

E 5278

CONGRESSIONAL RECORD—Extensions of Remarks

November 12, 1981

physical and psychological ailments. We have an obligation to these veterans to insure the availability of proper medical care to tend to their lingering wounds.

Our veterans, recognizing the budget problems facing this Nation, have taken the first round of budget cuts they were dealt this year in stride; \$110 million was cut from the veterans' budget during reconciliation, affecting their burial benefits, dental care, and education programs. Now, veterans are being asked to accept drastic spending cuts in their medical care programs. Direct medical care would be affected as well as medical research and veterans' hospital construction. This would be a ruinous blow to the veterans' health care system.

I appreciate the pressures facing our economy and the need to cut spending by the Federal Government. Projections for our budget deficits over the next several years are devastating. However, we have to insure the viability of the veterans' health care system. We can correct the problems facing our Nation's economy without turning our backs on our veterans.

At existing levels, there is clear evidence that our veterans are not receiving the benefits the Congress had intended for them to receive. My Oklahoma colleague, GLENN ENGLISH, recently held a hearing in his Government Information Subcommittee, which brought out the fact that \$16.2 million had been appropriated for services at the Vietnam Vet Outreach Centers in the last 2 years which they never received. In addition, between \$1 and \$4 million in operating funds for these Centers never reached them because it was lost at the VA due to confused accounting procedures.

When services are not reaching our veterans that Congress has approved funding for already, how can we honestly contemplate cutting the veterans' budget even further?

STATE DEPARTMENT BILL H.R.
3518

HON. EDWARD J. DERWINSKI
OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. DERWINSKI. Mr. Speaker, when the State Department authorization bill, H.R. 3518, was finally passed on October 29, title II of the bill was designed to provide a means to remedy a serious and growing imbalance between treatment accorded by many countries to official missions of the United States abroad, and that accorded to foreign missions in the United States.

This matter was overlooked in the other controversies, primarily budget matters, that plagued this measure.

Basically, the United States is getting the short end of the deal in its

diplomatic arrangements with many other countries. Our State Department does not now have the authority to enforce reciprocity with these countries. The bill would give the authority.

For a firsthand point of view on the subject of reciprocity, I recommend the following article on problems we have with so-called diplomatic service bureaus with which we have to deal in foreign countries. It was written by the State Department's branch public affairs officer in our Embassy in Beijing and appeared in the State Department professional publication, Open Forum, in September 1981:

TAKE YOUR DAMN THUMB OFF THE SCALE
(By David W. Hess)¹

For years, Foreign Service personnel serving in Communist countries have been harassed by the activities of the so-called Diplomatic Service Bureaus, such as the DSB in Beijing and the UPDK in Moscow. All commercial transactions (hiring local staff; arranging housing; internal travel; hotel, dinner, and ticket reservations; etc.) made between Foreign Service personnel and local organizations must be handled through these Bureaus. Their uncooperative manner often results in unequal and debilitating conditions for our colleagues.

As the Service Bureaus control our housing, they tell us where to live (often in ghettos under constant surveillance) and determine our personnel ceilings by the slow rate with which they provide working and living space. At one point, detente with the Soviet Union may have been growing, but the UPDK, in refusing to give us more working and living space, put an effective brake on our ability to respond to new policy directions in Moscow. Meanwhile, Soviet diplomats in Washington are relatively unrestricted as to the location and size of their living accommodations. Now, even as our relationship with the PRC rapidly expands, Embassy Beijing is under duress. The average person reporting for duty will live at least 6 months in a hotel before receiving a small apartment. Because we lack the necessary working space, we cannot make the increases in our American staff we need to fulfill the responsibilities to which our two governments have been committed.

In Moscow and Beijing, we cannot hire anyone directly. The local staff works for the UPDK and the DSB. Often, our requests for local personnel, translators, typists, administrators, or "golfers" languish in the Bureaus for months. When we insist, we are told that out of the 250 million people in the Soviet Union or the 1 billion in China, there is no one qualified to fill the position. We suspect there is no one with those qualifications ideologically suited to survive long-term, close contact with Americans. The Bureaus evidently feel that in refusing to provide these workers, they can reduce Foreign Service personnel to baggage handlers and warehouse workers. "Since they are all spies anyway, we will at least reduce their effectiveness." Whatever the reason, the result is a serious labor shortage and inefficiency in responding to diplomatic responsibilities.

