCE REPORT

Mr. McCLELLAN. Mr. President, I submit a report of the committee of conference on H.R. 16243, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. DOMENICI). The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conferees on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 16243) making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of September 18, 1974, at page H9339.)

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the requirement that the conference report be printed as a Senate report be waived, inasmuch as under the rules of the House of Representatives it has been printed as a report of the House.

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

Mr. McCLELLAN. Mr. President, on Tuesday, September 17, 1974, the conferees on the Department of Defense appropriations bill for fiscal year 1975 reached agreement on the differences between the two Houses after 2 days of meetings and about 8 hours of deliberations.

The total amount agreed to was \$82,576,297,000 in new budget authority, including transfers of \$480 million.

This is \$4,481,200,000—or 5.15 percent—below the administration's amended budget request of \$87,057,497,000.

It is also \$817,273,000 below the amount approved by the House and \$478,439,000 above the amount approved by the Senate.

The appropriation agreed upon by the conferees will result in a reduction in actual outlays of \$2.5 billion during the 1975 fiscal year, which should have a significant impact on helping to combat inflation.

Although strong efforts were made by the House conferees to restore sizable appropriations which had been cut by the Senate, your conferees were successful in limiting add-ons to only 36.9 percent of the Senate reduction.

There were 57 amendments made by

the Senate to the House bill, and in all, a total of 368 individual line-item dollar or language differences that needed to be resolved.

I am convinced that the conference committee has produced a reasonable compromise and that the amount appropriated in this bill establishes a level of funding that is a fair balance between the requirements of the Nation's defense and the need for reduced Federal spending in order to deal with inflation.

Mr. President, I wish to point out that the reductions made in the administration's budget request are significantly greater than was thought possible at the time that the Defense Appropriation Subcommittee of the Committee on Appropriations forecast a reduction of \$3.5 billion in new budget authority.

We have, instead, by applying the most rigid standards, made savings of nearly \$1 billion more than the target amount we set at the time the hearings were opened on this bill.

FISCAL YEAR 1975 SUPPLEMENTALS

Mr. President, I want to make it clear to my colleagues that, although large, this bill will not fund all of the Nation's military costs in fiscal year 1975. In addition to the military construction, family housing, military assistance, and civil defense areas, which will be included in other bills, there is \$1,740 million which will be required in a fiscal year 1975 supplemental to pay for military and civilian pay raises to be granted in October 1974 and wage board pay increases which are automatically required as wages in the private sector rise. I want to make it very clear to the Defense Department that, barring exceptional and unexpected changes in the security posture of this Nation, the Congress will take a very dim view of supplementals for anything other than those statutory pay and wage board increases.

We do not want a repetition of last year's "readiness supplemental," which included many items that probably could have waited for the fiscal year 1975 appropriation. Of course, if there are compelling reasons for funding a critical item, they will be considered, but only after all means of readjusting within available funds and reprogramming have been exhausted by the Department of Defense.

I wish to emphasize, Mr. President, that while some military authorities may regard this as a lean budget, their objectives will be met if they apply the same diligent scrutiny to their programs as the members of the Senate Committee on Appropriations applied in making our recommendations for spending during fiscal 1975.

In view of the economic and fiscal disarray in which the United States presently finds itself, the most strenuous efforts must be made at all levels of the Department of Defense to become more cost-conscious, to examine all items with the view of eliminating or dispensing with those that are unnecessary without unduly or adversely affecting essential operations.

Perhaps one of the problems with military spending is that the professional soldiers, the generals and admirals who manage programs and projects in the Defense Department, have not had the experience of working in the private marketplace where profits—and not appropriations—determine expenditures. We must get full value for every dollar expended. Our generals and admirals must come to realize that we do not intend to appropriate for any purpose unless it is fully justified.

I have asked each service secretary to make a determined effort to save dollars and personnel and to submit periodic reports on these efforts and their results.

In conclusion, Mr. President, it is my hope that we will soon enter a period in which international tensions will be reduced. But until then, we must maintain a defense posture that will be an adequate shield for our liberties and a deterrent to aggression—while taking into account the limitations of our resources. I am certain that the appropriations contained in this bill are adequate to meet this challenge.

As George Washington said in his first inaugural address:

To be prepared for war is one of the most effectual means of preserving peace.

Mr. President, I ask unanimous consent that a list of major items in conference and a tabulation summarizing the actions of the House, the Senate and the conference be printed in the Record at this point.

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

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1975 (H.R. 16243)

Appropriations (by functional title)	Revised fiscal year 1975 budget estimate	House allowance	Senate allowance	Conference agreement	Conference compared with—		
					Budget estimate	House allowance	Senate allowance
TITLE 1—MILITARY PERSONNEL							
Military personnel, Army	\$7,963,200,000	\$7,875,013,000	\$7,762,218,000	\$7,780,263,000	-\$182,937,000	-\$94,750,000	+\$18,050,000
Military personnel, Navy	5,809,900,000	5,720,280,000	5,665,510,000	5,679,810,000	-139,990,000	-49,420,000	+14,300,000
Military personnel, Navy 1962, 1974 (liquidation of deficiencies)	51,025,000	43,356,000	43,356,000	43,356,000	-7,670,000		
Military personnel, Marine Corps	1,732,500,000	1,713,506,000	1,686,206,000	1,695,456,000	-37,044,000	-18,050,000	+9,250,000
Military personnel, Air Force	7,475,700,000	7,332,151,000	7,210,881,000	7,229,531,000	-246,169,000	-102,620,000	+18,650,000
Reserve personnel, Army	489,600,000	498,600,000	485,880,000	493,800,000	+3,200,000		
Reserve personnel, Navy	209,700,000	216,200,000	202,980,000	211,900,000	+2,200,000	-4,880,000	+4,800,000
Reserve personnel, Marine Corps	23,000,000	68,900,000	67,000,000	66,000,000	-6,200,000		
Reserve personnel, Air Force	138,565,000	145,865,000	147,865,000	147,865,000	-700,000		
National Guard personnel, Army	621,700,000	660,800,000	661,300,000	660,200,000	+39,100,000	+2,000,000	-1,000,000
National Guard personnel, Air Force	196,577,000	204,527,000	205,827,000	204,527,000	-45,950,000		-500,000
Total, title 1—Military personnel	24,774,468,000	24,478,748,000	24,138,858,000	24,214,468,000	-560,360,000	-264,640,000	+75,230,000

September 24, 1974

Appropriations (by functional title)	Revised fiscal year 1975 budget estimate	House allowance	Senate allowance	Conference agreement	Conference compared with—		
					Budget estimate	House allowance	Senate allowance
TITLE II—RETIRED MILITARY PERSONNEL							
Retired pay, Defense.....	6,040,600,000	6,040,600,000	6,040,600,000	6,040,600,000			
TITLE III—OPERATION AND MAINTENANCE							
Operation and maintenance, Army.....	7,048,500,000	6,228,389,000	6,137,532,000	6,137,532,000	-910,968,000	-90,857,000	
Operation and maintenance, Navy.....	7,665,900,000	7,177,915,000	7,140,575,000	7,151,175,000	-514,725,000	-26,740,000	+10,600,000
Operation and maintenance, Marine Corps.....	457,100,000	451,624,000	449,284,000	449,284,000	-7,816,000	-2,340,000	
Operation and maintenance, Air Force.....	7,855,200,000	7,113,254,000	7,077,930,000	7,062,030,000	-793,170,000	-51,224,000	-15,900,000
Operation and maintenance, Defense agencies.....	1,881,700,000	2,357,375,000	2,350,159,000	2,350,159,000	+468,459,000	-7,216,000	
Operation and maintenance, Army Reserve.....	281,400,000	279,600,000	273,600,000	276,600,000	-4,800,000	-3,000,000	+3,000,000
Operation and maintenance, Navy Reserve.....	247,900,000	245,200,000	245,200,000	245,200,000	-2,700,000		
Operation and maintenance, Marine Corps Reserve.....	11,700,000	11,700,000	11,700,000	11,700,000			
Operation and maintenance, Air Force Reserve.....	288,800,000	286,680,000	292,580,000	286,680,000	-2,120,000		-5,900,000
Operation and maintenance, Army National Guard.....	614,900,000	586,500,000	589,500,000	589,500,000	-25,400,000	+3,000,000	
Operation and maintenance Air National Guard.....	628,500,000	632,500,000	652,500,000	642,500,000	+14,000,000	+10,000,000	-10,000,000
National Board for the Promotion of Rifle Practice.....	178,000	178,000	168,000	178,000			
Naval petroleum reserve.....	6,900,000	81,900,000	56,900,000	69,400,000	+62,500,000	-12,500,000	+12,500,000
Claims, Defense.....	54,600,000	54,600,000	54,600,000	54,600,000			
Contingencies, Defense.....	5,000,000		5,000,000	2,500,000	-2,500,000	+2,500,000	
Court of Military Appeals.....	1,065,000	1,065,000	1,065,000	1,065,000			
Total, title III—Operation and maintenance.....	27,049,343,000	25,508,480,000	25,338,303,000	25,330,103,000	-1,719,240,000	-178,377,000	-8,200,000
TITLE IV PROCUREMENT							
Aircraft procurement, Army.....	339,500,000	224,300,000	284,200,000	242,800,000	-96,700,000	+18,500,000	-41,400,000
Transfer from other accounts.....		(7,000,000)	(7,000,000)	(7,000,000)	(+7,000,000)		
Missile procurement, Army.....	459,200,000	416,500,000	416,500,000	416,500,000	-42,700,000		
Transfer from other accounts.....		(15,000,000)	(15,000,000)	(15,000,000)	(+15,000,000)		
Procurement of weapons and tracked combat vehicles, Army.....	385,300,000	344,800,000	343,500,000	344,800,000	-40,500,000		+1,300,000
Transfer from other accounts.....		(3,000,000)	(3,000,000)	(3,000,000)	(+3,000,000)		
Procurement of ammunition, Army.....	1,344,800,000	726,500,000	720,200,000	720,200,000	-624,600,000	-6,300,000	
Transfer from other accounts.....		(170,000,000)	(170,000,000)	(170,000,000)	(+170,000,000)		
Other procurement, Army.....	786,200,000	669,600,000	689,700,000	681,100,000	-105,100,000	+11,500,000	-8,600,000
Transfer from other accounts.....		(3,000,000)	(3,000,000)	(3,000,000)	(+3,000,000)		
Aircraft procurement, Navy.....	2,960,600,000	2,814,000,000	2,745,200,000	2,775,400,000	-185,200,000	-38,600,000	+30,200,000
Weapons procurement, Navy.....	833,900,000	762,000,000	748,600,000	729,500,000	-104,400,000	-32,500,000	-19,100,000
Transfer from other accounts.....		(10,000,000)	(10,000,000)	(10,000,000)	(+10,000,000)		
Shipbuilding and conversion, Navy.....	3,562,600,000	3,059,000,000	3,140,400,000	3,059,000,000	-503,600,000		-81,400,000
Transfer from other accounts.....		(103,600,000)	(103,600,000)	(70,000,000)	(+70,000,000)	(+70,000,000)	(-33,600,000)
Other procurement, Navy.....	1,684,500,000	1,602,600,000	1,582,600,000	1,582,600,000	-101,900,000	-20,000,000	
Transfer from other accounts.....		(20,800,000)	(20,800,000)	(20,800,000)	(+20,800,000)		
Procurement, Marine Corps.....	228,800,000	207,800,000	207,800,000	207,800,000	-21,000,000		
Transfer from other accounts.....		(10,000,000)	(10,000,000)	(10,000,000)	(+10,000,000)		
Aircraft procurement, Air Force.....	3,496,600,000	3,190,300,000	2,705,700,000	3,062,800,000	-433,800,000		+357,100,000
Transfer from other accounts.....		(76,200,000)	(153,600,000)	(153,600,000)	(+153,600,000)	(+77,400,000)	
Missile procurement, Air Force.....	1,610,800,000	1,555,200,000	1,518,700,000	1,533,700,000	-77,100,000	-21,500,000	+15,000,000
Transfer from other accounts.....		(5,000,000)	(5,000,000)	(5,000,000)	(+5,000,000)		
Other procurement, Air Force.....	2,071,800,000	1,864,400,000	1,772,000,000	1,776,500,000	-295,300,000	-87,900,000	+4,500,000
Transfer from other accounts.....		(12,600,000)	(12,600,000)	(12,600,000)	(+12,600,000)		
Procurement, Defense agencies.....	102,017,000	102,017,000	98,416,000	98,416,000	-3,601,000		
Total, title IV—Procurement.....	19,866,617,000	17,539,017,000	16,973,516,000	17,231,116,000	-2,635,501,000	-307,901,000	+257,600,000
Transfer from other accounts.....		(332,600,000)	(513,600,000)	(480,000,000)	(+480,000,000)	(+147,400,000)	(-33,600,000)
TITLE V—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION							
Research, development, test, and evaluation, Army.....	1,985,976,000	1,831,630,000	1,749,152,000	1,779,339,000	-206,637,000	-52,291,000	+30,187,000
Research, development, test, and evaluation, Navy.....	3,261,933,000	3,065,121,000	2,979,612,000	3,006,914,000	-255,019,000	-58,207,000	+27,302,000
Research, development, test, and evaluation, Air Force.....	3,518,860,000	3,377,317,000	3,144,460,000	3,274,360,000	-244,500,000	-102,957,000	+129,900,000
Research, development, test, and evaluation, Defense agencies.....	528,700,000	492,057,000	491,057,000	491,057,000	-37,643,000		
Director of Test and Evaluation, Defense.....	27,000,000	25,000,000	25,000,000	25,000,000	-2,000,000		
Total, title V—Research, development, test and evaluation.....	9,322,469,000	8,790,125,000	8,389,281,000	8,576,670,000	-745,799,000	-213,455,000	+187,389,000
TITLE VI—SPECIAL FOREIGN CURRENCY PROGRAM							
Special foreign currency program.....	2,900,000	2,900,000	2,900,000	2,900,000			
TITLE VII—MILITARY ASSISTANCE, SOUTH VIETNAMESE FORCES							
Military assistance, South Vietnamese forces.....	(1,450,000,000)	622,600,000	700,000,000	700,000,000	+700,000,000	+77,400,000	
Transfer from other accounts.....		(77,400,000)				(-77,400,000)	
TITLE VIII—GENERAL PROVISIONS							
Additional transfer authority, sec. 834.....	(750,000,000)	(750,000,000)	(750,000,000)	(750,000,000)			
TITLE IX—RELATED AGENCY							
Defense Manpower Commission.....	1,100,000	1,100,000	800,000	800,000	-300,000	-300,000	
New obligational authority.....	87,057,497,000	82,983,570,000	81,584,258,000	82,096,297,000	-4,961,200,000	-887,273,000	+512,039,000
Transfers from other accounts.....		(410,000,000)	(513,600,000)	(480,000,000)	(+480,000,000)	(+70,000,000)	(-33,600,000)
Total funding available.....	87,057,497,000	83,393,570,000	82,097,858,000	82,576,297,000	-4,481,200,000	-817,273,000	+478,439,000
Transfer authority.....	(750,000,000)	(750,000,000)	(750,000,000)	(750,000,000)			

September 24, 1974

MAJOR ITEMS IN THE CONFERENCE

TITLE I—MILITARY PERSONNEL

Mr. McCLELLAN. Mr. President, the conference agreed to restore the \$61 million reduction made by the Senate in support and headquarters staffing transfers. The conferees agreed that, as the military become more efficient in the use of manpower, the savings must ultimately be passed on to the taxpayer; however, they felt that further study of specific changes in force structure proposed by each service was needed prior to taking further action to reduce manpower levels significantly.

The conference also agreed to reductions in terminal leave payments, superior performance pay, and junior enlisted travel benefits as proposed by the Senate.

