

## SENATE—Tuesday, June 7, 1983

(Legislative day of Monday, June 6, 1983)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

## PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, Sovereign Lord of the Universe, we have taken seriously order in the physical realm and have advanced scientifically and technologically beyond the wildest dreams of our forebears. Our finest minds have devoted themselves to explore physical laws in obedience to which they have fashioned incredible progress.

Meanwhile we have ignored as a matter of indifference the inviolate spiritual and moral order. As a result we have become technological giants and spiritual and moral adolescents, and the supreme product of scientific progress now threatens our survival. We are like siblings in a nursery playing with time bombs.

Awaken us Lord before it is too late. Awaken us to the truth about Thyself—our need of Thee—and the consummate danger in continuing to neglect moral-spiritual order. Help us to take seriously Thy law which frees our spirits, brings them under Thy control, and makes us masters rather than victims of our destinies. We ask this in the name of the Lord of life and death. Amen.

## RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

## SENATE SCHEDULE

Mr. BAKER. Mr. President, after the recognition of the two leaders under the standing order, the distinguished junior Senator from New Jersey (Mr. LAUTENBERG) will be recognized on special order for not to exceed 15 minutes, and after the execution of the special order there will be a period for the transaction of routine morning business.

At the conclusion of the time for the transaction of routine morning business, the Senate will resume consideration of the budget act waiver in connection with the IMF bill. That is Senate Resolution 146. The IMF bill is S. 695.

As is our recent and usual custom, the Senate will stand in recess today, being Tuesday, from 12 noon until 2 p.m. so that Senators on both sides of the aisle may caucus with their colleagues off the floor.

At 2 p.m., any rollcall votes ordered prior to that time will occur in sequence.

One vote has been ordered already, and it is a rollcall vote on the budget act waiver Senate Resolution 146. There may be other rollcall votes ordered. But in any event there will be at least one rollcall vote at 2 p.m.

I expect the Senate to continue the consideration of the budget act waiver, the motion to proceed to the consideration of the IMF bill, or the IMF bill itself during the course of this day.

The schedule and outlook for the Senate this week is much the same as I described it yesterday. We need to dispatch the IMF bill and the supplemental appropriations, and it is my hope that we can finish IMF in time to get to the supplemental and to finish the supplemental appropriations bill by Thursday evening.

Senators should be reminded that Thursday is our usual late evening. Indeed we may be late this Thursday in order to finish the supplemental appropriations bill.

But I think for many reasons it would be highly desirable to try to do that instead of finishing it on Friday, but if we do not finish it Thursday night, Mr. President, we will be on the supplemental appropriations bill on Friday. We will be on it on Friday and I regret to say this but I feel I must: If we do not finish the supplemental appropriations bill we will be on it on Saturday because we have to finish that bill and get on with the appropriation bills. As I have indicated any number of times, we owe the obligation to deal with the appropriation bills as fast as we can as they are received from the House of Representatives.

Yesterday a messenger from the House of Representatives delivered to us two appropriations bills. They are the first two delivered this year. They are the legislative appropriations bill, which is H.R. 3135, and the HUD appropriations bill, which is H.R. 3133. Those are the first of two of the 13 regular appropriation bills. They are referred, but it is my understanding, after talking to the chairman of the Appropriations Committee, Senator HATFIELD, that they will be ready

promptly and be back here for action on the calendar sometime next week.

If that is so, then we are going to take them up next week.

Right now I would guess that we would do it right after the cable TV bill, which is scheduled for Monday and Tuesday. It is my hope that we will not have to take both Monday and Tuesday on the cable TV bill, and we may be able to get to the first of the two regular appropriations bills maybe even on Monday, but certainly by Tuesday during the day and that the cable TV bill will not take the entire time provided for in the unanimous-consent agreement.

But in any event, Mr. President, by reason of the necessity to deal promptly with the regular appropriations bills, Senators should be on notice that we will make a maximum effort to finish the supplemental appropriations bill this week and that we will be in session this week, including Friday, with the hope that we can finish the supplemental appropriations bill Thursday night and be on something else Friday without any votes perhaps on Friday, but if we cannot do that we will be still on the supplemental appropriations bill Friday and maybe even on Saturday.

Mr. President, I believe that is all I have to report to the Senate at this moment.

If I have any time remaining under the standing order I yield it to the minority leader for his use.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

## RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The minority leader is recognized.

## SENATOR LAUTENBERG'S MAIDEN SPEECH

Mr. BYRD. Mr. President, Mr. LAUTENBERG has an order for 15 minutes. Does he wish any additional time?

Mr. LAUTENBERG. No. I thank the minority leader. That will be ample.

Mr. BYRD. That will be ample?

Mr. LAUTENBERG. Yes. I thank the Senator very much.

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

Mr. BYRD. I yield.

Mr. BAKER. Mr. President, I understand the special order that was awarded in favor of the Senator from New Jersey may be his maiden major

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

speech in the Senate since he arrived here. I wish to congratulate him on that event.

I remember so clearly my first and maiden speech, which incidentally was on revenue sharing, back in January or February 1967. I prepared for it at great length and with ardor and diligence, and I arrived over here and I delivered it to an empty Chamber.

So if there is not a great array of our colleagues here, I can assure the Senator from New Jersey that that is not without precedent and that his remarks will be scrutinized not only by staff but by Members and its impact will be substantial indeed.

I congratulate him on his maiden venture.

Mr. BYRD. Mr. President, I yield to the Senator such of my time as he may require even though he does not anticipate that he will need it. If he does not use it, he can yield it back unless another Senator wishes to have it.

I look forward with anticipation to hearing the Senator and I congratulate him. I have been very much impressed with this new Senator. I have no doubt that Senator LAUTENBERG is going to leave his impression on the Senate.

So I yield time to him.

#### RECOGNITION OF SENATOR LAUTENBERG

The PRESIDING OFFICER (Mr. COCHRAN). The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Thank you, Mr. President. I thank the minority leader for his friendship and his comments and I thank the majority leader, as well, for his reference to the auspicious occasion of his introductory remarks. Mine is a relatively simple subject. It is the information age and its implications on our society and our globe.