In many Communist countries, the Foreign Ministry rigidly controls the internal travel of Foreign Service personnel. Such travel must be requested in advance—often it is not approved. If granted, all travel arrangements must be made through the

Service Bureaus. Thus, the lucky traveller is faced with one of the most aggravating elements of serving in the Communist world.

We all know that traveling on second-class airlines and living in third-class hotels are the conditions of service, but the Service Bureaus charge top dollar, as though we were flying United and staying at the Hilton. This overcharging is even more galling because ordinary citizens pay a much lower price. For example, while an American diplomat would pay \$45 for a hotel room, the cost to a Russian citizen would be \$7.50—its real worth. A flight from Beijing to Shanghai costs our diplomat \$190, but the Chinese passenger only pays \$40. The excuse is: "We are so much poorer than you; you can afford it." We should answer that "We will choose our own charities." Admittedly, we live under a different economic system with dissimilar inflationary effects, but the Communist state officials withhold the information that would allow comparisons leading to reasonable adjustments. Instead, they give their assumptions the force of law and sock it to us.

Why have we failed to press for a quid pro quo for our diplomats? Our senior diplomats resist taking a strong position on these issues, fearing that: (a) they will appear small, haggling for pennies and handling administrative rather than substantive work; and (b) pressing for equal living conditions will somehow reduce the possible successful results from such substantive issues as SALT, detente, MBFR, etc.

The leaders of these Communist states—in believing their way to be the wave of the future and ours destined for the trash heap of history—strive to hasten our demise. They may see achievement of their goal as near or far and disagree as to how far away it may be. Nevertheless, as long as this goal remains undiminished as a principal rationale for their regimes, we will be viewed as enemies. They will test us often, in various ways, and point to their successes as proof of their version of historical development.

Officially, we seek detente, equality, and peace, but this must be changed to include reciprocity. Because this testing will continue, we must respond in a manner that is consistent and understandable to the Communists. If our senior diplomats have to involve themselves in administrative issues, then so be it. When equality and reciprocity are uniformly established as the sine qua non of our relationship, we will be acting in the interests of substantive issues, not in spite of them.

How can we get fair treatment from the Diplomatic Service Bureaus? Simple. The Department of State, in cooperation with the F.B.I., should establish the United States Diplomatic Service Bureau, which would give the same type of service to those diplomats who force us to use their DSB's. These diplomats would have to arrange their travel and hotel accommodations through the USDSB, and would be charged the same exorbitant rate our diplomats are made to pay in their country. The Bureau would approve every lease, thus exercising effective control over the whereabouts of these diplomats. In restricting local staff, we would also closely adhere to the Communist state example.

Present U.S. law would not block this plan since diplomats do not have rights under our law—they have immunity supervised by the State Department. The Department could thus expand its mandate.

If present international diplomatic conventions block this plan, these conventions could also be used to reduce the control Service Bureaus have over our diplomats.

¹ David W. Hess is currently Branch Public Affairs Officer at our Embassy in Beijing.

November 12, 1981

CONGRESSIONAL RECORD—Extensions of Remarks

P. 5277

**TO LOWER INTEREST RATES,
GO FORWARD TO GOLD****HON. JACK F. KEMP**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. KEMP. Mr. Speaker, the administration has made great progress in reforming tax, spending and regulatory policy. But the final pillar of economic recovery—monetary reform—has not yet been established. The thinking of the Federal Reserve, as explained recently in the Wall Street Journal, is that it is necessary to slow down the economy and raise unemployment, in order to lower interest rates. While the most significant of President Reagan's tax incentives will not begin until next year, the economy is now suffering from recession, with the highest unemployment rates since 1975. The problem—the tragedy—is that, despite the human suffering caused by current Federal Reserve policy, it will not cure the underlying problem of inflation and high interest rates. Once the "going out of business" sale is over, interest rates will remain high, because people have no long-term confidence in money.