TITLE IV—PROCUREMENT
AIRCRAFT PROGRAMS

The conference agreed to include \$18.5 million for the 48 UH-1H helicopters for the Army as proposed by the Senate and delete \$41.4 million for 19 CH-47C Army helicopters. A total of \$118 million for 30 A-7E Navy attack aircraft is included in the conference agreement as proposed by the Senate, instead of \$130.7 million for 34 aircraft as proposed by the House. The conference agreement provides \$429.4 million for 45 S-3A antisubmarine warfare aircraft as proposed by the House instead of \$385.8 million for 40 aircraft as proposed by the Senate. The conference agreed to include \$138 million for procurement of 25 A-10 close air support aircraft, which is midway between the 20 aircraft proposed for procurement by the Senate and 30 proposed by the House. The conferees also agreed on the appropriation of \$328 million for six airborne warning and control system aircraft and \$42 million for advance procurement as proposed by the House, instead of funding only four aircraft as proposed by the Senate. The conference agreed to provide \$756.9 million for procurement of 72 F-15 fighter aircraft as proposed by the House instead of \$690.7 million for 62 aircraft as proposed by the Senate. The agreement also provides \$205.5 million for 12 F-111F aircraft as proposed by the House, but deletes \$15 million for advance procurement of future F-111's.

I cannot emphasize more strongly that the conferees do not intend to provide any further funds for the F-111 program unless it is requested by the administration and sufficiently justified before the proper congressional committees.

SHIPBUILDING

The conference deleted the \$81.4 million provided by the Senate for a fleet oiler. The conference also agreed to provide \$70 million for escalation and cost growth associated with the procurement of two submarine tenders instead of the transfer of \$103.6 million as proposed by the Senate. These two submarine tenders were funded in fiscal years 1972 and 1973, but the sums appropriated are insufficient to construct them. The additional \$70 million will be obtained by the cancellation of a destroyer tender, but the conferees indi-

cated that if it is required, the destroyer tender can be included in the fiscal 1976 budget request.

TITLE V—RESEARCH, DEVELOPMENT, TEST
AND EVALUATION

AIRCRAFT DEVELOPMENTS

For the Navy, the conference agreement provides \$4.6 million for development of the F-401 jet engine instead of \$21 million proposed by the House and no funds as proposed by the Senate. These funds are provided to pay only for prior year effort and the conferees agreed that further development should be delayed until the Navy adequately justifies a requirement for this engine. The conference agreed to provide \$20 million as proposed by the Senate instead of no funding as proposed by the House for the Navy VFAX fighter aircraft, but stipulated that the development program must make maximum use of the Air Force's YF-16 and YF-17 fighters, and indicated that future funding is to be contingent upon the capability of the Navy to produce a derivative of the selected Air Force air combat fighter design.

For the Air Force, the conference agreement provided \$445 million for the B-1 bomber instead of \$400 million proposed by the Senate and \$455 million proposed by the House. The conferees also agreed to provide \$2 million for the advanced tanker/cargo aircraft which may be required to keep our bomber force viable in the future.

The conferees agreed to provide \$210 million for the airborne warning and control system instead of \$190 million proposed by the Senate and \$219.7 million proposed by the House.

MISSILE DEVELOPMENTS

The conference agreed to provide \$104.2 million for the Army's surface to air missile development program—SAM-D, instead of \$100 million as proposed by the Senate and \$111.2 million as proposed by the House. The conference agreement provides \$118 million for the site defense antiballistic missile system, instead of \$123 million proposed by the House and \$100 million as proposed by the Senate. The conferees also provided \$2 million for the Pershing II missile system, instead of \$95 million as proposed by the House and no funds as proposed by the Senate. The conference agreement provides \$27.7 million for the advanced forward area air defense system, instead of \$30.7 million as proposed by the House and \$24.7 million as proposed by the Senate. Of the total provided, \$18.2 million is for the short range air defense missile system.

In the area of cruise missiles, the conference agreement provides \$38 million for the Navy's strategic cruise missile, instead of \$41 million proposed by the House and \$31 million as proposed by the Senate. The conferees agreed to provide \$66.5 million for the Air Force air launched cruise missile instead of \$61.5 million as proposed by the Senate and \$71.5 million as proposed by the House.

TITLE VII—MILITARY ASSISTANCE
SOUTH VIETNAMESE FORCES

The conference agreed to appropriate \$700 million for Military Assistance

South Vietnamese Forces instead of \$622.6 million in new obligational authority and \$77.4 million by transfer as proposed by the House.

GENERAL PROVISIONS

The conference reached agreement on a number of language differences in the general provisions, providing as follows:

For a reduction of 12,500 in military personnel stationed overseas, instead of 25,000 as proposed by the Senate and none as proposed by the House.

That no funds may be used for site acquisition or construction of the continental United States Over the Horizon radar system. The original Senate provision had prohibited use of funds for development of this system.

That no war materiel may be transferred to any foreign country unless such transfer is specifically authorized by law. The Senate provision had also originally prevented the use of funds for the purpose of stockpiling war materiel for equipment for Asian countries.

Mr. President, I yield to the distinguished Senator from North Dakota.

Mr. YOUNG. Mr. President, I support and concur in the remarks by the distinguished chairman of the Committee on Appropriations (Mr. McCLELLAN). Our conferees strongly supported the Senate position and sought to retain to the maximum degree the position of the Senate on the specific issues, as well as to maintain the maximum reductions possible.

The difference between the House bill and the Senate bill was approximately \$1.5 billion. On balance the restoration of \$478,439,000, approximately one-third of the difference between the two Houses, indicates strong support of the Senate's position.

I am certain that the Senate is concerned that defense outlays have risen from \$78 billion in 1968—when we were fighting a war in South Vietnam—to a request of over \$85 billion in fiscal year 1975. The reason for this results primarily from the very heavy impact that inflation has had on the defense budget. Between 1968 and today's defense budget, military basic pay rates have more than doubled. Military allowances are up 41 percent. Civil service pay has risen 59 percent. The cost of supplies has increased 54 percent. These items have added \$31 billion to the budget request.

Another way of explaining this Defense appropriations bill is to compare it in constant fiscal year 1975 dollars to past bills.

In 1964 approximately \$50 billion was appropriated but when converted to fiscal year 1975 dollars it would be approximately \$94 billion.

In 1968, the peak year of the war in Vietnam, approximately \$78 billion was appropriated but in today's dollars that would be almost \$125 billion.

In 1972 approximately \$75 billion was appropriated which was the equivalent of \$95 billion in fiscal year 1975 dollars. This was a reduction of \$30 billion in buying power, personnel, goods and services.

In 1975, this conference report before us today continues a downward trend in the funds available for defense.

Overall this fiscal year 1975 appropri-

ations bill is less in constant dollars than the pre-Vietnam appropriations and since 1968 has been declining each year.

Although in current dollars this is the biggest appropriations for defense in our history it will provide less purchasing power. In fact, this appropriation bill will require the Department of Defense and the Armed Services to reevaluate and tighten their respective belts. This is particularly true in the area of research and development. However, the conferees believe that the vital programs contained in this bill will be preserved or continued as appropriate and that no high priority project or weapon system has been dealt a fatal blow.

This bill reduces the budget request significantly, as the chairman has indicated, and will contribute to the reductions in Federal expenditures requested by the President.

Mr. President, I urge my colleagues to adopt this conference report.

Mr. STENNIS. Mr. President, will the Senator yield to me very briefly?

Mr. McCLELLAN. I yield.

Mr. STENNIS. Mr. President, I commend and also thank the Senator from Arkansas and the Senator from North Dakota for the long months, in fact 12 months, of work, attention, and effort that they have put into this bill. They have had to go over and over and over the same instruments, the same weapons systems, the same political questions, the same hardware, and the same manpower questions, all these months, and I know that they have already started work on next year's bill.

I think few of us realize how much there is involved here. I think we all realize that it is important. But they have done an excellent job and, in my opinion, the reductions have not cut into the bone and muscle of this military program, and the people of America can have the satisfaction of knowing, as I see it, that we do have a strong military protection, security or whatever name we may call it.

I made a speech the other day of a general nature, but about our Navy, the naval power which we have, which has been unfavorably compared by some with the Soviet Navy.

I think the facts are to the contrary. It is partly due very much to the work these gentlemen have done.

Mr. McCLELLAN. I thank the distinguished Senator from Mississippi. I do not think there is anyone in the Senate who is more familiar with the military, with its problems, its requirements, and the need for our support of it.

He is also a very valuable member on the Appropriations Committee, and has given us his assistance as we mark up these bills. His advice and counsel are always very helpful to the distinguished Senator from North Dakota (Mr. Young) and myself. We value this assistance that the Senator has given.

Mr. YOUNG. I, also, want to thank the distinguished Senator from Mississippi for his favorable comments. His advice and counsel all through these months was very helpful. I do not know anyone in the Senate who has tried harder to reduce military spending but, at the same time, to maintain an adequate defense

than the Senator from Mississippi. He has been most helpful.

Mr. THURMOND. Mr. President, will the distinguished Senator yield?

Mr. McCLELLAN. I yield to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I want to take this opportunity to congratulate the able distinguished chairman of the Senate Appropriations Committee, Senator McCLELLAN, and the able ranking member of that committee, Senator Young, for the hard work, the dedication, and effective manner in which they have handled the defense appropriations bill. The defense appropriations bill is one of the most important bills to come before the Senate.

Some years ago it consumed—in fact, in 1968—about 42.5 percent of the budget. It is down now to about 27 percent of the budget.

There is no piece of legislation that can mean more to the survival of America than this defense bill. There are some items in here that some may feel are too low—and they probably are. There are other items that some may feel are too high. But I am pleased that these gentlemen have brought to the Senate a bill that we feel will protect the interests of America, and protect the survival of this country, and also that of the free world. I just want to express my high approval of their magnificent work.

Mr. McCLELLAN. Mr. President, I thank the distinguished Senator from South Carolina. I know he is one of those who believes strongly, as strongly as anyone in the Senate, that it is imperative that this country remain a first-rate power militarily. I certainly share his views.

It is true that, in some instances, we may have cut a little too much, but we are under the compelling necessity in these critical times with respect to the condition of our fiscal affairs to make reductions wherever possible.

I do believe, Mr. President, I say again, that we have struck a fair balance taking all attending circumstances and conditions into consideration, and I hope this bill will be, and I believe the funds to be provided will be adequate to maintain the deterrent that is necessary to make a contribution to the peace of the world.

Mr. President, I yield to the distinguished Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I am gratified to learn that the conferees to the fiscal year 1975 Department of Defense Appropriations bill have agreed to retain the essential spirit, if not the exact wording, of my amendment to that bill:

SEC. 850. No funds appropriated to the Department of Defense in this Act may be used to transfer war materials to any foreign country, unless such transfers are specifically authorized by law.

As you know, the Department of Defense, in its request for fiscal year 1975 funds, proposed to procure \$529.6 million of weapons and equipment for the purpose of adding to the war reserve stockpile in anticipation of future South Korean, South Vietnamese, and Thailand requirements in the event of war

affecting those countries. Such a sum would have been in addition to the \$517 million in weapons and equipment already stockpiled by the Department of Defense for such purposes during fiscal years 1973 and 1974.

This excess in the U.S. war reserve stockpile, which would have amounted to over \$1 billion, presents, according to a July 17, 1974, GAO report, a situation whereby the excess could be transferred to foreign countries outside of the purview of the foreign military assistance ceilings as heretofore enacted into law.

I have several questions to address to the manager with regard to his understanding of the import of this section of the act.

Is it the manager's understanding that no funds in this act can be used to transfer war materials to a foreign country unless such a transfer is specifically authorized in some other act, such as the Foreign Assistance Act or the Foreign Military Sales Act?

Mr. McCLELLAN. Yes.

Mr. KENNEDY. In the absence of a specific authorization to transfer U.S. war materials to a foreign country, then no such transfer can be made?

Mr. McCLELLAN. That is correct.

Mr. KENNEDY. If the authorization to transfer U.S. war materials to a foreign country specifies that the costs of such a transfer—including the value of the materials themselves as well as any incidental transfer costs—are to be charged to foreign military assistance accounts, or to some other accounts, then such a specification would have to be adhered to?

Mr. McCLELLAN. Yes.

Mr. KENNEDY. And there would be no cost at all to the Department of Defense budget as appropriated in this act?

Mr. McCLELLAN. Yes. That is right.

Mr. KENNEDY. By the use of the language "specifically authorized," does this section mean that the transfer must be authorized on a country-by-country basis, or in a general sense?

Mr. McCLELLAN. In a general sense.

Mr. KENNEDY. Is it your understanding that the requirement for authorization to transfer U.S. war materials includes any transfers, such as by cash sales, credit sales, guaranties, grants, loans and leases, excess, or scrap?

Mr. McCLELLAN. That is correct.

Mr. KENNEDY. Is there current legislative authority to transfer U.S. war materials to a foreign country under the various manners I mentioned above?

Mr. McCLELLAN. There is.

Mr. KENNEDY. Would you cite the provisions covering each of those manners?

Mr. McCLELLAN. The Foreign Assistance Act and the Foreign Military Sales Act.

Mr. KENNEDY. Is it your understanding that the \$529.6 million in war reserve stocks which the Defense Department has proposed to procure this year, as well as the \$517 million in such stocks procured in prior years, are over and above the war reserve stocks requirements of U.S. active and reserve forces?

Mr. McCLELLAN. No; the materials

are not identified within overall war reserve material stockpiles.

Mr. KENNEDY. Would the chairman consider requesting that a distinction be made in the future between the United States and the requirements of potential allies?

Mr. McCLELLAN. The General Accounting Office has been directed to make an in-depth study of the matter and report to the Committees on Appropriations in 6 months. The committee will explore the subject during its hearings on the fiscal year 1976 Defense budget.

Mr. KENNEDY. I thank the chairman.

UNWANTED WEAPONS IN FISCAL YEAR 1975
DEFENSE APPROPRIATIONS BILL

Mr. PROXMIRE. Mr. President, there are two defense items remaining in this fiscal year 1975 Defense Appropriations bill that were not requested by the Department of Defense.

There is a little over \$100 million for 24 A-7D attack aircraft and \$205.5 million for 12 F-111 fighter-bombers. By placing money in this bill for both these weapons, Congress has once again turned a deaf ear toward requests for moderation and good sense.

There is no justification for these aircraft to be in the budget. The Defense Department did not request funding for either plane. And yet for the second year running, the conference report turns out to have full funding for both aircraft. It is somewhat amazing to see how these two planes get full funding while other programs requested by the Pentagon are cut back. The sense of priorities seems distorted at best.

On August 7, I wrote the Secretary of Defense asking for a clear statement that the Defense Department does not need these aircraft and that they were not requested. I told Secretary Schlesinger that I would try to remove these appropriations if I could get a strong statement from him that they were not necessary to the national defense.

In place of a clear answer from the Secretary of Defense, I received a bureaucratic whitewash from the Assistant Secretary on Defense John M. Maury. Mr. Maury wrote on August 10 that:

There are specific categories in which we might have wished to see larger authorizations and appropriations.

He went on to say:

While we concur in the high regard the Committee on Armed Services of both the House and Senate have for the F-111F and A-7D aircraft, we believe these aircraft to be of lower priority than a variety of other programs included in our original request. Should the Congress desire to add funds for these aircraft, we would hope that this would not be done at the expense of programs which we consider of higher priority.

For that statement, Mr. Maury should receive the bureaucrat of the year award. He could not even force himself to say that the Pentagon had not even requested funds for these two aircraft.

Mr. President, I ask unanimous consent that the letter from the Assistant Secretary of Defense be printed in the RECORD.

One can only conclude, Mr. President, that once again Congress will look the other way and not question the most obvious example of wasteful spending in the defense budget.

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

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., Aug. 10, 1974.

HON. WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PROXMIRE: The Secretary of Defense has asked that I reply to your letter of August 7 regarding funds for F-111F and A-7D aircraft in the FY 1975 Appropriations Bill.

With respect to the overall FY 75 Defense budget, there are specific categories in which we might have wished to see larger authorizations and appropriations. However, in present circumstances, we believe it to be an austere, but prudent budget.

While we concur in the high regard the Committee on Armed Services of both the House and Senate have for the F-111F and A-7D aircraft, we believe these aircraft to be of lower priority than a variety of other programs included in our original request. Should the Congress desire to add funds for these aircraft, we would hope that this would not be done at the expense of programs which we consider of higher priority.