#### AN AMERICAN CHALLENGE IN A NEW AGE: FAIRNESS AND OP- PORTUNITY

Mr. LAUTENBERG. Mr. President, I rise today to make my first speech on the Senate floor and I do so with gratitude and awe.

I am deeply grateful to my fellow citizens in the State of New Jersey for entrusting me to serve them in this great center of debate and decision.

I am in awe of the brilliance of our forefathers who wrote the Constitution for a nation that welcomed those seeking freedom and a new way of life. Their wisdom enabled my parents to be brought here by their families searching for refuge and opportunity.

It was their pattern of sacrifice that served as my critical learning experience. All that followed whether at university, business, or life in general was

molded by the framework provided by these new citizens.

I am grateful also to those who preceded me in this Chamber for their contribution to this beloved democracy, and to those colleagues with whom I presently share this honor for the advice and encouragement they regularly impart to me.

In particular, I am deeply indebted to the senior Senator from the State of New Jersey, Senator BRADLEY, with whom I share common interest and goals, and to the Democratic leader, Senator BYRD, who has extended to me every courtesy and whose respect for the history and traditions of this institution set a high standard for a new Member like myself.

Mr. President, not very long ago, our Nation entered what many call the information age; a period during which information serviced industries, have become predominant in our economy. They have eclipsed manufacturing, just as manufacturing surpassed farming decades ago. The change has been gradual, but undeniable. Some 60 percent of our work force is employed in creating, storing, processing, or distributing information. Who does that include? Office workers, salespeople, secretaries, people at work in telecommunications, computers, in education, research and science, financial services and insurance, to name a few. People applying information technology to make the production of goods more efficient.

Technological innovation has brought vast changes in our society, in our workplaces, in our homes and schools.

Innovation and change is accelerating. This will drive the future growth of our economy and alter the character of our society. Mr. President, this Nation can ride the wave of the information age, or can be swamped by it. Great challenges accompany the promises of change. In responding to those challenges, we must draw on the best of our values and ideals. In a nation that is plugged into computers, questions of success and failure may become questions of who is on-line and who is off-line. In an economy where technology will dominate our future, how do we cope with businesses, people and places still tied to the past?

Mr. President, these are issues I hope to address in the Senate. They are issues of equity and opportunity in the 1980's and the 1990's and beyond. They are issues that trouble my State. I am proud that New Jersey has been the home of many of the inventions that are the foundation of this new age. But New Jersey was also the birthplace of American manufacturing—and many of its factories and plants are in decline. New Jersey was third in the Nation in new patents last year. But it lost 46,000 jobs in manu-

facturing. For those workers there is no end to recession.

The suburbs of my State are enjoying great growth, tied to service and research-based industries on the rise. But New Jersey's cities are being stripped of the industry around which they were built. The unemployment in some of our cities is about the highest in the Nation.

In reflecting on these contrasts, I feel compelled to offer a personal note. I myself am the son of a millworker. My father worked in textile mills that have long since shut down. But I made my mark in a computer-based company. A company that advanced in tandem with technology. I crossed into that future because my country gave me the chance. It gave me an education. It afforded me opportunity.

I pledged to the people of my State that one of my main missions would be to work to provide employment and economic opportunity. We must work to insure that everyone shares in what is to come. Already, we can see the kinds of challenges we face. Already, we can identify the tasks that lie ahead, to insure that the promises of the future are promises for all of us.

There is a broad consensus that we must place increased emphasis on training in math and science. There are proposals to enhance the quality of teaching, to enrich the opportunities for students at all levels. Most of our new jobs will be information related. They will require new skills, constantly upgraded over a worker's lifetime. New demands will be placed on our educational and training systems and on our people. The capacity to use and work with computers is becoming essential. Almost as essential as being able to read and write clearly.

The concept of computer literacy in turn defines a new type of illiteracy, and the potential for new and distressing divisions in our society. From the fall of 1980 to the spring of 1982, the number of microcomputers and computers available to public school students tripled. Growth in the use of computers in the schools is accelerating. By January 1983, more than half of all schools in the United States were using microcomputers in instruction. But where is the growth occurring?

According to one study, title I schools—schools with programs for the economically and socially disadvantaged—average 25 percent fewer computers than nontitle I schools. Almost 70 percent of wealthy schools have microcomputers, almost 60 percent of poor schools have not. These statistics are ominous.

Numbers raise other questions as well. The same schools that lack the resources to buy computers, very likely lack the resources to enrich the

skills of their teachers, to buy the software, and design the programs and provide the faculty necessary for effective teaching. In an age that demands computer literacy, a school without a computer is like a school without a library. And the same patterns extend to the home. The Office of Technology Assessment says the number of computers in homes has doubled from 1982 to 1983. Those computers are being acquired by the affluent, reinforcing disparities in opportunity.

As we address the issue of education in an information age, we must address the question of equal opportunity. There will continue to be debate over what is the appropriate Federal role when it comes to education. I believe that a major responsibility is to even out the inequities, to insure equal opportunity. The Congress is considering various proposals to insure an education appropriate to our times. We must see to it that all our children have an equal chance to get the education they need to grow and succeed in America today.

Mr. President, we face other issues of equity. Telecommunications networks will be the new infrastructure: Satellite networks to conquer the physical isolation of rural communities; networks that link computers and businesses in a national web; networks that channel more information, at faster speeds, than ever before. Who will be connected, and who will not?

The American Telephone & Telegraph Co., our national phone system, is being broken up. Local telephone companies will be spun off and will provide basic telephone service.

For years, profits from long distance and equipment charges have held down the cost of local telephone rates. But that day is ending. We are fast approaching a time when local telephone users will have to pay the full cost of local service. Local rates may double or triple. In my State, regulatory officials predict that basic telephone rates could rise as much as 150 percent by early 1984.

The effect could be devastating. For every 10 percent rise in price, we can expect that 1 percent of telephone users will drop service. Projected price increases would lead to a fall off of telephone service to more than 10 percent of the population. Further increases will cut millions more from the most basic of our information networks—the telephone system.