The answer, I am convinced, is to go forward with a monetary reform which will make the dollar once again as good as gold. Jude Wanniski, president of Polyconomics Inc., recently explained this fact in an excellent column in the Washington Post. I commend the article to my colleagues.

The article follows:

**TO LOWER INTEREST RATES, GO BACK TO
GOLD**

(By Jude Wanniski)

There are only two ways to bring down interest rates: decrease the demand for credit or increase the supply of credit.

President Reagan has been struggling with record-shattering interest rates because his administration has been almost wholly occupied with the first of these two options. The Keynesian and monetarist "demand-side" economists have dominated thinking about the interest-rate dilemma. They focus on trying to reduce the demand for credit.

Budget director David Stockman, once a supply-sider, has been drawn into this demand-side exercise, hacking away at school-lunch programs, Medicaid and national defense in a desperate attempt to reduce the federal government's demand for credit.

The monetarists sprinkled through the administration likewise have no interest in the supply of credit. Indeed, they specifically argue that the Federal Reserve should pay no attention whatever to the price of credit, i.e., interest rates. They aim at control of the "money supply," as they define money. If there is less "money," people will be able to demand less in the way of wage and price increases.

For the monetarist solution to work, we are told, there must be a period of recession and unemployment in which "people" realize they can't ask for more, because there isn't enough "money" in the system.

Federal Reserve Chairman Paul Volcker is not a monetarist per se, but he is a big believer in recessions a way of bringing down

interest rates. He believes that inflation is caused by workers asking for more money and businessmen granting those demands. He thus will support any idea to induce a recession, a goal he has now achieved.

The supply-side economists put their focus on the supply of credit. If we could increase the supply of credit we could avoid using a recession as a way of lowering interest rates. If we could increase the supply of credit rapidly enough, we could even experience a rising demand for credit with falling interest rates.

The chief instrument to bring down interest rates, though, could not be fiscal policy. Supply-side economists (excepting a few supply-side fiscalists such as Treasury Undersecretary Norman Ture) have always asserted that monetary policy is the key to interest rates. Of course, they believe any assault on credit demand is doomed to failure. The recession only shrinks the economy and its tax base, setting the stage for lower interest rates next year.

The only way to break this spiral is by increasing the supply of credit, basically by making it so much more attractive to be a creditor that people will once again be happy to lend long at low interest rates.

How can this be done? The supply-siders say it can only be done with a gold standard.

Only by announcing that we are going to move toward the opening of the gold window that President Nixon closed in 1971 will people be encouraged to lend long again. Only by guaranteeing the dollar's value as a unit of account, in a specified weight of gold, can the current global liquidity crisis end without inflation. And it surely is a global crisis. It was Robert Mundell, the Canadian economist, who observed 10 years ago when the gold window was closed that it was the first time in 1,500 years that the world was without a single currency convertible into gold or silver. We are in a Greenback era, in which all governments can change the value of their currencies annually, monthly, weekly, daily, hourly.

In the past decade, the U.S. government has repeatedly defaulted on its debt to bondholders—by devaluing the dollar relative to real goods. Prospective lenders to either government or the private sector demand enormous premiums in the form of interest rates. Why should anyone lend to anyone else when the banking is done in dollars or other non-convertible currencies that constantly melt in real value?

It is, after all, not only government that defaults on debt when the monetary standard shrinks, all creditors lose. The more they lose, the less they lend. For this reason, there is almost nothing better that the government can do for its people than maintain a constant value of its unit of account, its currency. People make most of the important decisions of their lives around the value of the government official unit of account. When the government alters its value, or "floats" it, as Nixon did, everyone loses. The debtors may momentarily gain, but inflation poisons the community at large in which debtors live too.

When the dollar is convertible into gold, this is impossible. There are no windfall losses or windfall gains. Debtors pay what they promised; creditors receive what was pledged. As a result, there are no inflation premiums in the interest rate. Once again, people lend long at low interest rates.

If Reagan tomorrow announced a return to convertibility, the rest of the world would rush to join the system. No nation could afford to stay on the paper standard if it wished to continue conducting international banking services. Who would bank in float-

ing Deutschmarks, yen, sterling, francs or lira if the dollar were as good as gold?