Thank you for your continued interest in the Department of Defense.

Sincerely,

JOHN M. MAURY.

Mr. McCLELLAN. Mr. President, I move the adoption of the conference report on H.R. 16243.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to. The PRESIDING OFFICER. The clerk will report the amendments in disagreement.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 7 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$66,800,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 15 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$7,062,030,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 15 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$7,062,030,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 28 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

CONTINGENCIES, DEFENSE

For emergency and extraordinary expenses arising in the Department of Defense, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes: \$2,500,000.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 34 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$729,500,000.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 88 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert: and in addition \$70,000,000 for escalation and cost growth on prior year programs which shall be derived by transfer from "Shipbuilding and Conversion, Navy 1973, 1977"

Mr. McCLELLAN. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 7, 15, 28, 34, and 38.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arkansas.

The motion was agreed to.

Mr. McCLELLAN. Mr. President, I yield the floor.

ADMINISTRATION POLICIES TOWARD THE OIL-PRODUCING COUNTRIES

Mr. THURMOND. Mr. President, yesterday the administration addressed the very serious implications of the unrestrained economic nationalism presently being exhibited by many of the oil-producing nations.

In separate speeches, President Ford, Secretary Kissinger, and Secretary Simon accurately warned that the artificial rigging of oil prices threatened the structure of world security and could bring disastrous consequences.

Mr. President, I fully share the grave concerns expressed yesterday, and pledge my support to the necessary efforts to meet this threat, not only to the economic survival of the United States, but to the rest of the world.

President Ford stated five principles which should be embodied in a comprehensive energy program for the world: increased production, decreased demand, cooperation between producers and consumers, attention to the poorer nations, and fair pricing. I endorse these principles, and sincerely hope that negotiation, cooperation, compromise, and common sense will result in their implementation. A stable and binding understanding of all concerned nations is essential—and it must be obtained soon.

Mr. President, I would like to add one point. The American people are willing to negotiate, to cooperate, to compromise, to use common sense—and to sacrifice—to resolve the severe economic problems that face the United States and the world today.

However, the American people will not stand idly by and watch our great country destroyed by economic blackmail. I caution all concerned nations to recognize and remember that the American people unite when their security is threatened, and that they will rise to meet any danger with the appropriate action.

deferrals and rescissions will be submitted to the Congress soon.

Budgetary restraint remains a crucial factor in our efforts to bring inflation under control. In today's environment, we cannot allow excess Federal spending to stimulate demand in a way that exerts further pressures on prices. And we cannot expect others to exercise necessary restraint unless the Government itself does so.

The responsible apportionment of congressional appropriations and other Federal budget authority is an essential—though often controversial—element of budget execution. Sound management principles and common sense dictate that Federal agencies spend money in an orderly fashion and only to the extent necessary to carry out the objectives for which the spending authority was provided. Current economic conditions require extra care to assure that Federal spending is held to the minimum level necessary.

The deferrals and rescissions described in the attached report represent an essential step toward the goal of reducing spending and achieving the balanced budget we seek by fiscal year 1976. These actions, by themselves, will not be enough. However, failure to take and sustain this important step would jeopardize our ability to control Federal spending not only during the current fiscal year but, more importantly, for several years to come.

GERALD R. FORD.
THE WHITE HOUSE, September 20, 1974.

CALL OF THE HOUSE

Mr. SCHERLE. Mr. Speaker, I make the point of order that quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BRADEMANS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

(Roll No. 532)

- | | | |
|------------------|----------------|----------------|
| Anderson, Calif. | Duff | Owens |
| Andrews, N.C. | Eckhardt | Patman |
| Armstrong | Egan | Peyster |
| Aspin | Ford | Podell |
| Barrett | Forsner | Powell, Ohio |
| Bell | Foy | Pritchard |
| Blaggi | Fullman | Rangel |
| Blatnik | Gonzalez | Rarick |
| Boggs | Bray | Rees |
| Brasco | Gunter | Reid |
| Brekinridge | Hanna | Rhodes |
| Brown, Ohio | Hébert | Rodino |
| Broyhill, N.C. | Heinz | Roe |
| Burgener | Hicks | Roncallo, N.Y. |
| Carey, N.Y. | Hillis | Rooney, N.Y. |
| Casey, Tex. | Hollifield | Rooney, Pa. |
| Chisholm | Horton | Roussiot |
| Clark | Hosmer | Shoup |
| Clausen, Don H. | Hudnut | Shuster |
| Clay | Johnson, Colo. | Sikes |
| Cochran | Jones, N.C. | Smith, N.Y. |
| Conable | Leggett | Snyder |
| Conlar | Lehman | Spence |
| Conyes | McCloskey | Stanton, |
| Crane | McFall | James V. |
| Culver | McKay | Steed |
| Davis, Ga. | McSpadden | Steele |
| de la Garza | Maraziti | Steelman |
| Delums | Michel | Stephens |
| Diggs | Milford | Symms |
| Don | Nedzi | Taylor, Mo. |
| Doran | Nichols | Thompson, N.J. |
| Dryan | O'Hara | Tiernan |
| | O'Neill | Towell, Nev. |

- | | | |
|-------------|------------|-------------|
| Treen | Widnall | Wylie |
| Van Deerlin | Williams | Young, Ga. |
| Vigorito | Wilson | Young, Ill. |
| Waldie | Charlton | |
| Wampler | California | |

The SPEAKER. On this rollcall 324 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that the Chair is going to take unanimous-consent requests, and then will continue with the business of the House.

ROADBUILDING NOT INFLATIONARY

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

Mr. BRINKLEY. Mr. Speaker, under date of September 20, 1974, President Ford proposes rescissions and deferrals of \$2,322,908,000. Included in the transportation item are Federal aid highways 1975 and prior programs, \$4,370,090,000, and 1976 program, \$6,357,500,000. The assertion is made that release of these funds would be highly inflationary and would have to be offset by cuts in higher priority programs.

First, the inflationary rationale is only one school of thought. Another significant viewpoint is to the contrary—that roadbuilding, being a productive factor, with tangible returns flowing from such development, is not inflationary.

Second, the case of priorities is best served when people interests are considered. The unconscionable delay in completing the Interstate System has resulted and will result in unacceptable losses of human life upon our highways.

I am opposed, Mr. Speaker, to these proposals.

CONFERENCE REPORT ON H.R. 16243, MAKING APPROPRIATIONS FOR DEPARTMENT OF DEFENSE, FISCAL YEAR 1975

Mr. MAHON. Mr. Speaker, I call up the conference report on the bill (H.R. 16243), making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, at the proper time, I propose to offer a motion to strike out the funds in this bill for the F-111 plane. There is some \$205 million provided for 12 F-111 planes in this bill, military aircraft that the Department of Defense does not want and has not wanted for 2 years.

It would be unconscionable to provide \$205 million in this or in any other bill for an aircraft that the Department of

Defense does not want. Therefore, Mr. Speaker, I must object to the request of the gentleman from Texas in order to protect the motion to instruct the conferees.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of September 18, 1974).

Mr. MAHON (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, I assume that the gentleman proposes to take some time in order to explain the bill and that he will yield some time?

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

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

Mr. MAHON. Mr. Speaker, the answer is yes.

Does the gentleman from Iowa wish to have some time?

Mr. GROSS. Yes, I would like to have 2 or 3 minutes.

Mr. MAHON. Mr. Speaker, I will be glad to yield sufficient time to the gentleman.

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

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

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, the conference report before the House now involves an appropriation of \$82.5 billion for the Department of Defense for the current fiscal year, the fiscal year which ends on next June 30.

This bill is the result of the action of the House on the original bill, the action of the Senate on the Senate version of the bill and the action of the conferees.

In view of the fact that my friend, the gentleman from Iowa (Mr. Gross), has made reference to the F-111 aircraft, I will make a brief reference at this moment and further reference at a later moment in regard to the F-111.

The F-111 aircraft has been in production for a number of years. It is the only aircraft in production in the free world which is capable of performing a long-range bomber mission, although not as long-range as the so-called B-1. The F-111 production line has been kept open for a period of years, and we propose to keep it open for another year.

Mr. Speaker, there is no budget request, as the gentleman from Iowa has pointed out, for the F-111. In the military procurement authorization bill, the Committee on Armed Services provided authorization for the F-111. The House Appropriations Committee followed the leadership of the Committee on Armed Services and provided funds. The House of Representatives followed the leadership of the Committee on Appropriations and provided the \$220 million-plus for the F-111. The Senate omitted funds for the F-111.

In the House-Senate conference, the

September 23, 1974

CONGRESSIONAL RECORD — HOUSE

H 9445

tions, with Senate amendments thereto, disagree to the Senate amendments, and agree to a conference with the Senate.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, I was unable to hear the title of the bill. Is this a request to go to conference or to occur?

The SPEAKER. To go to a conference. Mr. GROSS. I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees: Messrs. HOLIFIELD, MOORHEAD of Pennsylvania, ST GERMAIN, FUQUA, HORTON, WYNER, and BROWN of Ohio.

SOUTH KOREA SHOWS COMPASSION IN COOPERATING WITH THE UNITED STATES

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

Mr. WIGGINS. Mr. Speaker, approximately 3 years ago the gentleman from California, Congressman WADSWORTH, and myself traveled to Korea in order to investigate the circumstances of two GI's who had been tried for murder in a South Korean civilian court, convicted and sentenced to death. Our investigation at that time indicated that these two servicemen were properly tried by the South Korean civilian court under the Status of Forces Agreement then in effect. We found that the trial was fairly conducted in accordance with the laws of South Korea, but we felt that the sentence of these two men was excessive, although lawful, in the circumstances of that case.

On appeal, the death sentence was commuted to life imprisonment.

Since that time both the gentleman from California, Congressman WADSWORTH, and myself have been carrying on discussions with President Park and the Minister of Justice of South Korea to effect an early release of these two servicemen. Approximately 6 weeks ago President Park released one of the men; the other man unfortunately having died of natural causes just a matter of several weeks prior to his contemplated release.

This act, Mr. Speaker, by President Park of South Korea, was intended to be and was an act of friendship to the American people, and I want to acknowledge publicly that fact. I wish to compliment President Park for his compassion and express my deep appreciation for this generous act of friendship to the American people.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
September 20, 1974.

HON. CARL ALBERT,
Speaker, House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Of-

fice at 12:10 P.M. on Friday, September 20, 1974, and said to contain a message from the President wherein he transmits a message on Budget Rescissions and Deferrals.

With kind regards, I am

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.
By W. RAYMOND COLLEY.

BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-361)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

The recently enacted Congressional Budget and Impoundment Control Act of 1974 provides new procedures for executive reporting and congressional review of actions by the executive branch affecting the flow of Federal spending. It thereby serves to make the Congress a full partner in the continuing struggle to keep Federal spending under control.

The new law provides that the executive branch may seek to alter the normal course of spending either through deferrals of spending actions or by asking the Congress to rescind authority to spend. The use of funds may be deferred unless either House of the Congress enacts a resolution requiring that they be made available for spending. For executive rescission proposals to take effect, the Congress must enact rescission bills within 45 days of continuous session.

Following these procedures, I am today reporting the first in a series of deferrals and proposed rescissions.

As is often the case in the institution of new procedures, and in the implementation of new laws, there are questions as to what the law may require of the executive branch and what the Congress may expect. In this instance, the Attorney General has determined that this act applies only to determinations to withhold budget authority which have been made since the law was approved.

However, I am including in today's submission to the Congress reports on some actions which were concluded before the effective date of the act. While these items are not subject, in the Attorney General's opinion, to congressional ratification or disapproval as are those addressed in the recent law, I believe that it is appropriate that I use this occasion to transmit this information to the Congress.

Reasonable men frequently differ on interpretation of law. The law to which this message pertains is no exception. It is particularly important that the executive and legislative branches develop a common understanding as to its operation. Such an understanding is both in keeping with the spirit of partnership implicit in the law and essential for its effective use. As we begin management of the Federal budget under this new

statute, I would appreciate further guidance from the Congress. The added information on the status of funds not subject to Congressional action is being made available with this in mind. It will also permit a better understanding of the status of some funds reported previously under the earlier impoundment reporting law.

Virtually all of the actions included in this report were anticipated in the 1975 budget and six of them were taken before July 12, when the new procedures came into effect. Failure to take these actions would cause more than \$20 billion of additional funds to become available for obligation. The immediate release of these funds would raise Federal spending by nearly \$600 million in the current fiscal year. More significantly, outlays would rise by over \$2 billion in 1976 and even more in 1977, the first year in which the new procedures for congressional review of the budget will be in full effect.

The deferrals of budget authority being reported today total \$19.8 billion. The major referrals are:

—Grants for waste treatment plant construction (\$9 billion). Release of all these funds would be highly inflationary, particularly in view of the rapid rise in non-Federal spending for pollution control. Some of the funds now deferred will be allotted on or prior to February 1, 1975.

—Federal aid highway funds (\$4.4 billion for fiscal year 1975 and \$6.4 billion for fiscal year 1976). Release of these funds would also be highly inflationary and would have to be offset by cuts in higher priority programs. Some of the funds are being withheld pending resolution of court cases concerning the environmental effects of proposed highway construction.

—Various programs of the Department of Health, Education, and Welfare (\$39.6 million). Pending enactment of the 1975 appropriations, HEW funds are being provided under a continuing resolution. Amounts available under the continuing resolution above the budget request are deferred to preserve the flexibility of the Congress and the Administration in arriving at a final decision on the funding levels for these programs.

The largest of the two rescissions which I am proposing would write off the \$456 million of budget authority provided for rural electric and telephone loans at a 2 percent interest rate. The release of these funds would be inconsistent with the legislation enacted in 1973, which limits the availability of 2 percent loans to cases of special need. Loans to borrowers who meet the specified criteria can be financed out of funds provided by the pending Agriculture Appropriations Act.

The deferrals and rescissions covered in this first report are those believed to be of particular interest to the Congress and which would have significant impact on budget spending if released. They are summarized in the attached table. A second report of a series on additional de-

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CONGRESSIONAL RECORD — HOUSE

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House conferees supported the House position. However, in the conference, the funds provided for the F-111 by the House were reduced by about \$15 million, and \$205.5 million was approved by the conference. I will have more to say about that matter at a later moment in the discussion.

I would like now, Mr. Speaker, to proceed now to a discussion of the conference report.

I will discuss the F-111 at a later moment.

Mr. Speaker, this conference report provides \$82.5 billion for the Department of Defense. This is a decrease in the budget of almost \$5 billion—to be more exact, \$4.9 billion in new obligational authority, and a net decrease of \$4.5 billion, including transfers.

The conference agreement which is before the House at this time provides \$817 million less than the amount provided by the House in the original version of this bill. It provides \$478 million more than was provided in the defense appropriation bill when it was before the other body. The appropriation recommended in this conference report is \$3,605,000,000 more than was made available for the Department of Defense for comparable functions in the previous fiscal year.

The point is, however, that while there are \$3.6 billion more in this bill than in the bill of last year, double digit inflation, more than 10 percent annual inflation, means that actually in constant dollars, so to speak, this bill is below the bill of last year.

It is true that in the next Congress there will be \$2 billion in pay increases which have been provided by law, which will be considered in a subsequent appropriation bill.

The House Committee on Armed Services took a hard look at the national defense posture of our country. I think the House Committee on Armed Services is somewhat like the House Committee on Appropriations; we listen to the people in the Pentagon, we evaluate their judgment, and we sometimes reduce the funds they request, and we sometimes increase the funds they request. We in Congress have a very vital role in national defense. The Constitution imposes that responsibility upon the Congress. We are by no means a rubber stamp for the Pentagon. We try to do, under our oath as Members of the Congress, what we consider to be in the best interest of the national defense of the United States, and we consider the requests of the Department of Defense very thoroughly. The Senate takes similar action.

There were about 500 program differences between the Senate version of the bill and the House version of the bill. In conference we discussed each and every one of these 500 differences in the programs which had been approved by the separate Houses, and came to an agreement.