**Cut off will be the poor, the sick, and the elderly, in need of telephone service for emergencies, for contact with the outside world.**

**Cut off will be the unemployed, who will become further isolated from job opportunities.**

**Cut off will be whole areas of our poorest cities, adding another impediment to their revival.**

Our concern for equity in the information age must also extend to heavy industry and industrial workers. While we should encourage the growth of service opportunities, we cannot turn our backs on basic industries or the people and places affected by job loss. Monumental changes occur in the life of an individual and his or her family, when unemployment hits, when new skills must be acquired, when a new job must be found and a new life made, perhaps far from a person's home. And substantial distress is experienced by old cities with so-called sunset industries—when the tax base and infrastructure built around declining industries erode.

Advance notice, information about job markets, and opportunities for retraining help workers adjust more easily to change. Targeted incentives and appropriate planning help many cities attract the makings of new industry—information based, service industry and new jobs. As a matter of responsibility, we must ease the process of adjustment.

We cannot stand back and permit our industrial base to disappear. We cannot concede these jobs to our foreign competitors. We must encourage change in our manufacturing and industrial plants to make them competitive. This can be done through changes in tax policy, in trade policy, and other incentives—and by promoting partnership among management, workers, and Government. The Democratic industrial policy task force, on which I serve, is studying these questions to shape a legislative agenda to address them.

Mr. President, in my own State, there is growth and prosperity directly tied to the coming of the information age—jobs in research, science, financial services. But at the same time, there are areas in deep decline, cities where unemployment is pervasive, and industry on the wane.

In welcoming the information age, we must not leave these people and communities behind.

Mr. President, our Nation has long stood for opportunity, equality, and fairness. I would not be here today were it not for the opportunities granted me. A child of the Depression, I was given the chance to get an education, to go forth, and make a mark. We are in the midst of substantial changes in our economy and our society. Industries are transforming. Tasks are changing. Demands are shifting. In our efforts to seize the best the new age has to offer, we must not ignore the call of our conscience, to insure that we go forward together, as a united people sharing the potential of this new age.

Mr. BYRD. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. BYRD. I thank the Chair.

Mr. President, I congratulate the Senator on his speech. He is a member of the Industrial Task Force which I appointed, and which I expect to look very carefully into the matter of long-term revival of our basic industries in this country. The Industrial Policy Task Force is chaired by Senator KENNEDY, who is approaching the responsibility with great vigor.

The task force has had before it a number of people from throughout the country who are very knowledgeable in areas of concern to the task force.

The distinguished Senator who has just spoken is a very active member of that task force, having attended all meetings. He is enthusiastic about the assignment. I am confident he will make a fine contribution to the efforts of the task force.

I again congratulate him on his speech this morning.

Mr. LAUTENBERG. I thank the minority leader. As usual, he gives comfort and encouragement to all Members. I thank him for his comments.

#### ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 2 minutes.

Mr. SPECTER. Mr. President, in the absence of any other Senators on the floor seeking time in morning business, I ask unanimous consent that I may be permitted to speak for a period not in excess of 10 minutes until the majority leader arrives on the floor. I wish to make a statement to the Senate concerning my recent trip abroad.

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

#### SENATOR SPECTER REPORTS ON RECENT VISIT TO ISRAEL, EGYPT, AND ITALY

Mr. SPECTER. Mr. President, I am making this floor statement today without the delay which would result from preparing a polished, written statement. The report is to my colleagues and others on a recent trip to Israel, Egypt, and Italy.

My wife and I arrived at Tel Aviv late on May 28 and departed early on June 1. We then went on to Egypt, staying there from June 1 through June 3, and then to Rome on June 3, and returning to the United States on June 5.

While we were in Israel, we were with the congressional delegation from Pennsylvania under the sponsorship of the Jewish Community Relations Committee of the United Jewish

Federation of Pittsburgh, the Jewish Community Relations Council of Greater Philadelphia, and the Jewish Federation of the Delaware Valley. Other Members of that Pennsylvania congressional delegation included Congressman EDGAR, Congressman FOGLETTA, Congressman COYNE, Congressman KOSTMAYER, and Congressman BORSKI. When we were in Israel and at meetings elsewhere, too, we were joined by others from the Congress, including Congressman WEISS and Congressman SOLARZ of New York, Congressman HARKIN of Iowa, and Congressman REID of Nevada.

During our stay in Israel, we had an opportunity to meet with leaders of the Israeli Government, the opposition, representatives of Arab organizations on the West Bank, and representatives of the Peace Now movement.

The day we arrived in Israel, there had been an easing of tensions on Israel's northern border. For the prior 7 days, there had been a massing of Syrian and Soviet military units. Late in the day on May 28, that tension eased when those military maneuvers were declared over. But as we moved northward in Israel, we saw large-scale Israeli tank movements, and as we came to the Lebanese border and had occasion to look into Lebanon, we saw units of Syrian forces there and there was considerable basis for concern about the possibility of further hostilities in that area.

Mr. President, during the course of our visit in Israel, we went to Ofra settlement in the Judean mountains. We continued along the Alon Road to the Sea of Galilee, where we had lunch at the Kibbutz Ein Gev. We ascended the Golan Heights to visit the Kibbutz Kfar Haroub and to visit an outpost on the Israeli-Syrian border. We descended the Golan Heights at Bnot Yaacov Bridge and had dinner at the Kibbutz Ayeleth Haschachar Guest House, where we spent the night. We then drove on to Metullah on the Lebanese border to witness the Good Fence, then went to Nazareth to tour the Church of the Annunciation. While in Nazareth, we had a very illuminating meeting with the deputy mayor of Nazareth.

Our itinerary also included an opportunity to meet with Prime Minister Begin, who appeared in good health and good spirits, I am pleased to say. He restated Israel's intention to withdraw from Lebanon at the earliest moment when Syria and the PLO forces will do the same. He welcomed the Lebanese-Israeli agreement on withdrawal, even though, as he pointed out, there were key concessions which Israel had made in terms of not attaining the peace treaty which Israel has sought with Lebanon, and also a concession that there has not

been a determination of the status of Major Haddad.