We abandoned convertibility, remember, not because we were in a credit crunch, but because Nixon was sold the Keynesian idea that a devalued U.S. dollar would make us more competitive with the Japanese. The monetarists persuaded Nixon to float the dollar altogether in 1973 so they could try another of history's periodic experiments with a paper standard.

Stockman believes convertibility would mean an initial period of illiquidity, a wave of bankruptcies. But, that is what we are now experiencing. Gold ends the liquidity crisis that is endemic on a global scale because there is no international monetary standard of value. When the supply of credit expands, interest rates tumble and relieved debtors and creditors can happily re-finance.

Before we get to that point, though, there must be a general awareness in Washington—in the White House and on Capitol Hill—that there is more than one way to bring down interest rates. Cutting the demand for credit, the method attempted thus far, is the wrong way. The "cure" is worse than the affliction in that it embraces poverty and unemployment as necessary side effects to lowering interest rates.

Expanding the supply of credit is the only positive solution. It can only be done by reestablishing the dollar's link with gold, reestablishing the value of the accounting unit in real terms. Until the President moves decisively toward this positive solution, he and his administration and the world economy will continue to suffer, and it will get worse. ●

**VETERANS NOT RECEIVING
NEEDED BENEFITS****HON. MIKE SYNAR**

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. SYNAR. Mr. Speaker, yesterday, November 11, 1981, ceremonies were held all around this country celebrating Veterans Day, the anniversary of the armistice signed at the end of the First World War. Unfortunately, that war did not mark the end to the armed conflicts the young men and women of the United States have been asked to fight in. The battle to preserve the rights of a free society was continued in another world war and in the Korean and Vietnamese conflicts. It is only fitting that Americans take the time to commemorate friends and relatives who have sacrificed so much of their own personal well-being for their country. Veterans of each of these wars need to know that we appreciate their sacrifices and we are willing to do all we can to pay back our debts. Recently, however, our veterans have been alarmed by signals they are receiving from Washington, and rightly so.

I am concerned about the recent proposals being circulated through Congress calling for additional spending cuts in the range of \$450 million in VA health care programs. We have sent our men and women to war and they have come home suffering from

November 12, 1981

CONGRESSIONAL RECORD—*Extensions of Remarks*

E 5279

Many Foreign Service personnel who have served in Communist countries with Diplomatic Service Bureaus would like to "get even." That is not the thrust of this proposal. In fact, it would be best if such an organization were not necessary. The purpose of this proposal is to establish some of the leverage necessary to negotiate more normal working and living conditions in the Communist countries for our diplomats and to emphasize that the United States insists on equality and reciprocity in all of its relationships.

REAR ADMIRAL KIDD'S NAVAL ORDER MEDAL FOUND IN U.S.S. "ARIZONA"

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. RUDD. Mr. Speaker, recently, I had the distinct honor of speaking before the Naval Order of the United States at its biennial congress held in San Diego. Present at the congress were many of the distinguished members of the Naval Order who have so nobly served America in the U.S. naval service.

Of interest to all of us, particularly Arizonans and those families and friends of the brave men aboard at the time of its sinking, is the relationship of the Naval Order to the U.S.S. *Arizona* which is now a national monument.

Following the attack and destruction of the fleet at Pearl Harbor, attempts were made to raise the sunken U.S.S. *Arizona* and to bring up the bodies of the men entombed, including the remains of Rear Adm. Isaac Kidd, Sr. These attempts were abandoned because of the loss of life. However, the ship continued to be used as a training school for divers. In one of these dives, the jewelry box of Rear Admiral Kidd was retrieved and is now in the possession of his son, Adm. Isaac Kidd, Jr. The box contained mementos of the cruise of the Great White Fleet, including medals and decorations received from foreign nations. Among them was a medal that Isaac Kidd, Jr. could not at first identify. Recently, the admiral identified the questioned decoration as the medal of the Naval Order of the United States.