In connection with this, Mr. Speaker, I shall provide for the Record appropriate tables showing what this conference report does, along with an appropriate narrative in regard to further information about the conference report. But I think

what the Members want to know basically now is that the bill is less than it was when it was before the House. It is \$4.9 billion below the budget. It is above the Senate figure in the Department of Defense bill, and it is regarded by the conferees as being the best that can reasonably be done at this time for national defense.

It is unfortunately true that the greatest percentage of every defense dollar does not go toward modernization, does not go toward new weapons and ammunition and new aircraft, and so forth; we just buy a handful of aircraft in this bill, relatively speaking, and relatively few modern weapons. Some 56 cents of the defense dollar is taken up in personnel costs.

This is partially the result of the all-volunteer force which was inevitable since the draft had been discontinued but, nevertheless, it is a fact of life that we are getting more and more in a deficiency position with respect to the modernization of the military forces of the United States, and this situation cannot continue indefinitely. The Soviet Union is building up rapidly, more so than the United States. The Soviet Union has more intercontinental ballistic missiles than the United States.

It could have more submarine-launched ballistic missiles than the United States is permitted under present agreements. We have more warheads, I agree, but we are in a very difficult situation.

The \$82 billion that is included in this bill is a considerable sum of money. The necessity is certainly evident that we ought to find ways and means of bringing the arms race to a conclusion, or at least slow down the arms race.

Of course, we are continuing the SALT talks, the strategic arms limitation talks. Some progress has been made in that field. Other progress is anticipated, but until a realistic and acceptable slowdown of the arms race can be achieved, we have got to continue to provide the vast sums of money required to maintain the defense posture of the United States.

So it is not with apology that this bill is presented.

Mr. Speaker, I will take no further time at this moment.

Under permission granted, I include a summary of the bill and certain tabulations:

SUMMARY OF THE BILL MILITARY PERSONNEL

A total reduction of \$560,360,000 was made to the budget request for military personnel and related activities. The amount appropriated is about \$24 billion. The major issue before the conference was whether enlisted personnel in grades E-1 to E-4 should be provided full travel allowances. The travel allowances would primarily pay for the cost of moving the enlisted man's family when he is ordered to make a permanent change of station move. The House conferees considered this new entitlement with great care before deciding to recede and accept the Senate position—deleting the funds for this new entitlement. Our reasons include not only the cost aspect (\$177 million had been requested), but that the number of de-

pendents in overseas areas would be increased substantially if the benefits were approved. In addition, the services generally obtained the needed number of new accessions in 1974, thus this new entitlement is not essential to the all volunteer force.

A major point that we wish to make is that the substantial savings in the military personnel appropriation were made without significant strength reductions in this year's bill. For example, the Senate made a reduction of \$61 million in the personnel assigned to support and headquarters areas, but this was restored and the positions saved are to be assigned to combat units. Overall, over a \$500 million reduction was made, yet we have made an end strength reduction of 20,000 or less. It is very difficult to estimate end strength because this occurs at one particular point in time (June 30, 1975).

OPERATION AND MAINTENANCE

A total reduction of about \$1.7 billion was made in the requests for Operation and Maintenance. The amount appropriated is \$25.3 billion, an increase of \$1.4 billion over the prior year's appropriation.

A major reduction in this appropriation resulted from the authorizing legislation reduction of 32,327 civilian personnel positions. A total of \$8.1 billion was requested for civilian personnel pay, and this was reduced to \$7.7 billion. We wish to point out that the majority of the civilian employee positions deleted were not yet filled, thus there will not be any major reductions in force.

Another major issue involved the Army's hometown canvasser program. This is a program in which enlisted personnel (cannassers) are sent to their hometowns to recruit people who will generally be assigned to the canvassers own unit. This has been the most successful recruiting program that the Army has established. The House position prevailed and \$8 million of the \$10 million reduction made by the Senate was restored.

The largest reduction in Operation and Maintenance is the \$574.4 million transfer from Operation and Maintenance to the new title for support of South Vietnam. This reduction will have no impact on the U.S. forces.

PROCUREMENT

The conference agreement provides \$17.7 billion for procurement of military hardware. This is about \$2.2 billion less than the budget amount and \$180 million above last year's appropriation. A larger portion of the reductions from the budget request was mandated by the authorizing legislation.

The major actions of the conferees relative to the Army request include deletion of \$41.4 million for CH-47 helicopters as proposed by the House, and restoration of \$18.5 million for UH-1H helicopters which had also been deleted from the House bill.

The conference agreement for Navy Procurement provides the entire \$429.4 million for S-3A anti-submarine aircraft and no funds for the AH-1J helicopters as proposed by the House. A \$30 million reduction in Fleet Satellite Communications was agreed to as proposed by the Senate. However, the RDT&E request for this program was increased by \$15 million. The House position on the deletion of \$81.4 million for an oiler was upheld. However, the House agreed to the transfer of \$70 million required to fund the construction of two submarine tenders.

The major Air Force procurement programs include \$72.7 million for Maverick missiles, \$138 million for 25 A-10 aircraft, \$328.7 million for six AWACS aircraft, \$756.9 million for 72 F-15 aircraft and \$205.5 million for 12 F-111F aircraft. While some reductions were agreed to, none will require renegotiation of existing contracts. The original Senate proposal would have required that a

number of major production contracts be terminated and then renegotiated. The House conferees contended that this would only increase the cost of the program and possibly even delay them.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

The conference agreement provides \$3,576,670,000 for research, development, test and evaluation. This is \$745.8 million below the budget request and \$400 million above the appropriation for last year. The appropriation is \$213.4 million below the bill as it passed the House. Of the total reduction, over \$400 million was made by the Congress in acting on the authorizing legislation.

The conferees considered about 190 individual line items during the conference for the RDT&E appropriation alone. In total, more than 500 line item differences had to be discussed. One of the major issues considered was the Senate reduction of \$55 million in the B-1 bomber program. The House conferees felt that this action would seriously impact upon the program and \$45 million of the Senate reduction was restored.

The House conferees were successful in restoring the amount in the House bill or the amount in the DOD reclama for major programs like the F-15A aircraft, AWACS, Electronic Warfare programs in the Army, and the F-4 Wild Weasel program. Most of the additional Senate reductions agreed to by the House conferees were made to level of effort type technology programs. The conference agreement allows the Department of

Defense to reprogram funds into these programs if necessary.

MILITARY ASSISTANCE TO SOUTH VIETNAM

By far, the most controversial item in the Defense Appropriation Bill this year is military assistance to South Vietnam. This has been a major issue in Congress most of this year. Let me review with you what the budgetary situation is. In presenting the budget in January, the President requested a \$1.6 billion program for military assistance for South Vietnam. He proposed to fund this with \$1.4 billion in new appropriations and with carry-over amounts of \$200 million. In the authorizing legislation, Congress reduced this amount to \$1 billion. In the appropriation bill, the Appropriation Committee recommended the appropriation of the \$1 billion authorized in a new appropriation which isolated and set aside the funds for assistance to South Vietnam in a very specific way and ended the procedure which had been followed for some years under which the Department of Defense could provide assets of United States military forces to the South Vietnamese. The new procedure also terminated the availability of prior year appropriations for aid to Vietnam.

On the House floor, an amendment by the gentleman from Georgia, Mr. Flynt, was adopted which reduced the amount provided for military assistance to South Vietnam to a total of \$700 million of which \$522.6 million was in new appropriations and \$177.4 million was the reappropriation of unobligated funds from prior years.

The Senate deleted the reappropriation of prior year funds and made an appropriation of \$700 million in new obligational authority.

The conferees agreed to the Senate amendment. Some of the Members of the conference from both Houses expressed a desire to see the amount provided for Vietnam further reduced, perhaps to the \$622 million amount of new obligational authority provided by the House.

Let me point out that Congress has drastically reduced the Administration's request for FY 1975 for military assistance to South Vietnam. The total amount obligated for support of South Vietnam in FY 1973 was \$2.2 billion. In FY 1974 the obligations totaled just over \$1 billion. For FY 1975 we are providing \$700 million. Now, of the \$1 billion provided in FY 1974, certain amounts were obligated on a statistical basis for assistance actually provided in prior years. The total obligations in FY 1974 for current year programs was \$675 million.

However, we must not lose sight of the fact that in FY 1974 there was a considerable pipeline from previous fiscal years of goods delivered to South Vietnam. It is estimated that \$990 million in actual deliveries of goods and services was made in FY 1974 and that in 1975 approximately \$863 million in deliveries will be provided. We have an actual reduction of more than \$100 million and when you consider the rate of inflation, we had a sizeable reduction in actual war materiel.

DEFENSE APPROPRIATION BILL 1975—SUMMARY OF APPROPRIATIONS

[Amounts in thousands of dollars]

Functional title	Appropriation, fiscal year 1974 (new obligational authority)	Revised budget estimate, fiscal year 1975 (new obligational authority)	Passed House	Passed Senate	Conference action	Conference action compared with—			
						1974 appropriation	Budget estimate	House	Senate
Title I—Military personnel	24,183,264	24,774,468	24,478,748	24,138,858	24,214,108	+30,844	-560,360	-264,640	+75,250
Title II—Retired military personnel	5,150,700	6,040,600	6,040,600	6,040,600	6,040,600	+889,900			
Title III—Operation and maintenance	27,823,702	27,049,343	25,508,480	25,338,303	25,330,103	+1,406,401	-1,719,240	-178,377	-8,200
Title IV—Procurement	17,030,822	19,866,617	17,539,017	16,973,516	17,231,116	+200,194	-2,635,561	-307,901	+257,600
Title V—Research, development, test, and evaluation	3,175,858	9,322,469	(332,600)	(513,600)	(480,000)	(-19,866)	(+480,000)	(+147,400)	(-33,600)
Title VI—Special foreign currency program	2,500	2,900	2,900	2,900	2,900	+400,812	-745,799	-213,455	+187,389
Title VII—Military assistance, South Vietnamese forces	(1,018,000)	(1,450,000)	622,600	700,000	700,000	(-3,500)	+300		
Title VIII—General provisions (additional transfer authority, sec. 834)	(625,000)	(750,000)	(750,000)	(750,000)	(750,000)	+700,000	+700,000	+77,400	(-77,400)
Title IX—Related agency—Defense Manpower Commission	400	1,100	1,100	800	800	+400	-300	-300	
Total, Department of Defense (NOA)	78,467,446	87,057,497	82,983,570	81,584,258	82,096,297	+3,628,851	-4,961,200	-887,273	+512,039
Total funding available	78,970,746	87,057,497	83,393,570	82,097,858	82,576,297	(-503,300)	(+480,000)	(+70,000)	(-33,600)
Distribution by organizational component:									
Army	26,660,497	22,321,454	20,342,410	20,113,375	20,123,412	-537,085	-2,198,042	-218,998	+10,037
Navy	26,073,754	28,797,959	27,240,652	26,973,643	26,985,295	+911,541	-1,812,664	-255,357	+11,652
Air Force	24,428,492	27,293,402	25,702,194	24,727,543	25,220,493	+46,000	(+110,800)	(+70,000)	(-33,600)
Defense agencies/OSD	2,153,603	2,602,982	3,034,014	3,028,197	3,025,697	+792,001	-2,072,909	-481,701	+192,850
Military assistance, South Vietnamese forces	(1,018,000)	(1,450,000)	622,600	700,000	700,000	(-457,200)	(+171,200)	(+77,400)	(-8,317)
Related agency—Defense Manpower Commission	400	1,100	1,100	800	800	+889,900	+700,000	+77,000	(-77,400)
Total, Department of Defense (NOA)	78,467,446	87,057,497	82,983,570	81,584,258	82,096,297	+3,628,851	-4,961,200	-887,273	+512,039
Total funding available	78,970,746	87,057,497	83,393,570	82,097,858	82,576,297	(-503,300)	(+480,000)	(+70,000)	(-33,600)

Mr. MINSHALL of Ohio, Mr. Speaker, the brief outline the distinguished chairman of the Defense Subcommittee and the Committee on Appropriations has given concerning the conference on this year's defense bill has hit the high spots of what I think was a very successful

conference. I do not have to remind the Members of the House—and I think most of them have served on conferences—that the conference action is as a result of compromise, a little push, a little pull, a little take, and a little give. At all times when we compromise, just

by the nature of the action, it is not satisfactory to either side. But I think in this case after spending 2 full days in conference with the distinguished Members of the other body, we have come up with what I believe, as I said earlier, is a very satisfactory conference report.

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There are certain facets of it that do not please me. I am certain there are other parts that do not please some members of the committee. I know that some objections will be brought out here this afternoon by some of my distinguished colleagues on the House side, and I respect these people for their views. They have a right to be heard, but we are limited in our time today to 1 hour. We have consumed nearly one-sixth that time already by just outlining the high spots. But I certainly hope in its wisdom the House will go along with this conference report and not move in any drastic direction to disagree from what we have agreed to in conference with the other body.

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

Mr. MINSHALL of Ohio. I shall be glad to yield to the gentleman from Indiana.

Mr. DENNIS. I thank the gentleman for yielding.

I ask this question, or make his remark, not in any critical sense but in a sense of concern. We have the same thing, of course, every year, and I never hear anything different. What, if anything, is anybody contemplating doing at any time in the future about the situation where almost 60 percent of this \$82 billion buys nothing but personnel? I, frankly, wonder how long we can keep on doing that. I just wonder if anybody has given it any real thought leading to possible action in the future.

Mr. MINSHALL of Ohio. I do not have to remind my colleague, the gentleman from Indiana, that one of the reasons for the cost of personnel is that we are trying to employ an all-volunteer force. To combat that, we are cutting down on our civilian personnel in Defense. We are cutting down a small amount of the military personnel in this bill, and eventually we hope to get it down to a more reasonable percentage than this bill presents.

Mr. DENNIS. If the gentleman will yield further, I realize that problem, and I voted for the volunteer force and I voted for the pay raises. I am not wiser than anyone else, but it bothers me. Every year we get the justification that more than half of this does not buy us any more hardware, and look at the Russians. Where does it end? Where do we go from here?

Mr. MINSHALL of Ohio. The gentleman says it bothers him. I bothers all of us, especially on the Defense Appropriations Subcommittee. The Department is making a new study of the entire military personnel on the compensation requirements, and I hope in the not too far distant future we can come up with a more reasonable personnel ratio to hardware than we have in this bill.

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

Mr. MINSHALL of Ohio, I yield to the gentleman from Michigan.

Mr. CEDERBERG. I thank the gentleman for yielding.

They are very simple facts, I will say to the gentleman from Indiana. There is not any solution except going back to the draft and paying recruits \$75 per

month instead of paying \$400. So if we want to go back to the draft in order to reduce the amount, that is the only way I know.

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

Mr. MINSHALL of Ohio. I will be glad to yield to the gentleman from Illinois. Mr. McCLORY. I thank the gentleman for yielding.

I have a matter that relates to this report. It is one of great concern to the Kleinschmidt Corp., which is located in Lake County, a large part of which I represent. A great many of the personnel employed at Kleinschmidt reside in my congressional district. There they are manufacturers of teletypewriters—known by the Department of Defense as forward area tactical typewriters, FATT. The funds for this equipment were originally deleted and then reinserted with the requirement that there should be competitive bidding. I understand Kleinschmidt is the only present manufacturer. Several of the other earlier concerns that developed similar equipment have dropped out of the field. Kleinschmidt has continued its research and development, and is now producing a most sophisticated and vital product.

The only question is, with the competitive bidding, will the competitive bidding take place at an early enough date so that they will have a chance to bid and stay in business; because if there are substantial delays, it could be very detrimental. I think maybe the gentleman from New York (Mr. STRATTON) has some comment on that.

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

Mr. MINSHALL of Ohio. I yield to the gentleman from New York.

Mr. STRATTON. I thank the gentleman for yielding.