Mr. Begin spoke about his forthcoming visit to the United States. Representative EDGAR had made the suggestion, which I had seconded, that it would be appropriate if suitable arrangements could be made to have Prime Minister Begin address a joint session of Congress. When that possibility was broached with Mr. Begin, he said he would be honored to do so if invited. Representative EDGAR intends to pursue that matter, he said to me, with Speaker O'NEILL in the House, and I shall pursue the matter with our Senate majority leader (Mr. BAKER) to see if such arrangements could be made. My sense is that the Israel-Lebanon situation is one of tremendous world importance and that a speech by Prime Minister Begin to a joint session of Congress would be very informative and would provide Congress with a much better understanding of the nature of the problem there.

If others from the Middle East, such as President Mubarak or King Hussein, would care to make similar presentations, I think there would be much to commend that, to give them equal time, so to speak, if that contingency were to arise.

Prime Minister Begin expressed his gratitude that the issue of F-16's had been submitted to the Senate for approval. I facetiously commented to him that I thought it likely that the Senate would approve the sale of the F-16's to Israel with greater speed and less debate than the sale of the AWAC's to Saudi Arabia. Mr. Begin did not grasp the point at first; then he did and with a straight face said he did not know that Israel was to get AWAC's. Then in a serious vein, he said the sale of F-16's is crucial to Israel and expressed the hope that they might be expedited, in advance of 1985, which would be enormously helpful to Israel.

We had occasion to meet with Defense Minister Moshe Arens, to renew our friendship from his year as Israeli Ambassador to the United States. I think that he has made an enormous contribution to United States-Israeli relations, based on his knowledge and understanding of the United States from having lived here for so many years and from his relationship with President Reagan, and Secretary of State Shultz, and Secretary of Defense Weinberger; so there has been a rapport, a relationship, and a line of communications which has eased substantial tensions between the two nations.

We had occasion to meet with Shimon Peres, the leader of the Labor Party. Mr. Peres had views substantially different from those of Mr. Begin. I think it a very healthy sign in that democratic society that, notwithstanding the problems the nation faces, there is room for debate and dis-

agreement and a sign of real strength that comes from a democracy where there is no single view, no monolithic approach.

Mr. Peres, for example, expressed disagreement, as he had publicly before, with the Government's view of moving beyond 45 kilometers into Lebanon and said he thought it preferable to withdraw to a point some 45 kilometers into Lebanon to maintain security in that area but not beyond. He expressed a very different position about the West Bank.

Prime Minister Begin had renewed his position that the West Bank, Judea, and Samaria, were indispensable for Israel's security. Mr. Peres, on the other hand, thought that if security were obtained for a strip of that area, it would be appropriate to have concessions of a territorial nature to attain a solution to the Palestinian problem and peaceful relations with other Arab nations.

On the West Bank, we visited a kibbutz and heard a very important speech from a young woman, Shifra Blass, who, coincidentally, is a native of Chambersburg, Pa., in my home State. She spoke of the interests of young Israelis in settling on the West Bank, where real estate could be obtained within their means, and spoke of settlement there of somewhere in the range of 23,000 to 25,000 Israelis and plans for 10,000 additional apartments, which could bring perhaps as many as 30,000 more Israelis. We know that these substantial developments are continuing on the West Bank.

We then moved on to the Golan Heights, where we met a man who bears the same name as mine, Specter, a man in his mid-30's named Leonard Specter, from New Jersey. He showed us the same problems that had been present in the Golan Heights and pointed to villages below where we stood. For some 19 years, from 1948 to 1967, the Syrians engaged in periodic shelling, making the lives of Israeli settlements below totally intolerable. That situation has now been altered since the Golan Heights are under Israeli control, so that threat to peace is gone.

During the course of our visit there, we heard substantial expressions of concern about the rights of the Arabs. A meeting was obtained with a group called Peace Now, which raised questions about the morality of having Arabs in a subservient status.

I earlier made reference to a visit with the Deputy Mayor Madger, who complained about the lack of contributions from the Israeli national government to the Arab parts of Nazareth. The issue was discussed with Prime Minister Begin, who spoke out about what he considered to be fair treatment for the Arabs. On the issue of domination, Mr. Begin pointed out

that Arabs had the option of Israeli citizenship which could give them an opportunity to vote on a parity with any Israeli citizen, should the Arab nationals choose to exercise the option for such citizenship.

Mr. President, that is a sketch of some of the facts which we found on our trip. My conclusions are that Israel is much stronger now than on the previous occasions when I have visited Israel. This was my fifth trip there, having been there in 1964, 1970, 1980, and 1982, and then in May and June of 1983. Notwithstanding tremendous problems of inflation and a tremendous allocation of the Israeli gross national product for military purposes, the signs are that the nation is stronger. There are new hotels flourishing in Jerusalem and Tel Aviv, and there are more apartment houses being constructed. There are signs of vitality and prosperity. There is great concern in the country about the Lebanese conflict in and of itself. I carefully do not use the term "invasion," because I think that it is a misnomer. The Israelis moved into southern Lebanon on June 6 just 1 year ago yesterday in response to repeated terrorist attacks on the Israeli northern border.

Some expressions of thought were that with an incursion of 45 kilometers, the Israelis had gone far enough into Lebanon. Israeli casualties then numbered only 25 dead. There was great concern in the country about the 486 Israelis who ultimately died in the conflict, the number that we had heard on our arrival on May 28. It is a matter of some note that when a small nation like Israel is at war—with fewer than 4 million people and a limited number of young men—their expressions of casualties are right down to the last number: 486. It is not about 500 dead; it is 486.

When we met with Defense Minister Arens, he pointed out that two other Israelis died the night before in an ambush in Lebanon, so the number had gone to 488; and the very thoughtful, inspective way the nation of Israel is reviewing the actions of the past year and questioning the wisdom of moving beyond the 45-kilometer range.

My own sense is that the ultimate solution to peace in the Mideast must come with recognition by other Arab nations. An enormous step forward was taken with the Camp David accord, the Egyptian-Israeli peace treaty. A significant step has been taken with the Israeli-Lebanese agreement, limited as it is. That must be followed by the involvement of Jordan, and perhaps Saudi Arabia, in the peace process to move forward with a long-range peaceful solution to the problems of that area.