Rear Adm. Isaac Kidd's Naval Order Medal, signifying his membership in the order, had been brought up from the historic U.S.S. *Arizona* lying as a national monument on the bottom at Pearl Harbor. It is even more significant to know that his son, Admiral Kidd, Jr., dedicated the beautiful Arizona Memorial near the Cincpacflit landing at Pearl Harbor, which is visited by thousands each year.

While the story of Rear Admiral Kidd's Naval Order association is special to all of its members, there are many other famous, some illustrious, companions in the Naval Order. Among them: Adm. George Dewey, Loyall Farragut (son of David Farragut), Rear Adm. John Grimes Walker,

Capt. Jon Codman Sole, all founders and Admirals King, Nimitz, Leahy, Halsey, Spruance, Bligh, Clark, and many others.

Some of my Arizona friends who are privileged to wear the Naval Order Medal and have brought honor to our Nation are Lt. Cmdr. Guy Stillman, Lt. H. T. Aardweg, Capt. E. B. Waldman and Capt. Merrill Hammond. I, too, am proud and humble to wear this same medal.

MEDIA WATCHDOG

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. LaFALCE. Mr. Speaker, every Member of Congress deals on a regular basis with members of the news media.

From frequent contact with members of America's press corps, one can develop a deep respect for the talents and powers of the fourth estate. As a profession, they share our concerns for the Nation and the ever-present demands of timeliness and accuracy. However, sometimes those demands, especially the latter, are not met. What then?

Sixty-five years ago, the first national press council was established in Sweden. In the nation known as the birthplace of the modern-day ombudsman, an organization was created to serve as watchdog on the activities of the news media. Today more than 30 press councils, taking a variety of forms, exist throughout the world.

Mr. Speaker, what recourse does a private citizen or public official have when a news story is reported inaccurately? What recourse does a religious, social or government organization have when the news-gathering activities of the news media breach commonly accepted standards of privacy?

Beyond a tart letter to the editor or perhaps an expensive, time-consuming and risky libel suit, there are few avenues available for addressing these complex and serious occurrences.

A recent article by David Shaw outlines one method of dealing with this problem. In the article printed below, Mr. Shaw reports on the history, the successes and the failures of the news council system of monitoring the news media.

While it is certainly not a perfect means of resolving the serious dangers posed by reckless reporting, it does provide a system by which the public can watch the watchdog.

Given the importance of the news media and accurate reporting to the proper functioning of our form of democracy, I commend this article and its insights to my colleagues.

The article follows:

(From the Buffalo News, Oct. 4, 1981)
 Is A Watchdog Needed Over the News Media?
 (By David Shaw)

In London, a newspaper investigating a government official's relationship with a prostitute bugs bedroom and takes photographs through a hole in the wall.

In New York, a newspaper identifies many supporters of anti-abortion legislation as Roman Catholics—and does not identify any other individuals by religion in these same stories.

In Minneapolis, a newspaper reporter in an automobile follows FBI agents so closely that they are forced to abandon a ransom drop in a kidnap case.

What can anyone who is offended, endangered or damaged by such journalistic behavior do about it, other than write an angry letter to the editor?

Well, he can file a formal complaint with, respectively, the British Press Council, the National News Council or the Minnesota News Council—three independent bodies created to evaluate reader complaints of inaccuracy, unfairness and irresponsibility in the media.

In those three cases, the various councils involved decided the complaints were warranted—and they censured the newspapers involved. The complaining parties were vindicated, and the newspapers were publicly embarrassed.

In the case involving the gratuitous identification of Catholics, for example, the National News Council not only ruled that The New York Times had been unfair but said further, that because the paper had ignored "repeated complaints on this specific issue, the council can only conclude that the Times is either insensitive to justifiable criticism or is condoning careless editing."

It has been 65 years since the first national press council was established in Sweden. Now there are more than 30 press councils throughout the world.

Some councils—like those in Indonesia and Sri Lanka—were created by the government, primarily to muzzle the press.

Others—like those in Austria, Denmark and Switzerland—were established and are run exclusively by the media, with neither government intrusion nor lay public representation.

But the most effective press councils are generally modeled after the British Press Council—independent of the government but with members of the lay public joining journalists in investigating and ruling upon complaints against the media.