I am glad the gentleman raised that point because this is one I have been interested in too. I have been in touch with the Army Materiel Command this morning on this very matter. I am very disturbed by the wording contained in the conference report that says that we have got to have competitive bidding on this teletype equipment. The Army Materiel Command presently tells me that our troops in the field have teletype equipment that was first developed in 1950 and 1952. It is wearing out very badly. They had planned to award a contract for the production of new equipment on the first of October. As the gentleman says, this new equipment will come from Kleinschmidt.

If this requirement for competitive bidding is insisted on then our troops in the field will not get this new equipment for 4 more years. It will not get into the field until 1981 or 1982.

I think it is a serious mistake for the conferees to put this kind of wording into a report and thereby tie the hands of our forces for modern communications equipment by a period of 4 years.

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

Mr. MINSHALL of Ohio. I yield to the gentleman from Illinois.

Mr. McCLORY. I think the gentleman has explained it more eloquently than I

could, the precise problem that is involved here. I hope the interpretation of the language in the conference report will be such that there will not be any of these delays. It would seem to me quite inconsistent with the Defense Department's needs to delay bids on a contract for FATT until some other concern which is not now producing teletypewriters may decide to enter the field. Delays beyond a few months would be detrimental to the Defense Department and perhaps critical as far as Kleinschmidt is concerned.

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

Mr. MINSHALL of Ohio. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I appreciate the problems of my colleagues who have military facilities in their areas or even contracts. This is one of the problems that we are going to have from here on and one that everybody is going to be faced with. I think one of the greatest problems we have in the committee is the temptation to have source procurement, which is putting it in somebody's particular district. After World War II, I remember the Secretary of the Army said he had pump-primed the country by purchasing \$100 million worth of trucks. We had trucks running out of our ears in this country; so this is the biggest source of waste in the military.

While I can appreciate the interests of our friends and many others here, I think we have to insist that we have competitive bidding on all these items.

I will tell the Members, when we have competitive bidding, it often speeds up the total time used from start of development to completion of production, I will tell the gentleman that the extra time taken to complete this contract will be closer to 4 months than 4 years.

Mr. McCLORY. If the gentleman will yield further, let me say I am not opposed to competitive bids; but with respect to this equipment, there are four different companies which no longer have the ability to bid on this. If we are going to hold this period open for inviting bids for 2, 3, or 4 years in order to enable somebody else to develop their own capabilities, I think we are doing a disservice to our military as well as to a legitimate and worthy supplier. If we are going to be able to have competitive bids ready within a month or two, then I say that is fine, why not have competitive bids?

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

Mr. MINSHALL of Ohio. I yield to the gentleman from New York.

Mr. STRATTON. Actually, the situation is not as bad as the gentleman from Mississippi has indicated.

Kleinschmidt has been developing this particular type of teletype equipment. As I understand it, nobody else ever came up with any proposal that came close to meeting the Army's needs. The money in this bill is not intended to finance final production. Rather it is to finance preliminary production, to get some preliminary production going, in other words, to see whether the promises of the developmental phase are carried out in production. Then later on, if the Army

wanted to go into open bidding, the principles mentioned by the gentleman from Mississippi would apply.

But, we cannot realistically expect to get a new company in now to do the production of something which another company has developed and hope to save either time or money. We are just going to louse up the whole procedure, in a product which our NATO forces desperately need.

Mr. McCLORY. The gentleman is absolutely correct. This is not an item of standard equipment in any sense at all.

Kleinschmidt has been making FATT for the military; they have developed very sophisticated techniques and advancements and improvements which have been to the benefit of the military, and this respected concern wants to continue to carry on in that area.

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

Mr. McCLORY. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, I started on this committee in 1943, and one of the problems we had then was the one which seems to be described right here now. Research and development funds should be used to develop these items.

If we contract with one company to develop plans and specifications, they in turn are obligated to turn it over to the Defense Department so that they can have competitive bidding. This is a \$300 or \$400 million contract, but I can see why they are trying to get their hands on it. In doing it, we are throwing a whole lot of money down the drain when if we do not complete this award and we are going to have to find more money when it is scarce.

Mr. McCLORY. We are talking about \$15 million.

Mr. WHITTEN. That is just the start of it. It will be \$300 or \$400 million.

Mr. McCLORY. If there is no delay no problem should occur. If there is delay I think the Kleinschmidt Co. may go out of business, and of course that would be bad.

Mr. WHITTEN. I do not know how far we can go in keeping companies in business. That is one of the biggest problems we will have in scaling down the Defense Establishment and getting back to defense.

(Mr. McCLORY asked and was given permission to revise and extend his remarks.)

Mr. MINSHALL of Ohio. Mr. Speaker, I understand the problem of the gentleman from Illinois. He talked to me earlier about it and expressed rightful concern.

At the same time, I think the conferees were correct on insisting upon competitive bidding. I only hope the Army can get the contract out for competitive bids before the company goes out of business.

Mr. MAHON. Mr. Speaker, I yield 5 minutes to the gentleman from Connecticut (Mr. GIAIMO).

(Mr. GIAIMO asked and was given permission to revise and extend his remarks.)

Mr. GIAIMO. Mr. Speaker, I was a member of the conference committee on

this legislation, and I objected and refused to sign this conference report. I think the Members should understand my main reason as to why I felt that I could not in good conscience sign this conference report.

I was displeased with the fact that the conference committee added, in my opinion, \$77,400,000 in additional military assistance to South Vietnam, and that the conference committee continued the war reserve program, which totals about a half billion dollars a year. I think these actions were mistakes.

These however were not my reasons for failure to sign the conference report, although I was dissatisfied with the conference committee's decisions in these areas. The real reason for my refusal to sign the conference report is that I can no longer in good conscience vote for a Department of Defense appropriation which includes in it concealed funds—concealed funds for the operations of the Central Intelligence Agency, and possibly other agencies.

I think the American people ought to understand clearly that what we are voting on here today is an appropriation bill for the Department of Defense which has in it CIA funds we do not know about. Neither the American people nor we here in the Congress know about these unknown amounts of moneys which fund covert intelligence operations of the CIA.

We just do not know. We are not privy to this information.

In my opinion, this is no way for us to assume our responsibilities as Congressmen. This concealment is not fair to the American people, it is not fair to the Congress, and in fact, it is not fair to the Department of Defense itself.

Neither I, as a member of the DOD Subcommittee on Appropriations, nor any Member of the House, with the exception of a select few Members whose identity itself is uncertain to me, is privy to where in the budget these funds are, what they are supposed to be used for, and the total amount of these funds.

I am demanding, as I think all Members must demand, better disclosure of the amount of funds requested for the CIA and other similar agencies, as well as the nature of these budget requests, and I demand better proposals for proper accountability for the use of these funds. We cannot any longer tolerate the concealment in appropriations of this kind, and while we insist on this accountability to the Congress and to the American people, I think it is time that we also ask the greater question: Can and should the United States, both morally and diplomatically, continue to employ cover intelligence operations that work to overthrow governments philosophically and operationally dissimilar to ours, using methods that rely on intrigue and stealth and perhaps guerrilla warfare to conduct the foreign policy of the United States?

I think it is shameful, and I think the time has come to terminate it now.

Therefore, I intend to vote against this appropriation today.

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

Mr. GIAIMO. I will be delighted to yield to the gentleman from Illinois.

Mr. YATES. I commend the gentleman for his very constructive speech.

The gentleman is a member of the Department of Defense Appropriations Subcommittee, and we are informed that the funds for the CIA appropriation are in that budget.

Mr. GIAIMO. But I cannot determine where they are.

Mr. YATES. Was there any presentation made of CIA funds to the gentleman's subcommittee during the hearing?

Mr. GIAIMO. No; they have not been. In all fairness, I am told that if I want to know where the funds are, they would tell me, but they would tell me in secrecy and then no one else in this Congress would be entitled to know.

Mr. YATES. Does the gentleman know whether there is a review by the Department of Defense Appropriations Subcommittee of the activities of the CIA?

Mr. GIAIMO. I cannot tell the gentleman that. I understand that we have a committee within our committee, but I am not even privy to this information. I understand that certain ranking members of this subcommittee are involved with the CIA. What they do and do not do, I do not know; but I do know this: Recently there has come out in the newspapers the story about our involvement, the CIA involvement, in Chile. I assume that was done with funds from this appropriation or appropriations similar to this. I find this outrageous, and I say that the time has come when we must stop this type of activity in the United States, this secret type of activity.

Mr. MCKINNEY. Mr. Speaker, I could not agree with my colleague from Connecticut (Mr. GIAIMO) more. I find the conference report on DOD's appropriation unacceptable.

The reasons to me are so clear that I will simply express them here in a limited outline.

I am appalled that at a time in our Nation's history when we are talking of nothing but cutting the budget, that this budget should be so high, almost one-third of the future budget of the United States. Where is the increase of productivity in our military? Where are the plans for efficiency and cost cutting? Why are there more ranking officers now than in World War II when we had six times the amount of men under arms?

Mr. Speaker, the Nation wants defense, but it wants intelligent defense, the best at the lowest cost. The Defense Establishment must be required to share equally with the rest of our Government in tightening its belt.

I also agree with Mr. GIAIMO that it is unconscionable that we must vote out a spending bill filled with hidden money for the CIA. Incredible, particularly at this time when terrible charges are leveled that our Government, through this agency, was not just gathering intelligence but in many instances in fact subverting and trying to overthrow the governments of foreign nations with whom we disagree.

We certainly need an intelligence arm

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and I would hope one of the best. We are not a nation, however, with a history of fifth column sabotage.

I do not even think that we need to know where in essence the money is being spent, we certainly do not want to telegraph our actions to the Russians, but every Member of Congress has a right to know what type of operation the CIA is involved in, and they certainly have a right to know the gross amount they spend.

In essence, I do not find that the conferees have made any effort to give Americans the best defense for the least amount of money. Nor can I see where they have given the American people the amount of oversight that I feel they have every right to.

Congress is not going to make its objective of \$300 with a cut of this size in the Defense Department. And the tragedy is that we are not talking about defense production jobs, because modern defense weapons would in fact make our defense cheaper and more productive per dollar. What we are talking about is waste, duplication, and the necessity for all branches of Government to show equally in austerity.

Mr. MAHON. Mr. Speaker, we, of course, do not want to telegraph to the Kremlin the innermost secrets of the U.S. Government.

Members of Congress who need to know should be provided with information with respect to the CIA and will be provided with information, upon request; but the law provides the procedure for keeping this type of information secret. We cannot give it out wholesale to the American people without giving it to every other nation in the world.

Mr. FLYNT. Mr. Speaker, will the gentleman yield to me?

Mr. MAHON. I yield such time as he may consume to the gentleman from Georgia.

Mr. FLYNT. Mr. Speaker, I thank the chairman. As one of the conferees on the conference report and as one of the managers on the part of the House, I signed the conference report, with certain reservations which I have set forth.

Mr. Speaker, I have special exceptions and reservations as to amendment No. 47 because I feel that it increases title VII of the bill by \$77.4 million. In addition, there is the possibility of transfer authority in another section providing for stockpiling of war materiel in an unspecified amount and which would substantially increase the dollar volume of military assistance, South Vietnam, contrary to the expressed mandate of this body.

Overall, while I am pleased that the conference report reflects a reduction of \$4.481 billion under the amount which the administration requested in its budget, I would have preferred a further reduction of \$3.605 billion, and I believe that such further reductions could have been made by the deletion of certain unbudgeted items which were added to the bill and by further reducing many budgeted items.

Mr. Speaker, residents of my district are becoming increasingly aware of the extra use of military aircraft, carrying one or two passengers on nonmilitary

missions. During a period when there are widespread calls from the man on the street to the White House for fiscal restraint, many people are beginning to question the validity of what they believe to be unnecessary special air missions and courier service for and to individuals who hold no official position with the U.S. Government. I wish that this conference report contained prohibitions against such excursions. I hope that next year's DOD appropriation bill will contain such a provision. The use of high performance military aircraft on long distance flights to fly unofficial personnel cannot be justified when such flying time reduces the number of authorized flying hours for training and operations purposes.

Mr. Speaker, I agree with much of what was said earlier by the gentleman from Connecticut (Mr. GRIMO). I do not propose that classified information be released on an unrestricted basis, but I do believe that the appropriate congressional committees should exercise more control and oversight of certain agencies of Government.

Mr. Speaker, we have been told that we should expect an increase in annual budget requests for the purposes covered by this conference report of more than \$6 billion in order to keep even with the appropriation for the previous fiscal year. This statement if true is all the more reason why we need to exercise more and more fiscal restraint in the battles against inflation. This is true not only in this appropriations bill but in each and every appropriations bill which we report.

With some reluctance and several reservations, I shall vote for this conference report.

Mr. JONES of Oklahoma. Mr. Speaker, will the gentleman yield for a question?

Mr. MAHON. I yield to the gentleman from Oklahoma for a question.

Mr. JONES of Oklahoma. Mr. Speaker, I thank the chairman of the committee for yielding for the purpose of asking a question.

Relative to the strategic bomber penetration program, \$5,504,000 is provided by the conferees instead of the \$10.6 million provided in the House bill. How much is included for the advanced strategic air launch missile technology project?

Mr. MAHON. Mr. Speaker, I will say to my friend, the gentleman from Oklahoma, that we do not have a firm figure as yet on the amount for this one project. However, the committee strongly supports the advanced strategic air launch missile technology project in which the gentleman is interested and understands that the majority of the funds provided in this bill will be used for it. This includes complete support of the long-range flight test program which I believe the gentleman is concerned about.

Mr. JONES of Oklahoma. Mr. Speaker, I thank the gentleman for yielding.

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

Mr. MAHON. I yield to the gentleman from New Hampshire.

Mr. WYMAN. Mr. Speaker, I thank the gentleman.

With regard to the statement which

was just made concerning the CIA and the necessity for not telegraphing our action to the Kremlin as to how this issue is to be handled and exactly what the United States is doing in regard to counter-intelligence activities, I would like to ask the gentleman this:

Do we not have within the Committee on Appropriations a subcommittee of members that handles the CIA and to which the CIA reports and which does know exactly how much money is in this bill for the CIA?

Mr. MAHON. The gentleman is correct.

Mr. WYMAN. Therefore, there are responsible Members in this body who are aware of such matters, and if they are out of order or if they are wrong, those Members would have an obligation to tell us?

Mr. MAHON. The gentleman is correct.

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

Mr. MAHON. I yield to the gentleman from Mississippi for a question.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for yielding.

I have two questions pertaining to the Air Guard, if the gentleman will be so kind as to help me with answers to these questions.

As I understand it, in the bill before the Congress today there are 24 A-7 aircraft funded and they are earmarked for the Air National Guard; is this correct?

Mr. MAHON. The gentleman is correct in his statement.

Mr. MONTGOMERY. Mr. Speaker, I would like to commend the chairman of this committee. This is the first time that I have known about that any new aircraft has been funded for the National Guard. Usually they get handed down to them. I certainly wish to commend the chairman of the committee for that action.

Mr. MAHON. Mr. Speaker, I thank the gentleman.

Normally the Air Guard and the Reserve get the old aircraft and the old equipment, but we are now finding it necessary to rely more and more on the Guard and the Reserves, and we are trying to make them able to respond to their responsibilities. In my statement, I am making reference to all of the Reserves.

Mr. MONTGOMERY. Right, Mr. Speaker, I understand that.

On page 23 of the report, the conference report mentions that 71 F-5E's have been procured and have been funded. These aircraft were purchased for the use of the South Vietnamese Air Force. As I understand it, they will not go to South Vietnam and they will be in the inventory of the regular Air Force.

My comment to the chairman of the committee is this: that these aircraft could be used by the Air Guard. They now have antiquated F-100's, and I think the Air Force would be looking for missions for these F-5E's. We could put them into the Air Guard, where it would cost much less to operate them, about half as much, and they could perform the same missions as the regulars would with them.

I think it would just make sense to do that.

Mr. MAHON. Mr. Speaker, I will say to my friend, the gentleman from Mississippi, that the committee feels that these aircraft must first go to the regular Air Force. The gentleman does raise a good point, and we hope the time will not be too distant when this aircraft will be available to the Guard as well.