The issue of peace in the Mideast is vital not only for the Mideast but for the world as well. We learned that the

Soviet presence in Syria is much more open and much more flagrant than at any time in the past; while in the past there had been Soviet advisers present, today they were present in large numbers and in uniform to be very visibly present. With the U.S. interests in that area and the U.S. effort to try to secure the withdrawal of PLO, Israeli, and Syrian forces, there is the potentiality for a world conflict if the matters are not solved in that range.

A solution must also include the withdrawal of 12,000 to 15,000 PLO soldiers who are present there, having reentered Lebanon in violation of the commitments to leave which had been entered into in the fall of 1982.

From Israel, my wife and I moved on to a visit in Egypt where we had the opportunity of an extensive discussion with President Mubarak. We had tentatively scheduled a squash match at 7 a.m. on June 2, but the option was to talk about U.S. foreign aid instead of occupying our time with the athletic event. President Mubarak and I, and our wives—Mrs. Mubarak joined us when Joan was present—together with Ambassador Atherton had a wide-ranging discussion on the issues of the Mideast.

I began by conveying Prime Minister Begin's respects as the Prime Minister has asked me to do, and President Mubarak responded about his esteem for Prime Minister Begin, saying that the Prime Minister was a man of his word and also, as President Mubarak said, "tough." I believe he said that word "tough" in a complimentary sense.

I then expressed to President Mubarak the appreciation of the United States for Egypt's support of the Camp David accord and for President Mubarak's repeated statements that, as President of Egypt, he would support in all ways the principles of the Camp David accord, including when he spoke at a Senate luncheon in January 1983, and similarly at a Senate luncheon in 1982.

I raised the issue with President Mubarak about returning the Egyptian Ambassador to Israel because the Egyptian Ambassador had been withdrawn shortly after the incidents in the refugee camps in mid-September 1982. I urged President Mubarak to return the Ambassador in light of Israel's agreement with Lebanon to withdraw, conditioned, of course, on the simultaneous withdrawal of Syrian and PLO troops. And without discussing the matter at great length, I am optimistic that the Egyptian Ambassador may soon be returned to Israel.

Mr. President, I then pursued a discussion with President Mubarak on the question of further negotiations between Israel and Egypt in pursuance of the principles of the Camp David accord which had not yet reached full fruition.

President Mubarak expressed his interest in having such discussions but said that he did not believe that the time was right. I inquired as to how President Mubarak thought that King Hussein of Jordan might be involved in those discussions. President Mubarak responded that he believed there would have to be a link established between Palestinian leaders and King Hussein before that involvement would occur.

Speaking for myself, I expressed the view that Yasser Arafat and the PLO were inappropriate representatives of the Palestinians, but I expressed the thought that we certainly needed to pursue those discussions in the future. President Mubarak said that wherever he has gone, he has explained the principles of the Camp David accord to leaders of other Arab nations and that, privately, leaders of other Arab nations agree that Egypt had done the right thing in entering into this peace treaty with Israel brokered by the United States.

President Mubarak expressed the view that the Arab nations have a propensity to reject opportunities when they are presented and accept them only when it is too late. But notwithstanding that, President Mubarak is optimistic that the opportunity would be present for others among the Arab nations to join in the Camp David peace process and the extension of it.

When I inquired of President Mubarak about his view as to the likelihood of conflict between Syria and Israel, I was pleased with his response that he thought such renewed conflict unlikely for a number of reasons.

First, Syria knew it would be unlikely to win such a conflict and would not undertake such a war on its own. Second, President Mubarak felt that the Soviet Union would not actively support Syria. He expressed his reason for that by referring to the experience Egypt had with the Soviet Union back during the so-called war of attrition in the 1969-70 period. From that experience, President Mubarak expressed the opinion that the Soviets would supply to a nation like Syria or to a nation like Egypt, as they had in the past, only defensive weapons, not offensive weapons.

He then spoke at some length about a situation in which, during the late 1960's, the Soviet Union had really sought only to expand its presence in Egypt and that the Soviet Union had made an effort to establish their presence at the base of Mersa Matruh and had spoken of the possibility or the imminence of an Israeli attack there, but only for the purpose of the Soviet Union extending its own influence in Egypt at that time. President Mubarak expressed the view that similar pattern would be followed by Egypt, the Soviet Union, and Syria and that

the Soviets would not really support the Syrians in an active way, and therefore the Syrians would not initiate hostilities with Israel on their own.

I then discussed the issue of the United States aid, and I asked him whether there were any special requests he had to make that I could transmit to my colleagues on the Foreign Operations Subcommittee of the Appropriations Committee.

President Mubarak said that Egypt would like more aid and would like greater flexibility in the aid which Egypt received.

I said to President Mubarak that I would not make any commitment on the issue of increase in aid to Egypt because of the grave problems that the United States faced, the difficulties of taking care of substantial domestic problems in the United States; but on the issue of flexibility, I thought there was much to be said, and I would support his interest in having that flexibility increased.

President Mubarak essentially said that Egypt would like the same flexibility which Israel now enjoys, and that is a matter I intend to pursue with the AID unit in the State Department.

In the remainder of our trip and stay in Cairo, we had the opportunity to meet with the very fine staff of Ambassador Atherton at the Embassy. I met with the military attachés, the agricultural counselor, the commercial affairs counselor, the defense and air attachés, the political officer, the head of the consular section, and the science, technology and health officer. We received a thorough briefing on the situation there.

One matter of concern was the report from the agricultural counselor that Brazil had dumped, or sold at subsidized prices, some \$82 million worth of poultry into the Egyptian market the year before and, in so doing, had substantially prejudiced the opportunities of others, including U.S. farmers, to sell poultry in Egypt. That is an issue which I think has to be taken up in some detail when Congress considers further advances to the International Monetary Fund, which may in turn go to nations like Brazil and then in turn may be used to subsidize sales to countries like Egypt, to the great disadvantage of farmers in the United States.

We cannot tolerate a pattern where U.S. farmers or U.S. steelworkers are paying taxes into the U.S. Treasury, which then makes allocations to the International Monetary Fund, which then advances funds to nations like Brazil, which in turn subsidizes steel, to put steelworkers out of work in the United States, or subsidizes poultry, as for example in this sale to Egypt, which puts farmers out of work.