The British Press Council was initially created as a purely journalistic body in 1953, upon the recommendation of a government-appointed Royal Commission on the Press. After a second Royal Commission report in 1963, the council voted to include lay members.

Despite the government's role in the establishment of the British Press Council, the government has taken no role in its financing, membership or decision-making. Thus, many in the British media who greeted the formation of the council about as warmly as one would welcome an outbreak of typhus are now enthusiastic supporters of the council. They think its very existence has enabled the press to avoid restrictive government regulation.

That is precisely why some American journalists supported the creation of the National News Council in the United States in 1972.

Spiro Agnew, then vice president, had been traveling around the country, accusing the press of a liberal bias. Many in the media feared that the Nixon administration

might try to enact restrictive—coercive—legislation unless the media made a serious effort to monitor its own performance. Hence, the National News Council.

The idea of a National News Council was not new. The Hutchins Commission on the Freedom of the Press recommended creation of such a council in 1947, but press resistance—indeed hostility—delayed its establishment until a task force of the Twentieth Century Fund made a similar proposal in the wake of Agnew's attacks 25 years later.

In the interim, perhaps two dozen community press councils were formed in various parts of the country. Most gradually died; the Honolulu Community Media Council is probably the largest of those now functioning.

But a statewide news council was established in Minnesota in 1971, and both it and the New York-based National News Council continue to be enormously controversial within the media, despite their attempts to design complaint procedures to offset media resistance.

Before either the National News Council or the Minnesota News Council will agree to investigate a citizen complaint, for example, the complaining party must sign a waiver, agreeing not to pursue any legal claim against anyone "based on the subject matter of my complaint."

Complainants must first try to resolve their complaints directly with the news organization involved. Then, if they are not satisfied, the complaint is subject to a screening procedure by the council or its staff before it is finally accepted for investigation and a public hearing.

The vast majority of complaints are settled, withdrawn, dismissed or rejected as outside the council's purview before the formal investigative process begins. The National News Council has formally investigated only 198 of the 853 complaints it has received in nine years. The Minnesota News Council has investigated only 43 of the 349 complaints it has received in 10 years.

Of those complaints investigated, the Minnesota council has ruled that about half were warranted. The national council has found only 30 percent warranted (although that figure has jumped to 60 percent in the last three years, largely because the initial screening process is now more rigorous).

Although many editors who have worked with news councils on complaints against their papers tend to praise the councils' work, most American editors continue to oppose the entire news council concept.

Journalists in the United States are fiercely protective of their First Amendment rights. They know there are countries that issue (and revoke) journalists' licenses, and they know there are press councils in other countries empowered to impose jail sentences on reporters and to levy heavy fines against newspapers.

No thanks, most American editors say. We don't want a press council here. It would just be a first step toward government regulation.

"Peer pressure can lead to regulatory pressure," says A. M. Rosenthal, executive editor of The New York Times.

Frequently ignored (or criticized) by what is generally regarded as the best paper in America—the paper of record—the council has had great difficulty gaining nationwide acceptance, credibility and impact.

But news councils in the United States were not created by the government, they receive no government financing, have no government membership and can take no punitive or coercive action.

Council defenders insist that the specter of council-deliberation-cum-government reg-

ulation is counter-productive, self-justifying paranoia. "Nonsense and in some cases . . . sophistry" George Chaplin, editor of the Honolulu Star-Bulletin, said.

"These councils have no authority at all beyond their persuasive power and their ability to make public reports," Chaplin pointed out. "If we're putting out the kind of paper we should, we have nothing to worry about (from them). And if we're not putting out the kind of paper we should, we ought to get kicked in the tail on those areas of dereliction."

Most council supporters say that the councils help prevent government regulation and save newspapers from some expensive libel suits by providing critics with an alternative means of vindication.

The basic argument in favor of a news council is relatively simple:

The press is more powerful than ever before thanks to the pervasiveness of network television, the growth of media conglomerates and monopoly newspapers, the celebrity status of some journalists and the loosening of libel restraints by the courts, dating back to 1964.