Mr. MONTGOMERY. Mr. Speaker, I certainly hope they will consider giving some of these aircraft to the Air Guard.

I thank the gentleman from his response.

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

Mr. MAHON. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, I too, in line with what my colleague, the gentleman from Mississippi (Mr. MONTGOMERY) said, think that the economy of this country must be taken into consideration. And everybody does not agree, but I do not believe that any nation in the history of the world has been able to stand up to spending this much money in the name of defense—and I take the personal view that it is not all for defense; it is for a Military Establishment—and I think eventually the economy of this country is going to require us to maintain a more mobile and smaller regular force with a trained guard and reserves. But in order to do this, we cannot train them with old and obsolete planes and equipment. So I hope that this committee in the future—and I am a member of the committee—can pay more and more attention toward giving first-rate equipment to the National Guard and Reserve units because in a few years we are really going to have to look to them for the defense of our country.

Mr. MINSHALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa (Mr. GROSS).

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, as I previously stated, at the proper time I propose to offer a motion to recommit the conference report with instructions to the managers on the part of the House, with respect to the amendment numbered 40, to recede from the conference agreement and delete all funds for the F-111 aircraft.

I do this, Mr. Speaker, for the reason that some 2 years before the death of our late colleague, the gentleman from South Carolina, Mr. Rivers, he told the House that would be the last request the House Armed Services would make for funds for the F-111. If it is still with us and apparently will continue forever.

This year Secretary of Defense Schlesinger appeared before the subcommittee of the Committee on Appropriations chaired by the distinguished gentleman from Texas (Mr. MAHON) and told Mr. MAHON as well as the members of the subcommittee that the Department of Defense was not asking for a continuation of the F-111 at a cost of \$205.5 million for 12 planes, or at the rate of \$17 million each. Under the circumstances,

I am utterly unable to understand why the Congress continues to appropriate money for this plane. What is the deal, anyway?

Moreover, we are about to embark upon the production of a new plane known as the ACF at a cost of approximately \$4 million each. In other words, approximately four of the new planes for one of the F-111's. There will be no better time in this session of Congress to save \$205 million than here today in the recomittal motion with instructions to the conferees to take out the F-111's which, I say again, the Department of Defense does not want, and so told the Committee on Appropriations in February of this year.

Mr. Speaker, I am surprised that the committee would put language in the report such as this, I read at the top of page 23:

The SPEAKER. The time of the gentleman has expired.

Mr. MINSHALL of Ohio. Mr. Speaker, I yield 2 additional minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. The report states:

The conferees do not intend to provide any further funds for this program (F-111) unless it is sufficiently justified before the Congressional Committees.

That is almost an insult to the intelligence of the Members of the House. It was not justified several years ago and it is not justified now.

As long as Congress is willing to spew out \$205 million a year to produce 12 unwanted airplanes of course certain interests will be back, and they will need no real justification. I suspect we will hear from the Texas delegation very shortly in behalf of the continuation of this—I would call it highway robbery—that the Department of Defense has tried to outlaw.

Mr. Speaker, there was never a time when it was more vitally necessary that this country stop unnecessary and extravagant spending. This aircraft was never designed as a substitute for a heavy bomber and any argument to that effect is nonsense. Moreover, if it was designed to fulfill the mission of a new fleet of heavy bombers why only 12 of them?

The TFX F-111 has been steeped in scandal beginning with the first contract award made by former Secretary of Defense Robert Strange McNamara.

It is time to put an end to it and I urge approval of my motion to recommit to do just that.

Mr. MAHON. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. STRATTON), a member of the Committee on Armed Services.

(Mr. STRATTON asked and was given permission to revise and extend his remarks.)

Mr. STRATTON. Mr. Speaker, I thought I had already talked to my good friend, the gentleman from Iowa, and explained this point to him, but he has been so busy on so many other things that maybe we did not spend enough time on it. There is really no great secret on this F-111 matter. The story is completely different from what the gentleman from Iowa has said, and if there is anybody to be blamed, it is the Commit-

tee on Armed Services. If there is any member of that committee to be blamed, I am the guy. I do not have General Dynamics in my hometown. I have no interest in it except that I do not believe yet that the Air Force has sold us on the B-1 bomber. And I am the guy who insisted we keep the F-111 production line in operation until a final decision on production of the F-111 could be made.

Mr. Gross complains that the F-111 costs \$17 million a copy. Well, the B-1 bomber is up now to \$60 or \$70 million a copy, and the Air Force has not yet made a decision on it. Some people say the ultimate cost could go to \$100 million a copy.

I, as one member of that committee, having sat at the feet of the gentlemen from Iowa, have always been a little bit dubious of whether, when the Air Force finally gets around to saying they want us to build this B-1 bomber, I am going to be willing to say, "OK, go ahead and build a bomber at \$70 million a copy."

The F-111 aircraft production line is being kept open for this year—and for last year—for one reason and one reason only. That is to retain for the American taxpayers a viable alternative to the B-1 when the Air Force finally comes in and asks us to authorize B-1 production at a price that might be as high as \$100 million a copy.

If at that time we have no other plane that can carry bombs to the Soviet Union at supersonic speeds, we are going to have to say, "OK, I guess we will have to take your new plane even at that fantastic price."

But as long as we have the F-111 production line in production, capable of turning out the FB-111 bomber, we are going to say, "No, we do not have to take that costly B-1; we have got an alternate bomber here for only \$17 million that can do almost as much as the B-1 can do, namely, the FB-111. That is the reason this money for the F-111 production line is in this bill and for no other reason."

To say that this is putting money down a rathole is a complete distortion. Sure, the Department didn't ask for the money. But why was that? The reason is that the big bomber boys over in the Air Force who really run the Air Force are just scared to death that when the chips are down next year maybe they will not get their B-1 bomber that they want so badly, their dream plane of the future. They do not want us to have any alternative to the B-1 available when the time for decision comes next year, or maybe Congress will not vote for such an expensive plane. Mr. Speaker, the facts are that the big Air Force generals had to be dragged along, kicking and screaming, before they were willing even to accept funds for the F-111. They are still worried they may have to settle for a less costly new bomber, the F-111, the real Cinderella of the Air Force.

So the reason that we are extending the F-111 production this year is that after we had already extended the line last year so we would have the FB-111 available as an alternative for the B-1 when the decision came to be made this year, the Air Force told us the schedule

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had slipped and that no decision would be made until 1975. So we have had to keep the production line of the alternate plane open for 1 additional year—till the hour of decision rolls around next year.

So these funds are in the bill again for 1 more year and the Air Force is going to have to make up their minds next year one way or the other. As long as we keep the F-111 production line going there is a viable and less costly alternative to the B-1. I think that is sound economy. Any time we can keep open the option of selecting a \$17 million plane in place of a \$100 million plane we are doing the taxpayers a real favor.

Mr. MAHON. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. I thank the gentleman for yielding, and I shall make only four points in regard to the F-111. I think it is important that all members understand the importance of these four basic facts.

First, the F-111 is the only strategic aircraft currently in production anywhere in the free world and the only supersonic bombing plane in the active Air Force inventory.

Second, it has established in 350,000 hours of actual flight the very best safety record—fewer accidents for the number of hours flown—of any military aircraft built in this country in the past 20 years. It performed with spectacular effectiveness over heavily defended targets in North Vietnam and established a truly superior record of survivability.

Third, if Congress should for some reason decide that the B-1 should not go into production—the per unit cost is now estimated at about \$70 million or more—it would leave an extremely dangerous gap in our defenses to shut off the only alternative which is the F-111.

Finally, if the B-1 should go into production on schedule, at least a substantial part of that aircraft in all probability will have to be built in the very plant in Fort Worth which is now building the F-111. To allow the active production line to die before B-1 production begins would cost the taxpayers an estimated \$250 million in startup costs. In other words, it actually would cost more to crank up the idle plant than to keep it alive for another year's production of F-111's. This obviously would be false economy.

For all of these reasons, I earnestly hope that a substantial majority of the Members will join me in opposition to the Gross motion which would delete all money for the F-111 fleet.

Mr. MAHON. Mr. Speaker, the decision of the conferees supports the House position. The House voted to fund the F-111 in the authorization bill, and in the appropriation bill. The House managers were able to maintain the House position.

Mr. Speaker, the B-1 is in trouble.

Business Week magazine, I understand, has quite a story about the B-1 in this week's issue, pointing out that considering the rate of inflation we are

experiencing, this plane could cost about \$100 million per copy. I do not think the Congress and the country will tolerate this kind of cost for an aircraft. I do not want to see this country put in the position of having to take the B-1 or nothing. There should be the possibility of an alternative.

That is one of the reasons the funds are in this bill for continuing the hot line for the F-111.

Some have complained that the F-111 is a Texas project—that claim does not take into account the relevant facts.

I should add that the F-111 plant in Fort Worth is located several hundred miles from my district.

I would point out that 35 percent of the money that goes into the F-111 is spent in California; 10 percent in Texas; 9 percent in Connecticut; 7 percent in Massachusetts; 6 percent in New York; 5 percent in New Hampshire; 4 percent in Pennsylvania, and the remaining 24 percent in other areas of the Nation; but regardless of where the funds are expended, the factor here that deserves consideration is the security of the United States.

Let me make this further statement. The B-1 bomber was scheduled to fly last year and it is now scheduled to fly late this year. It is my understanding that the first flight may slip further. While we support the B-1 as a replacement for the aging B-52 aircraft, I do not think we should abandon the only strategic aircraft production line in the whole free world, at Fort Worth, Tex., until we are certain that the B-1 will be added to the inventory of the Strategic Air Command.

I believe the Congress must at all times be willing and able to fund programs which are not recommended in the budget of the Executive if Congress feels that such action is in the Nation's best interest. A rubberstamp role for Congress in defense is indefensible. The Constitution gives Congress a big responsibility in national defense matters. You and I are not willing to agree that all wisdom resides in the executive branch. As Congress acts in an independent way as a coequal branch of the Government to deny funds which Congress does not believe are required, Congress also has the responsibility to add funds where it is convinced that the funds are needed. Would we not agree that many Members of Congress are widely experienced in the military field? Many are as knowledgeable or more so as to the overall situation than some of the top personnel in the Pentagon.

We have spent billions developing the F-111 aircraft. The bugs have been worked out of it. It has an unparalleled safety record and is highly praised by the men who fly it. There is no question about it, the addition of the 12 aircraft proposed will be welcomed by the Air Force and will add strength to our military forces at a time of world turbulence.

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

Mr. MAHON. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Speaker, talking

about the cost of the B-1 program, 244 B-1's at \$100 million would be \$24.4 billion.

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

Mr. MAHON. I yield to the gentleman from Ohio (Mr. ASHBROOK).

Mr. ASHBROOK. Mr. Speaker, I want to point out something that Members may not realize. This happens to be the last time one of our colleagues, the manager of the bill, will be reporting back to the House, because our friend, the gentleman from Ohio, my colleague (Mr. MINSHALL) has announced his retirement.

Many of us could extol the virtues of the gentleman from Ohio (Mr. MINSHALL) over the years as the ranking Republican member on the committee.

I merely point out that in bringing this last bill to the House floor, he has kept intact the record for trust we on this side have placed in his effort in behalf of not only the Congress, but the strong defense of our country.

I know that I speak for every Member of this House when I tell him that his 16 years on that committee has been most beneficial to all of us.

Mr. MAHON. Mr. Speaker, will the gentleman yield to me?

Mr. MINSHALL of Ohio. Yes. I am delighted to yield.

Mr. MAHON. I think the gentleman has more time than I have.

Mr. MINSHALL of Ohio. Yes. We have 14 Minutes.

Mr. MAHON. I just want to say as the spokesman for the 55-member Committee on Appropriations, we have the profoundest respect for the gentleman from Ohio and we pay tribute to him for his contribution through the years to the cause of national defense. His objectivity, devotion, and loyalty to the work in the Congress has been very notable.

I just want to speak for all of us, if I may, a word of good cheer to this friend of ours who has served so faithfully and so well. We are going to miss him in the next session. It has been good to work with him shoulder to shoulder in the best interest of the United States throughout the years.

Mr. MINSHALL of Ohio. Mr. Speaker, I yield 3 minutes to my good friend from Michigan (Mr. CEDERBERG).

(Mr. CEDERBERG asked and was given permission to revise and extend his remarks.)

Mr. CEDERBERG. Mr. Speaker, Members of the House, I first want to say that I rise in full support of the conference report. Completing a conference on an appropriation of this size is not an easy task. There were many differences of opinion between the House and Senate on many items, as the distinguished chairman has already said.

We have gone through these items one by one, and we think we have come up with a bill that is in the best long-term interests of the country. There is always room for disagreement on a conference report of this kind with its many and complex issues. Thus a conference report of this type is not an issue on which everyone can totally agree.

Mr. Speaker, I want to join with others in paying tribute to the ranking minority member of the subcommittee, the gentleman from Ohio, Mr. MINSHALL, who has labored long and hard over the years on our programs for national defense. It is not easy to serve on the defense subcommittee. One does not have a lot of constituents, and sometimes it is easier to be in opposition to some of these things than it is to be for them.

But, not only are we losing the distinguished ranking minority member of the subcommittee, but also the gentleman from Wisconsin (Mr. DAVIS) who has also made a great contribution. The gentleman from New Hampshire (Mr. WYMAN) is also leaving to run for the other body. I do not know why, but he has some reason he wants to run for the other body. We wish him well in that endeavor, but we will miss him here.

As a matter of fact, on the Republican side of the subcommittee we are only going to have one present member who will be returning for the next session. He is certainly going to have a difficult task. I refer to the gentleman from Alabama (Mr. EDWARDS).

To those who will no longer be on this subcommittee, I, as ranking minority member of the full committee, want to express my appreciation to all of them for the hard work they have done. Sitting on this defense subcommittee day after day after day is not an easy task. Reaching the right decisions for the good of the country, even though others may disagree, is not always an easy task. As these members leave us, we are going to miss them because they have made a tremendous contribution to the security and best interests of the country.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, I want to join with the gentleman from Michigan, not only in paying tribute to the ranking minority Member, the gentleman from Ohio (Mr. MINSHALL) but to a Member who has been so long on this subcommittee and on the full committee, the gentleman from Wisconsin (Mr. DAVIS).

His loss is one that makes me particularly sad. I would want to join with the gentleman from Michigan in thanking him for what has been done, the work that has been done by those who served on this committee, and commend the gentleman from Wisconsin (Mr. DAVIS) for his years of leadership and expertise.

Mr. CEDERBERG. The gentleman from Wisconsin (Mr. STEIGER), has said it well. When he came to the Congress, the gentleman from Wisconsin (Mr. DAVIS) was on the Appropriations Committee then. I served when he was the ranking minority member on what we used to call the Military Construction and Civil Functions, Corps of Engineers Appropriation Subcommittee.

Over the years, I cannot think of anyone who has worked harder and more diligently and who has been willing to take the kind of hard positions that are necessary in order to serve on the Appropriations Committee.

Mr. MINSHALL of Ohio. Mr. Speaker, I want to thank all my colleagues for the most generous remarks which they have delivered on my behalf. All I can say is that to have served on this subcommittee and the full committee on appropriations has been an experience which has been very rewarding, and one which I shall never forget.

I cannot help but rephrase a quote from a statement my good friend, DAN FLOOD, made when we were first considering this bill on the floor. He walked in a little late and looked around and heard all this extolling of BILL MINSHALL going on. He looked around and he said, "Didn't see you. I thought you had died."

But thank you, DAN, for all the wonderful things you have said about me. Also, I want to thank the chairman of the subcommittee, the gentleman from Texas (Mr. MAHON) for all his assistance over the years. I would be remiss if I did not mention the other able members of the subcommittee who have helped bring a strong defense to this country. BOB SIKES, JOE ABBABO, JOHN McFALL, JOHN FLYNT, BOB GIAMMO, and JAMIE WHITTEN and the other side of the aisle. On this side GLENN DAVIS, LOUIS WYMAN, and JACK EDWARDS.