Mr. President, we then had an opportunity to travel to Rome, where we had an audience with the Pope.

"Courage" was the theme of the message delivered by Pope John Paul II in the Vatican to a small congressional delegation last Saturday, June 4. Referring to man's unalienable dignity, the Pontiff urged us to pursue truth and righteousness, to promote peace, and improve man's lot on Earth.

Our delegation consisted of Senators LUGAR, PERCY, HATCH, HAWKINS, and MATTINGLY; Representative FOGLIETTA; my wife, councilwoman Joan Specter; and me, plus staff. We were received by His Holiness in a resplendent chamber on an upper floor of the Vatican.

In advance of his arrival, we were told that the Pope preferred a simple greeting and a handshake to anything more formal. The chairman of our delegation, Senator LUGAR, expressed our appreciation for the audience and stated our admiration for the Pope's worldwide activity for the cause of peace and social justice.

The Pope spoke to us in flawless English, reading from a brief text. After thanking us for our visit, he talked of the world's problems and urged us to work for the betterment of mankind with courage, regardless of the consequences.

Prior to his entering the room, we had formed a semicircle. The Pope then walked around the room, shaking hands with each of us individually while two cameramen captured the moment in photographs. When the Pontiff came to Joan and me, he greeted us and extended a blessing upon us and our family. In that brief moment, I told His Holiness we were from Pennsylvania and brought him greetings from Cardinal Krol, who has been his close friend for many years.

All those in attendance sensed that we were in the presence of a great man. He spoke eloquently and directly. In his white gown, sash, and skull cap, he radiated warmth and good will.

Our later visit to the Sistine Chapel, the tomb of St. Peter, and the enormously impressive cathedral completed a very memorable visit to the Vatican.

#### EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

(During the foregoing address by Mr. SPECTER, the following occurred:)

Mr. BAKER. Mr. President, we have a procedural paradox on our hands. As soon as morning business is over, the question will occur on the Budget Act waiver. There is no more time, I believe, for debate on the Budget Act waiver.

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. And we cannot vote until 2 p.m., under the order previously entered.

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. Therefore, in order to prevent a procedural stalemate, I ask unanimous consent that time between now and 12 o'clock, when we shall recess, be devoted to the transaction of routine morning business, in which Senators may speak for not more than 15 minutes each.

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

Mr. SPECTER. I thank the leader for extending the morning business which will permit me to speak more extensively for the moment.

(Conclusion of earlier proceedings.)

Mr. SPECTER. Mr. President, I thank the Chair for the extended time, and I yield the floor.

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

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

#### LAUNCH ON WARNING—THE WORST NUCLEAR STRATEGY

Mr. PROXMIRE. Mr. President, in the recent Senate debate on the MX, those of us who opposed the missile argued that it was so vulnerable—as a stationary, land-based missile with the inviting target of 10 warheads—that it would have to be launched on warning. On Sunday, May 29, the New York Times published an article by Charles Mohr that some policymakers speak with increasing frequency of launching "American nuclear missiles on the sole basis of electronic sensors' warning that an enemy missile attack has begun." Both this country and the Soviets deny this is fixed policy. But both sides indicate that such a response might be necessary.

Ironically, some argue that the purpose of the so called nuclear modernization program is to give the President more time. Result: He would not have to trust a warning system. Such a system, like anything else made by fallible human beings, could give a false signal. Yet, the modernization system itself—not only the MX but also the sharp improvement in accuracy and hard target kill capability—puts a premium on launch on warning. And that is not all: The finding released by the Air Force recently that a Soviet attack could knock out 99 percent of our land-based missiles suggests the same thing—that the progress of the nuclear arms race—each refinement, each

success—leads to a shortening of the time the President or the ruler of the Soviet Union would have for response. It therefore accelerates the terrible possibility that a false notice that one side or the other had insufficient time to check out could result in the most tragic mistake in human history—maybe the last mistake.

Mr. President, if there is one nuclear war issue on which virtually every Senator should be able to unite—those who favor a nuclear freeze, those who believe in arms control, and those who would rely on constantly improving our nuclear weapons—it should be the imperative necessity of working to stop the testing, the production, and the deployment of weapon systems that are hair-trigger, that must be fired because of their vulnerability, and that provoke the fear of a first strike from the opposition.

Fortunately, this country at the present time has an immense advantage in this nuclear competition. The Soviet Union has placed about 60 percent, more than two-thirds, of its nuclear power in stationary, land-based missiles. These missiles are vulnerable because we know where they are. They are stationary in fixed sites. If the Soviet Union can knock out 99 percent of our fixed missiles, we can or probably will be able to do the same to them. Furthermore, the Soviet Union will have only 5 to 8 minutes in which to act in the event of a report that our missiles are on their way, because our missiles are emplaced so much closer to the Soviet Union than theirs are to the United States. On the other hand, we would have 20 to 35 minutes.

Also, we have only 25 percent of our nuclear-strategic power in stationary land-based missiles. Seventy-five percent, three-quarters, of our nuclear power is in mobile bombers or submarines.

So for us to build more land-based missiles makes no sense, either from the standpoint of reducing the possibility of a terrible error precipitating a nuclear war, or simply from the standpoint of having a suitable nuclear deterrent.

Mr. President, I ask unanimous consent to have printed in the RECORD the article by Charles Mohr, to which I have referred from the May 29 New York Times.

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

[From the New York Times, May 29, 1983]

#### DEBATE ON EARLY LAUNCHING

(By Charles Mohr)

WASHINGTON, May 28.—Some policy makers and military thinkers speak warily, but with disturbing frequency, of the possibility of launching American nuclear missiles on the sole basis of electronic sensors' warning that an enemy missile attack has begun.

Both the United States and the Soviet Union deny that "launch under attack" or,

as it is sometimes called, "launch on warning" is official policy and doctrine. But both have hinted that they might be forced to adopt such a policy, and both have cloaked their statements in apparently deliberate ambiguity.