Therefore, since the people who report and edit the news, being only human, occasionally make mistakes—of both omission and commission involving questions of both accuracy and fairness—some independent body should monitor and pass judgment on their performance when specific complaints arise.

After all, the press criticizes every other institution in society; why shouldn't the press, too, be criticized and be held accountable—in public? Doctors and lawyers have internal watchdog groups that monitor ethical standards. Why shouldn't the press do the same thing?

Most editors reject that line of reasoning, though. Their attitude was best summed up by Claude Jean Bertrand who studied press councils worldwide while a research fellow at the American Council of Learned Societies:

"Newspeople, accustomed as they are to criticizing others and not being criticized, resent having their work publicly evaluated by arrogant colleagues and incompetent strangers."

Thus, few newspapers report National News Council rulings, and only a few major media companies contribute money to the council.

Only 26 percent of the council's funding comes from the media. The rest comes from foundations, corporations and private individuals.

There are small signs that media resistance may be lessening, though.

When the council was founded for example the Los Angeles Times editorialized against it, arguing that the press was already subject to pressure from government and from the courts and that the added intimidation of a news council might improperly influence individual newspaper decisions on what to publish or not to publish.

But Times Editor William F. Thomas says he is no longer quite as worried about the council's powers of intimidation as he once was, and he says he would cooperate with the council any time it wanted to investigate a specific complaint against the paper. Nor would he object to a corporate contribution to the council.

Thomas says the council "has behaved in every case I've noticed, very responsibly . . . It does a pretty good job."

The Washington Post has always cooperated fully with council investigations, too—most recently in the Janet Cooke-Pulitzer Prize case—but only in the last two years has the Post supported the council financially.

In fact, Post Executive Editor Benjamin C. Bradlee still thinks "the council's target is wrong. Why do you (the council) target the best of American journalism, rather than the worst of American journalism?"

The council has heard more complaints against CBS and The New York Times, for example, than against any other news organizations. But that's because CBS and The New York Times are not only the best in their fields, they are also the most visible and the most influential.

"The way you keep the press in line is to pick on the best," Newsweek Editor Lester Bernstein said.

The National News Council has issued more findings critical of CBS than of any other single news organization in the United States, council officials say. But CBS continues to support the council financially. CBS News President William Leonard says the council performs "a useful service."

There are, however, some valid criticisms of the council—most recently over its ruling against the Village Voice in New York for a story on Dennis Sweeney, the accused killer of former Congressman Allard Lowenstein.

In some ways, the council almost seemed less upset by the Voice's journalistic transgressions than by suggestions in the Voice story that Lowenstein had engaged in homosexual activity.

"I don't think the council applied the same standard of ethics and accuracy in those proceedings as it demands of the press," said Osborn Elliott, dean of the Graduate School of Journalism at Columbia University.

The news council can also be faulted on other grounds—beginning with the very composition of its membership.

The council is supposed to be composed of eight people from the media and 10 from the general public, according to its bylaws. But four of the present "public" members are former journalists, and all four are clearly media-oriented in their experience and outlook.

It raises an important question: Is the media-oriented imbalance on the council—in truth, 12 of its 18 members are media figures—a major reason why the council finds only 30 percent of the complaints it investigates against the media to be warranted?

Most Council members—and most council decisions—do not seem biased. "I was very favorably impressed and to some degree surprised by the amount of objectivity," said William Rusher, publisher of the National Review and a member of the council from 1972 to 1980.

As a conservative magazine publisher and outspoken press critic, surrounded by what he perceived as a group of liberal newspaper editors, Rusher says he fully expected to "see myself in a den of inequity." But that didn't happen.

Nevertheless, the council selects its own members, and the stacking of the council with media representatives creates at least the appearance of impropriety and raises legitimate questions of credibility—the very kinds of issues the council is supposed to be investigating.

Chairman Norman Isaacs himself concedes that is a problem and he says a council committee is studying the matter. He says that what the council really needs is a new "outside re-evaluation" to more clearly define its purposes.

Isaacs is particularly sympathetic to the charge that the council largely ignores the truly significant issues facing the media today.

The council rarely, if ever, looks into such issues as newspaper monopolies, concentration of media ownership, the small percent-