Above all, we have one of the most wonderful staffs on the defense subcommittee in my 16 years service there. They have been of immeasurable help to us in their guidance and their counsel. As I said before, we need more of them, but I am sure a little extra pay would help them as well.

I should remind the Members that I am not returning. I just decided not to seek reelection to the House.

Mr. BINGHAM. Mr. Speaker, I rise in opposition to the conference report on H.R. 16243, which appropriates \$82.5 billion for the Department of Defense for fiscal year 1975. I intend to vote against this legislation simply because it will allow an unconscionably high level of spending for our military forces, a level which is \$3.6 billion more than the military was able to spend last year. My opposition does not mean that I oppose every item in the bill. In fact, there are some useful limitations in this legislation, such as the ceiling on DOD personnel in South Vietnam which I proposed as an amendment when this appropriations bill was first considered on the floor of the House. I am also convinced that the United States must maintain its military strength for the foreseeable future, and that strength is inevitably expensive.

But this level of spending is reckless and wasteful. It will allow the Department of Defense to undertake such ill-advised programs as nuclear counterforce, which involves the retargeting and improved accuracy of our ICBM's. This program threatens a dangerous escalation in the strategic arms race. This bill will also continue the deployment of excessive numbers of U.S. troops abroad. It will continue to provide for the swollen support forces and civilian bureaucracy of the Pentagon, which, excluding the Postal Service, employs roughly as many civilians as all other Federal agencies combined.

We must get off the treadmill of constantly rising defense expenditures, a

treadmill many of us expected to abandon when the United States withdrew from active military involvement in the Indochina war. I still want to see the "peace dividend," an actual reduction in our military expenditures, and until I do I will continue to oppose these massive military budgets.

Mr. FRENZEL. Mr. Speaker, this military appropriation bill, H.R. 16243, amounts to \$82½ billion. It is said to be \$4½ billion under the budget request but it is \$3½ billion more than last year.

Since it is our custom to pass supplemental appropriations, and since the distinguished chairman of the House Appropriations Committee has already predicted a \$2 billion supplemental, we all know that the comparisons in the report of the conference committee are not especially helpful.

If we estimate another \$2-plus billion for a pay raise, already mandated, this military bill to the taxpayers becomes nearly \$85 billion, only \$2½ billion under budget and \$5½ billion—8 percent—over last year.

In my judgment, those numbers are too big at this critical stage of our battle against inflation. We must make cuts to reduce the budget at least to \$300 billion. Unless this bill is reduced further, I do not see any chance to reach \$300 billion.

I do not oppose the general level of weapons development. I would vote against specific systems and developments, notably the F-111, but basically, the real problem lies in personnel cost. Therefore, I have urged, and do so again, that force levels, especially overseas, be reduced.

In addition to the dangers of spending at this high level in an inflationary period, I have a specific complaint about our knowledge of, and oversight of, CIA activities. My negative vote here is based on objections to unnecessarily high spending levels, but I am also seriously concerned about the lack of congressional control over the CIA. It is well past time for the Congress to exercise its authority.

Mr. Speaker, I shall vote against this bill. I am not indifferent to national security needs. I am not mad at the Defense Department. I only know we have to make budget reductions, and this expense center is one that stands further reduction.

Mr. SIKES. Mr. Speaker, I view the conference report on defense appropriations for fiscal year 1975 with mixed emotions. I must be frank in stating that I believe the conferees cut too deeply in many areas. Cutting defense funds appears to be the order of the day in Congress. We pay very little attention to serious cuts elsewhere. In fact, Congress habitually increases funding for some agencies. It makes token cuts in most. But the year-end result is not an impressive showing for economy advocates, except in defense. I see instance after instance where Government agencies come to Congress asking for substantial boosts in personnel year after year and the rule always seems to be to give them part of the additional personnel and appropriations they request. It seldom seems to occur to congressional committees to de-

mand cutbacks in personnel and operating costs except in the Department of Defense. I find it difficult to understand the reasoning that defense is less essential to America than welfare or foreign aid or many other agencies of Government.

Be that as it may, the Department of Defense must accept part of the blame for the cuts which are made in the conference report now before the House. Despite cuts all along the line made by the Senate which resulted in a substantial reduction in the House-approved bill, the Department did not see fit to appeal a majority of the Senate cuts. This left the House conferees in poor position to insist upon the House figures in the instances where they were higher. The Department strongly urged the adoption of the House figures and, in fact, in most cases, asked for more money than the House allowed. I cannot believe the Department of Defense has changed its mind to that extent between the time the budget levels were justified to the Defense Subcommittee of the House and the time of the conference action. Whether the Department of Defense was directed by the administration to compromise for significantly less money, regardless of its effect upon defense programs, I do not know.

The conferees in most instances only partially funded the amount of the appeal. The result may well be a general cutback in effectiveness in key areas such as operations and maintenance and research and development.

The fact is the defense appropriations bill is 5.7 percent below the budget recommendations. The original request for funding for the Department of Defense for fiscal year 1975 was \$87,057,497,000. The House bill provided \$82,983,570,000 new obligational authority. The conference report has approved \$82,096,297,000. In my opinion, the House cut should not have been exceeded in the final version of this bill. There could have been adjustments in funding levels to accommodate more recent inputs from the Department of Defense on actual need. But I am convinced that we are cutting deeper than is appropriate if we are to assure our Nation the defense capability which is needed in today's troubled world. It means that defense is expected to absorb most of the \$5 billion cut which has been recommended by the administration in the overall budget of \$305 billion. I have felt that Congress can cut the budget more than \$5 billion, but I feel that all agencies should share in the reduction.

Mr. BADILLO. Mr. Speaker, this morning I spent several hours in New York City listening to a very timely and in-depth discussion of the state of the economy by a distinguished group of economists from throughout the Nation. This gathering—a continuation of a conference inaugurated at the White House on September 5—was one of the various meetings being held in advance of the summit conference on inflation scheduled for Washington later this month.

The economists debating the many

and varied factors which have initiated and are feeding the rampant inflation now being experienced represented a number of different schools of economic theory. These experts deliberated over certain steps which could be taken to combat inflation by reducing Federal spending. Particularly discouraging was the almost complete lack of attention given to reducing nonessential and questionable defense programs and the wealth of suggestions as to the domestic social and State and local aid programs which could be trimmed.

There is little question that the inflation is the No. 1 economic problem confronting our country today. However, there is no reason why essential domestic programs must bear the brunt of any reductions in Federal spending. I am disturbed that the administration refuses to follow its own suggestions when it comes to the Defense Department and that the only substantive cuts being taken and contemplated are in those efforts which would assist those most in need—the underfed, the unemployed and underemployed, the uneducated, the minorities, the disadvantaged, the elderly, and others.

The measure before us is not so sacrosanct as to be immune from reductions beyond those already made by the House and Senate. Although the \$82.58 billion appropriated by this legislation is 5.1 percent below the DOD's original request, it is still \$3.61 billion more than the sum appropriated for the last fiscal year. In addition to such highly questionable procurement programs as the B-1 bomber, how much money is going to be allocated to support covert intelligence activities overseas to destabilize foreign governments and how much has the overall budget been padded in a vain attempt to stimulate the economy? Why should this Nation spend some \$700 million to continue to support a corrupt and ineffective regime in South Vietnam? Have we not yet learned that no amount of money will ever buy peace and security for that strife-torn area of the world? How can we justify supporting a defense measure of this enormity when we are supposedly at peace and are actively seeking détente and a reconciliation with our potential adversaries in various parts of the world?

Mr. Speaker, once again the defense appropriations bill represents a complete distortion of our country's spending priorities. While the administration seeks gigantic increases for military programs, millions of Americans live in inadequate and substandard housing, millions more are undernourished, almost 5 million fellow citizens are out of work, the air and rivers are befouled and the Nation's roads are clogged with cars while commuters are unable to reach their jobs.

I will agree, Mr. Speaker, that there must be important reductions in Federal spending but not at the cost of the health, welfare, education and general well-being of our citizenry. An important step in the fight against inflation can be taken by further reducing the measure before us—an action which can be taken without jeopardizing our national security or defense posture one iota. Certainly this is a recommendation which at least

warrants the highest priority at the economic summit later this week.

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

MOTION TO RECOMMIT OFFERED BY MR. McDADE

Mr. McDADE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. McDADE. In its present form, I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. McDADE moves to recommit the bill H.R. 16243 to the committee of conference.

Mr. McDADE. Mr. Speaker, I move the previous question on the motion to recommit.

The SPEAKER. The question is on ordering the previous question on the motion to recommit.

Mr. GIAIMO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

PARLIAMENTARY INQUIRY

Mr. GROSS. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. GROSS. Is the vote on the previous question?

The SPEAKER. The vote is on ordering the previous question on the motion to recommit.

The vote was taken by electronic device, and there were—yeas 228, nays 125, not voting 81, as follows:

[Roll No. 533]

YEAS—228

Abdnor	Daniel, Robert	Hanley
Alexander	W., Jr.	Hanrahan
Anderson, Ill.	Daniels,	Hansen, Idaho
Annunzio	Dominick V.	Hansen, Wash.
Archer	Danielson	Harsha
Arends	Davis, S. C.	Hastings
Bafalis	Davis, Wis.	Hébert
Beard	Delaney	Henderson
Bennett	Dennis	Hicks
Bevill	Dent	Hillis
Blackburn	Derwinski	Hinshaw
Boland	Devine	Hogan
Bolling	Dickinson	Holt
Bowen	Donohue	Hosmer
Bray	Downing	Hungate
Breaux	Duncan	Hunt
Brinkley	du Pont	Hutchinson
Brooks	Edwards, Ala.	Ichord
Broomfield	Erlenborn	Johnson, Calif.
Brotzman	Eshleman	Johnson, Pa.
Broyhill, Va.	Findley	Jones, Ala.
Buchanan	Fish	Jones, N.C.
Burke, Calif.	Flood	Jordan
Burke, Fla.	Flowers	Kazen
Burleson, Tex.	Forsythe	Kemp
Burilson, Mo.	Fountain	Ketchum
Butler	Frelinghuysen	King
Byron	Froehlich	Kluczynski
Camp	Fuqua	Kuykendall
Carter	Gettys	Lagomarsino
Cederberg	Gibbons	Landgrebe
Chamberlain	Gilman	Landrum
Chappell	Ginn	Leggett
Clancy	Goldwater	Lent
Clark	Gonzalez	Litton
Clausen,	Goodling	Long, La.
Don H.	Grasso	Long, Md.
Clawson, Del	Gray	Lott
Collier	Green, Oreg.	McClary
Collins, Tex.	Griffiths	McCollister
Cotter	Grover	McDade
Coughlin	Gubser	McEwen
Daniel, Dan	Haley	McKinney

Macdonald
Madigan
Mahon
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Metcalfe
Miller
Mills
Minshall, Ohio
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
O'Brien
O'Hara
Parris
Passman
Patman
Patten
Pepper
Perkins

Steed
Steiger, Ariz.
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Talcott
Taylor, N.C.
Teague
Thomson, Wis.
Thornton
Tiernan
Ullman
Veysey
Waggonner
Walsh
Ware
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wyman
Young, Alaska
Young, Fla.
Young, S.C.
Young, Tex.
Zablocki
Zion

Steelman
Stephens
Symms
Taylor, Mo.
Towell, Nev.
Traxler

Treen
Van Deerin
Vigorito
Wampler
Widnall
Williams

Wilson, Charles E., Calif.
Wylie
Young, Ga.
Young, Ill.

Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
Delaney
Denholm
Dennis
Derwinski
Devine
Dickinson
Donohue
Downing
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford
Fountain
Freiinghuysen
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Gooding
Grasso
Gray
Green, Oreg.
Griffiths
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammer-
schmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Hastings
Hébert
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Hollifield
Holt
Horton
Hosmer
Howard
Huber
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.

Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kazen
Kemp
Ketchum
King
Kluczynski
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Leggett
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClary
McCollister
McDade
McEwen
McSpadden
Madden
Madigan
Mahon
Mallory
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinisky
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nelsen
Nelson, Bob
Wilson, Charles, Tex.

Quile
Quillen
Rallsback
Randall
Regula
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rostenkowski
Roush
Roy
Runnels
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Sebelius
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Stagers
Stanton, J. William
Stanton, James V.
Steed
Steiger, Ariz.
Steiger, Wis.
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Talcott
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Thornton
Tiernan
Udall
Ullman
Vander Jagt
Vander Veen
Veysey
Waggonner
Walsh
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wolf
Wright
Wyatt
Wylder
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, S.C.
Young, Tex.
Zablocki
Zion

So the previous question was ordered.
The Clerk announced the following pairs:

On this vote:
Mr. O'Neill for, with Mr. Eckhardt against.
Mr. Rodino for, with Mr. Conyers against.
Mr. Carey of New York for, with Mr. Diggs against.
Mr. Hays for, with Mr. Dellums against.
Mr. McFall for, with Mr. Rees against.
Mr. Sikes for, with Mr. Young of Georgia against.

Until further notice:
Mrs. Boggs with Mr. Podell.
Mr. Biaggi with Mr. Culver.
Mr. Vigorito with Mr. Dulski.
Mr. Fisher with Mr. Reid.
Mr. Gunter with Mr. Aspin.
Mr. Rooney of New York with Mr. Dorn.
Mr. Roe with Mr. Blatnik.
Mr. Nedzi with Mr. Davis of Georgia.
Mr. Foley with Mr. Hanna.
Mr. Lehman with Mr. McKay.
Mr. Owens with Mr. Michel.
Mr. Breckinridge with Mr. McCloskey.
Mr. Barrett with Mr. Conable.
Mr. Anderson of California with Mr. Hudnut.
Mr. Stephens with Mr. Bell.
Mr. Van Deerin with Mr. Conlan.
Mr. Charles H. Wilson of California with Mr. Esch.

Mr. Rarick with Mr. Brown of Ohio.
Mr. de la Garza with Mr. Frey.
Mr. Casey of Texas with Mr. Broyhill of North Carolina.
Mr. Milford with Mr. Crane.
Mr. Traxler with Mr. Nelsen.
Mr. Nichols with Mr. Powell of Ohio.
Mr. Rhodes with Mr. Snyder.
Mr. Spence with Mr. Rousselot.
Mr. Taylor of Missouri with Mr. Shoup.
Mr. Widnall with Mr. Steele.
Mr. Young of Illinois with Mr. Steelman.
Mr. Treen with Mr. Symms.
Mr. Wampler with Mr. Towell of Nevada.
Mr. Wylie with Mr. Williams.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the conference report.