Officials in both the Reagan and Carter Administrations have said that while "launch under attack" was not national policy, the Soviet leadership could not be sure that the United States would wait until attacking missiles actually struck before firing its own. Soviet officials began to drop hints that they might be forced to adopt the policy because of the Reagan Administration's nuclear arms buildup.

Gen. John W. Vessey Jr., Chairman of the Joint Chiefs of Staff, told a Senate committee earlier this month that the Russians "have no assurance that we would ride out an attack" before beginning a retaliatory strike.

Washington's longstanding policy has been that retaliation would be ordered only after unmistakable confirmation of nuclear explosions on United States territory. But weapon experts agree that multiple warheads and missile accuracy, which has improved at a remorseless rate, have begun to overwhelm methods of protecting land-based missiles the most versatile and capable part of the nuclear arsenal. These technological advances have seemed to push the superpowers toward consideration of "launch under attack."

Does this mean that an already dangerous world is becoming a hair-trigger world, subject to destruction by a faulty computer microchip?

Many experts think probably not. Several studies of the question of launching under attack, done by entities ranging from the Carnegie Endowment to the Reagan Administration's Pentagon, have concluded that a more "robust" and "reliable" combination of sensors, communications and command arrangements would be needed under that policy, and that would require extensive and expensive improvements in such technologies. Even with such improvements, many national security analysts, whose ranks include retired and active senior officials, do not believe the policy is practical or defensible now or any time soon.

One major study said that "no matter how robust" and redundant the system became, it would never be possible to erase doubts that the Soviet Union would be able to blind or "spoof" the warning sensors. Such thinkers doubt it would be feasible for any President to begin nuclear war merely because the sensors had gone dead. This study, by a panel of authorities recruited by the Office of Technology Assessment, argued, as have other committees, that it would never be possible to erase all doubt about the absolute reliability of an automated war-making system.

The occasions and manner in which spokesmen for the two superpowers talk about launching on warning tend to indicate some nonmilitary motives. For instance, on almost every occasion since 1979 when senior Defense Department officials have discussed the subject, it has been when they were trying to reassure Congressional committees that land-based missiles, for which the officials were seeking appropriations, were not hopelessly vulnerable to preemptive destruction.

Let a senator or representative deride the survivability of MX or Minuteman, and an official may respond that the Russians could never be sure the missiles would not

be launched on warning, leaving attackers to strike empty silos. In the case of the Soviet Union, which began to drop dark hints about launching under attack in early 1982, the tactic seems to be to try to frighten the United States out of modernizing strategic forces or deploying medium-range missiles in Europe.

Fred C. Iklé, Under Secretary of Defense for Policy, the third-ranking official in the Department of Defense, has been a determined and vocal opponent of launching under attack. In 1981, General Richard Ellis, then commander of the Air Force Strategic Air Command, told a closed Senate hearing that he strongly opposed such a policy, and this appears to be a consistent view of the Strategic Air Command and among other senior American officers.

The large majority of uniformed and civilian officials and former officials who oppose the policy do so because they regard it as too dangerous. An Air Force analytical paper written in April this year said the whole point of modernizing United States strategic forces was to give the President enough time to make reasoned decisions in time of nuclear stress.

#### A CONFLICT WITH GOALS

Launching under attack, as many detailed studies have suggested, would probably have to be a formal policy, consciously adopted and embraced. It is not thought likely by military analysts that the President could adopt it as a last-minute improvisation in the less than 30 minutes of warning that enemy missiles were in flight, given present procedures to verify launching orders, arm nuclear warheads and give target orders. Still less could the Russians launch their liquid-fueled rockets in the six- to eight-minute flight time of Pershing 2 missiles, which are scheduled to go to Europe in December.

Moreover, such a policy is in basic conflict and tension with other policy goals of the Reagan Administration and of some national security analysts who are conservatives. Those analysts, including Richard N. Perle, Assistant Secretary of Defense for International Security Policy, have often opposed the policy not merely because of its inherent dangers but also because they fear it could be used as an excuse not to build the MX missile and modernize nuclear forces.

Also, the Reagan Defense Department has put high priority on attaining the capacity, if necessary, to fight a protracted nuclear war and to "prevail." This is one reason that an \$18 billion, five-year program to improve communications and space and terrestrial sensors was announced in October 1981, although these improvements could also increase the ability to launch missiles while under attack.

But the concept of protracted war requires, Pentagon officials say, a "secure reserve" of nuclear weapons, some of which have great flexibility to be programmed for new targets. That primarily means land-based missiles. If the United States were to shoot all, or even many, of its missiles in the first few minutes of war, it would forgo the endurance to wage protracted war.

#### FLEXIBILITY SOUGHT IN RESPONSE

Moreover, a goal of all administrations since 1974 has been to try, at least, to give Presidents more flexibility in response and possibly to contain nuclear violence at levels lower than huge "spasm" retaliations. The three United States infrared warning satellites in stationary orbit over the Soviet Union would give almost instantaneous

warning that Soviet missiles had been fired. But the ground radar stations that would count the missiles and calculate their destinations would not furnish data useful for planning retaliation until many minutes later.

The shortage of time to decide, and the complexity of incoming information, has led scientists who specialize in military issues to conclude that adopting a policy of launching under attack would require the delegation of Presidential authority over the launching of nuclear warheads, a decision that a study sponsored by the Office of Technology Assessment called "unpalatable." This would almost certainly lead to a more or less automated system of beginning nuclear war.

Some studies have said that under such a policy the President's role might be little more than to endorse the probability calculations of computers. Other studies give the human executive an even smaller role. This would be a very difficult policy to justify politically.

#### OTHER FORCES NOT AFFECTED

Doomsday discussions of irretrievable launchings based solely on sensor warning apply only to fixed, land-based missiles, which form more than 70 percent of the Soviet Union's striking force but less than 25 percent of the United States'. If land-based forces were invulnerable, certain to absorb an attack and retaliate, there would be no need to pose the possibility of launching under attack as a deterrent. And some military strategists see an advantage in riding out the attack rather than shooting blind. Surviving space sensors and sensors launched immediately after the Soviet attack would help identify the highest-value targets for retaliation.