Mr. DELLENBACK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken, and there were—yeas 293, nays 59, not voting 82, as follows:

[Roll No. 534]

YEAS—293

Abzug
Adams
Addabbo
Andrews, N. Dak.
Ashbrook
Ashley
Badillo
Baker
Bauman
Bergland
Biester
Bingham
Brademas
Brown, Calif.
Brown, Mich.
Burke, Mass.
Burton, John
Burton, Phillip
Carney, Ohio
Chisholm
Clay
Cleveland
Cohen
Collins, Ill.
Conte
Corman
Cronin
Dellenback
Denholm
Dingell
Drinan
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Flynt
Ford
Fraser
Frenzel
Fulton
Gaydos

Gialmo
Green, Pa.
Gross
Gude
Guyer
Hamilton
Hammer-
schmidt
Reuss
Harrington
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hollifield
Holtzman
Horton
Howard
Huber
Jarman
Jones, Okla.
Jones, Tenn.
Karth
Kastenmeier
Koch
Kyros
Latta
Lujan
Luken
McCormack
McSpadden
Madden
Mallory
Mayne
Mazzoli
Meeds
Melcher
Mezvinisky
Minish
Mink
Mitchell, Md.
Moakley
Mollohan

Mosher
Nix
Obey
Pike
Pritchard
Quile
Rangel
Reuss
Riegler
Rinaldo
Roncalio, Wyo.
Rosenthal
Roush
Roy
Roybal
Ruppe
Ryan
St Germain
Sarbanes
Schroeder
Seiberling
Shuster
Skubitz
Stanton, James V.
Stark
Steiger, Wis.
Stokes
Studds
Thompson, N.J.
Thone
Udall
Vander Jagt
Vander Veen
Vanik
Waldie
Whalen
Wolf
Wylder
Yates
Yatron
Zwach

NOT VOTING—81

Anderson, Calif.
Andrews, N.C.
Armstrong
Aspin
Barrett
Bell
Biaggi
Blatnik
Boggs
Brasco
Breckinridge
Brown, Ohio
Broyhill, N.C.
Burgener
Carey, N.Y.
Casey, Tex.
Cochran
Conable
Conlan
Conyers
Crane

Culver
Davis, Ga.
de la Garza
Dellums
Diggs
Dorn
Dulski
Eckhardt
Esch
Fisher
Foley
Freid
Gunter
Hanna
Hays
Hudnut
Johnson, Colo.
Lehman
McCloskey
McFall
McKay
Michel

Milford
Nedzi
Nelsen
Nichols
O'Neill
Owens
Podell
Powell, Ohio
Rarick
Rees
Reid
Rhodes
Rodino
Roe
Roncalio, N.Y.
Rooney, N.Y.
Rousselot
Shoup
Sikes
Snyder
Spence
Steele

YEAS—293

Abdnor
Adams
Addabbo
Alexander
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Archer
Arends
Ashbrook
Bafalis
Baker
Bauman
Beard
Bennett
Bergland
Bevill
Biester
Blackburn

Boland
Bolling
Bowen
Brademas
Bray
Breaux
Brinkley
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, Va.
Buchanan
Burke, Fla.
Burlinson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carter

Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del.
Cleveland
Cohen
Collier
Collins, Tex.
Conte
Corman
Cotter
Coughlin
Cronin
Daniel, Dan
Daniel, Robert W., Jr.

Abzug
Ashley
Badillo
Bingham
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Carney, Ohio
Chisholm
Clay
Collins, Ill.
Dellenback
Dent
Dingell
Drinan
Edwards, Calif.
Forsythe
Fraser
Frenzel

NAYS—59

Gialmo
Green, Pa.
Gross
Harrington
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Holtzman
Kastenmeier
Koch
McCormack
McKinney
Matalfe
Mitchell, Md.
Moakley
Moshier
Nix
Obey
Pritchard

September 23, 1974

NOT VOTING—82

Anderson, Calif.	Dulski	Roncallo, N.Y.
Andrews, N.C.	Eckhardt	Rooney, N.Y.
Armstrong	Esch	Rousselot
Aspin	Fisher	Ruppe
Barrett	Frey	Shoup
Bell	Gunter	Sikes
Blaggi	Hanna	Smith, N.Y.
Blatnik	Hays	Snyder
Boggs	Hudnut	Spence
Brasco	Hungate	Steele
Breckinridge	Johnson, Colo.	Steelman
Brooks	Lehman	Stephens
Brown, Ohio	McCloskey	Symms
Broyhill, N.C.	McFall	Taylor, Mo.
Burgener	McKay	Towell, Nev.
Carey, N.Y.	Michel	Treen
Casey, Tex.	Milford	Van Deerlin
Cochran	Nedzi	Vigorito
Conable	Nichols	Wampler
Conlan	O'Neill	Ware
Conyers	Owens	Widnall
Crane	Podell	Wilson,
Culver	Powell, Ohio	Charles H., Calif.
Davis, Ga.	Rarick	Wylie
de la Garza	Rees	Young, Ga.
Dellums	Reid	Young, Ill.
Diggs	Rhodes	
Dorn	Rodino	
	Roe	

So the conference report was agreed to.

The Clerk announced the following:

On this vote:

Mr. O'Neill for, with Mr. Eckhardt against.
 Mr. Rodino for, with Mr. Conyers against.
 Mr. Carey of New York for, with Mr. Diggs against.

Mr. Hays for, with Mr. Dellums against.
 Mr. McFall for, with Mr. Rees against.
 Mr. Sikes for, with Mr. Young of Georgia against.

Until further notice:

Mrs. Boggs with Mr. Podell.
 Mr. Breckinridge with Mr. Dulski.
 Mr. Vigorito with Mr. Fisher.
 Mr. Charles H. Wilson of California with Mr. Reid.

Mr. Barrett with Mr. Hanna.
 Mr. Blaggi with Mr. Culver.
 Mr. Brooks with Mr. Davis of Georgia.
 Mr. Casey of Texas with Mr. Dorn.
 Mr. Nedzi with Mr. Gunter.
 Mr. Nichols with Mr. Anderson of California.

Mr. de la Garza with Mr. Aspin.
 Mr. Roe with Mr. Blatnik.
 Mr. Rooney of New York with Mr. Bell.
 Mr. Stephens with Mr. Conable.
 Mr. Van Deerlin with Mr. Esch.
 Mr. Owens with Mr. Brown of Ohio.
 Mr. Rarick with Mr. Frey.
 Mr. Milford with Mr. Conlan.
 Mr. Lehman with Mr. Broyhill of North Carolina.

Mr. McKay with Mr. Crane.
 Mr. Hudnut with Mr. Rousselot.
 Mr. Hungate with Mr. McCloskey.
 Mr. Michel with Mr. Ruppe.
 Mr. Rhodes with Mr. Smith of New York.
 Mr. Shoup with Mr. Snyder.
 Mr. Spence with Mr. Steele.
 Mr. Young of Illinois with Mr. Ware.
 Mr. Widnall with Mr. Symms.
 Mr. Taylor of Missouri with Mr. Treen.
 Mr. Roncallo of New York with Mr. Wylie.
 Mr. Towell of Nevada with Mr. Wampler.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 7: Page 4, line 21, strike "\$68,500,000" and insert "\$67,800,000".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 7 and concur therein with an amendment, as follows: In lieu of the sum proposed, insert "\$66,800,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: On page 7, line 21, strike "\$7,113,254,000" and insert "\$7,077,930,000".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 15 and concur therein with an amendment, as follows: In lieu of the sum proposed, insert "\$7,062,030,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 28: On page 13, line 22, insert:

"CONTINGENCIES, DEFENSE

"For emergency and extraordinary expenses arising in the Department of Defense, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes; \$5,000,000."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 28 and concur therein with an amendment, as follows: In lieu of the matter proposed, insert:

"CONTINGENCIES, DEFENSE

"For emergency and extraordinary expenses arising in the Department of Defense, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes; \$2,500,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 34: On page 19, line 1, strike "\$762,000,000" and insert "\$748,600,000".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 34 and concur therein with an amendment, as follows: In lieu of the sum proposed, insert "\$729,500,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the last amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 38: On page 20, line 8, insert "and in addition \$103,600,000".

for escalation and cost growth on prior year programs which shall be derived by transfer from 'Shipbuilding and Conversion, Navy 1973/1977'."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 38 and concur therein with an amendment, as follows: In lieu of the matter proposed, insert "and in addition \$70,000,000 for escalation and cost growth on prior year programs which shall be derived by transfer from 'Shipbuilding and Conversion, Navy 1973/1977'".

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks, and include extraneous matter and tabulations, on the conference report on H.R. 16243, making appropriations for the Department of Defense, fiscal year 1975.

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

There was no objection.

A TRIBUTE TO COUNT BASIE

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

Mr. ADDABO. Mr. Speaker, on Sunday night, Sept. 22, a constituent of mine for many years was honored by the people of New York City, New York State, and the Nation for years of dedicated service.

Count Basie was honored on his 70th birthday by a salute attended by many of the entertainment world's brightest stars and by many of the Nation's prominent citizens.

Among the awards presented to Mr. Basie were the keys to New York City, an honorary doctorate presented by the Philadelphia Music Academy, a plaque from New York State, locality mayors for the years of work on behalf of retarded children by Count Basie and his lovely wife, Catherine. And Gov. Malcolm Wilson proclaimed September 22 as Count Basie Day, as did the Mayor of Red Bank, N.J., the Count's birthplace.

There have been few who have ever had the impact on American music to the degree that Count Basie has. For that alone, he has earned his place in the hearts of everyone to whom he has brought joy and entertainment.

But for those of us in Queens to whom the Count and Catherine Basie have been friends and neighbors for many years, we remember mostly the concerns that these two people have shown to others. We appreciate the people as much as we appreciate the performer. For those of us in Queens, we are willing to share

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the music of Count Basie with the world; we hold close to our hearts, however, the personal relationships we have had with two unique and wonderful people who have, in the words of poet Robert Frost, "made good neighbors."

As the people from my congressional district join with others in honoring Count Basie for his many years of stardom, we also salute Mr. and Mrs. Basie for being Mr. and Mrs. Basie, our good and true friends.

Mr. Speaker, I include in the RECORD the New York Times report of the salute to Count Basie:

A "ROYAL SALUTE" HONORS BASIE
(By John S. Wilson)

Possibly because Count Basie has seemed to reduce the art of leading a big jazz band to the casual flick of a finger on the piano keyboard, he has rarely received as much recognition as he should for his contributions to jazz.

Last night, in honor of his 70th birthday (which was actually Aug. 21), some of Mr. Basie's friends began making up for that lack.

At a "Royal Salute" in the Waldorf-Astoria Hotel, jazz musicians, show business personalities, political figures, friends and fans gathered to pay tribute to him at a dinner dance that was a benefit for the United Negro College Fund, the Catherine and Count Basie Scholarship Fund and the Queens women's division of the National Conference of Christians and Jews.

The energy that his friends showed in arranging the tribute contrasts with Mr. Basie's style.

With him, music appears so easy. He sits at the piano, a short, round, impassive man, his hands moving tentatively over the keyboard as he watches the band play. He passes signals to his men with a quiet, unobtrusive nod, a lifted eyebrow or a piano key touched in passing. His solos are models of spare succinctness, built as much on silence as on sound.

He is not, as Duke Ellington was, a prolific or distinguished composer. The tunes that carry his name as writer are almost invariably blues based on a simple but catchy riff. Nor is he known as an arranger as are such of his peers as Mr. Ellington or Stan Kenton. And he is certainly not the flamboyant personality that Mr. Ellington was or that Mr. Kenton and Lionel Hampton are.

SET HIGH STANDARDS

And yet, in his quiet, self-effacing way, Mr. Basie has shaped and maintained a band that sets standards for a swinging jazz ensemble that have never been equaled. When Benny Goodman was "the King of Swing," it was the Basie band that provided the illustrative definition of the word. The Ellington band may be full of exotic colors. The Kenton band, Maynard Ferguson's band or Woody Herman's Herd can blast you out of a concert hall or even a football stadium.

But they don't swing with the facility or the consistency, much less the subtlety, that the Basie band has had since 1936. This ability to swing is an essential quality that Mr. Ellington recognized several years before Mr. Basie had even formed his band. "It don't mean a thing," Mr. Ellington wrote in 1932, "if it ain't got that swing."

Simplicity is the keynote of everything Mr. Basie does. His piano style is a distillation of the rollicking "stride" style made familiar by James P. Johnson and Fats Waller, the style in which Mr. Basie started out.

The big band that he brought out of Kansas City in 1936 had the flexibility and, as Joe Jones, his drummer, once said, "the feel" of a small combo. It was a loose, relaxed band with a repertory made up largely of

"head" arrangements or the blues that left plenty of freedom for the band's soloists—Lester Young, Herschel Evans, Buck Clayton, Harry Edison and Mr. Basie.

SENSE OF DIRECTION

But despite his positive sense of direction, Mr. Basie has not been limited to one approach. When the big-band castles came tumbling down at the end of the forties, most of the bands disappeared and the handful that held on clung almost desperately to whatever it was that had made them successful in the first place.

The Basie band appeared to be heading for oblivion then. The Count cut down to a septet in 1950 and 1951. But then he came back with a band that had the same basis as his earlier band—a swinging, blues-playing band—but otherwise it was exactly the opposite. Instead of being loose and solo-oriented, the second Basie band was so slick and impersonal that it has constantly been referred to as a machine.

And although it has had notable soloists, none of them approached the individuality of the stars of the early Basie band—except for the pianist. He is the connecting link. Slick or loose, it is Count Basie who remains a constant factor in his band. Another constant is the down-to-earth simplicity of even the Basie "machine." There are no fancy arrangements, no far-out effects. It is straight down-home communication.

In the heart of it is that deceptively simple piano style and an adherence to that basic element of jazz, the blues. Mr. Basie showed that he knew exactly where he was going right from the start when he called one of his band's earliest records "Swingin' the Blues."

SIX CHEERS FOR THE RULES COMMITTEE—RICE BILL BITES THE DUST—MAYBE

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

Mr. GOODLING. Mr. Speaker, on Wednesday of last week the Rules Committee by a completely bipartisan 6-to-6 vote refused to grant a ruling on H.R. 5263, the rice subsidy bill recently reported by the Agriculture Committee.

I wish to commend the Rules Committee for its action.

This bill was very controversial in the Agriculture Committee, having been cleared only after surviving an 18-to-17 vote on a motion to send it back to the subcommittee from whence it came on a 4-to-3 vote.

The bill was strongly opposed by the American Farm Bureau Federation, the National Farmers Union, and the National Farmers Organization; by the rice growers in most areas of the United States; and by the administration unless it were drastically amended.

Now we hear that the proponents of this bill are going to try to reverse the Rules Committee's decision.

I certainly hope they are not successful because this bill is no way to fight inflation through holding down Government expenditures. The U.S. Department of Agriculture estimates it will cost taxpayers \$1.557 billion during the next 5 years with the one amendment it seeks and \$4.075 billion in the form it was narrowly approved by the Agriculture Committee.

Consumers should not be deluded into

thinking they will get any lower rice prices than they can expect under the present rice program, properly administered. Under this bill, if rice were to get too low, the Secretary would be authorized to pay rice growers who own allotments to idle their land through a "set-aside" program.

This exercise should point up the futility of trying to write agricultural legislation without first reaching some kind of a reasonable consensus both within the committee and with the administration.

I personally hope that the proponents of H.R. 5263 would concentrate on making the needed reforms in the present program to make it both equitable and workable for all concerned rather than insisting on bringing an obviously bad bill to the floor.

In order to more fully set forth my reasons for opposing this bill, I include at this point in the RECORD my statement before the Committee on Rules:

REMARKS OF GEORGE A. GOODLING

Mr. Chairman, thank you for the opportunity to appear today.

I don't expect you will be seeing me any more in this capacity as I am retiring at the end of this session. This probably being my last appearance before you, I hope it will be a useful one not only for you but for our wonderful country as well.

I'm here first, as a 50-year farmer who has never taken a thin dime from the Department of Agriculture, to plead with you to kill a bill that can only lead to millions of dollars being paid to rice farmers for growing rice . . . or not growing rice . . . whatever the case may be.

I'm here second as a member of the minority of the Agriculture Committee. This isn't an unusual position for me, but it is unusual for the leadership of the Agriculture Committee . . . Bob Poage . . . Bernie Sisk . . . Frank Stubblefield . . . Walter Jones . . . Bob Mathias . . . Bob Price . . . and John Zwach . . . to name a few, to be in that minority with me.

Of course our minority is a pretty thin one . . . only one vote . . . as this bill escaped being sent back to subcommittee by an 18-17 vote of the Committee.

But third, I'm here today as a Congressman who has always tried to look at farm legislation in the light of what's best for our country.

And that's how I know this Committee likes to look at things.

This very controversial bill, which comes to us at the 11th hour of the 93rd Congress, would simply change the rice program from a loan system to a payment system.

That's all it does.

It doesn't give farmers any more opportunity to grow rice than the present program does.

It doesn't make prices to consumers one bit lower than they are now.

All it does is set up a government payment system under which certain rice farmers . . . not all of them; mind you . . . just those with allotments . . . will get payments.

They will get two kinds of payments.

The first are subsidies for growing rice . . . these are called price-support payments . . . they are described in Section 102 on pages 5 and 6 of the bill.

The second are subsidies for not growing rice . . . these are called "set-aside" payments . . . and are described in Section 6(A) on pages 9 and 10 of the bill.

But, you say, there's a \$20,000 payment limit. Is there, really? Look at subsection (e) on page 5 of the bill and you will see the