American bomber forces would, of course, be launched as soon as any serious warning of hostile attack was flashed by the electronic sensors, but those aircraft take hours to reach enemy airspace and can be recalled.

Missile-launching submarines are considered impervious to pre-emptive attack, and their relatively prolonged communications and prelaunching procedures make a policy of launching under attack irrelevant to them.

This raises a major question about the usefulness of even bluffing with a doctrine of launching under attack. What, opponents of the policy ask, would be the purpose of such a policy? Because of the near invulnerability of the submarine force and the nearly certain survival of at least 30 percent of the powerful bomber force, it is not needed to insure overwhelming retaliation against the Soviet Union, they say.

If adopted, the policy would serve only as a substitute for a secure basing system for land-based missiles, to save that leg of the nuclear triad when no other measure would serve. The dangers and disadvantages of electronic decision-making, and the availability of other, admittedly more expensive, solutions to vulnerability of land-based missiles, seem to outweigh the importance of that single goal, even to the officials who continue to hint that no one can be sure they would not give it a try.

#### GENOCIDE CONVENTION: ADDRESS TO THE AMERICAN GATHERING OF HOLOCAUST SURVIVORS

Mr. PROXMIRE. Mr. President, recently the text of an address by David

T. Chase, delivered to the American Gathering of Jewish Holocaust Survivors, was printed in the New York Times. The impetus for this moving speech was his silent promise to two condemned fellow inmates of Auschwitz 39 years ago.

In the spring of 1944, two young men were condemned to die for attempting to escape from the concentration camp. The S.S. guards assembled all of the remaining inmates to witness the hanging of the two Jewish boys. Moments before the executioner removed the bench on which they stood, with their last breath, the boys screamed out to the crowd, "Don't let this day be forgotten—never forget this inhumanity!"

Mr. Chase never knew their names, nor does he remember their faces. But their dying wish and mandate was one he will never forget for the rest of his life.

Unfortunately, the fate of these Jewish boys was not unique. In his address Chase asks, "How many times has this episode been repeated in so many different forms and incidents during the Holocaust years?" Nearly every survivor of the Holocaust lost a family member during this era. Chase feels fortunate that he had one member of his immediate family, a sister who also survived the Holocaust. Approximately 60 other members of his family, including parents, grandparents, aunts, uncles, and cousins perished during Hitler's bloody reign.

But Mr. Chase did not wish to focus entirely on horrors of the Nazi period. He urged the crowd to pay homage and express deep gratitude to America; a country that gave Holocaust survivors a home when they had none.

Chase also points out that the Holocaust survivors and their children have been extremely successful in the professional world, with a high proportion of doctors, lawyers, and business leaders among them. Speaking for the survivors, Chase asks the world to give them credit for their achievements and contributions to society, not sympathy for their sufferings.

Finally, Chase expresses this concern for the future in this passage of his address:

Today, my friends, we are proud to be Americans. But what about tomorrow? Can we become complacent or indifferent to the injustice which takes place in this world? Can we limit our concern to ourselves only? Or as good Americans and true to our Jewish heritage, we acknowledge our responsibility to our fellow man . . . United with a single voice of justice and in pursuit to equality, we can and will make this world a better place to live.

Mr. President, we should commend Mr. Chase for keeping the silent promise he made to the Jewish boys in Auschwitz nearly 39 years ago. Through this speech, he has attempted to keep alive the memory of man's inhumanity to man. While we salute

Mr. Chase, we should also heed his words of advice when he tells us that we cannot afford to become complacent to the injustice which takes place in this world today. We cannot afford another Holocaust.

Mr. President, we here in the Senate have remained complacent for too long. For nearly 35 years we have failed to become a party to the Genocide Convention, a treaty that has been pending in this body, as I say for 35 years. Only the Senate has to act on it, and every President has pleaded with us to act, as have every Secretary of State, every Attorney General, and every religious organization in this country, and as has the American Bar Association. They have all asked us to ratify the treaty that would make the extermination of any national, racial, ethnic, or religious group a crime under international law. The need for such a treaty has not diminished since the Holocaust. Those who would attempt to destroy an entire group of people have found their work shamefully easy, for they can operate without fear of systematic international condemnation and punishment. The Genocide Convention is a step in the direction of correcting this situation.

There is no justification for the Senate's inaction on this important treaty. Let us not wait for another Holocaust before we are spurred to action. I urge my colleagues to ratify the Genocide Convention.

#### APPOINTMENT OF SENATE CONFEREES—HOUSE CONCURRENT RESOLUTION 91

The PRESIDING OFFICER (Mr. MATTINGLY). Pursuant to the previous order, the Chair appoints the following Senate conferees for House Concurrent Resolution 91: Senators DOMENICI, ARMSTRONG, KASSEBAUM, BOSCHWITZ, HATCH, GORTON, CHILES, SASSER, METZENBAUM, and RIEGLE.

#### SENATOR LAUTENBERG'S MAIDEN SPEECH

Mr. PROXMIRE. Mr. President, earlier today the distinguished Senator from New Jersey (Mr. LAUTENBERG) made his maiden speech, the first speech he has made as a Member of the Senate.

I regret very much that I was not here to hear Senator LAUTENBERG's speech, but I do wish to commend him on speaking out. I hope he will take the occasion to speak out frequently. We need his advice.

He is a man of great accomplishments. He was able to build an extraordinary business with 15,000 employees, a business which is in the middle of the high-tech revolution.

He spoke on the implications of the computer age, I understand, this



morning. And I am very anxious to read his speech because he speaks with such authority because computers are such an important part of our lives.

I think all of us are conscious of the fact or when we reflect on it will become conscious of the fact that the year 1984 is the year that George Orwell, the remarkable British writer, selected as the time when we would have the loss of freedom in this world and domination by a government that would be a big brother.

The computer revolution is part of the way to that terrible future if we permit it to take that path. At the same time computers can certainly make life better, fuller, more beautiful, better organized and more efficient than it otherwise would be.

At any rate, Mr. President, I certainly commend my good friend from New Jersey (Senator LAUTENBERG) for speaking out this morning. He is a fine Senator, I serve with him on the Banking Committee. He has been a great addition to that committee. He is a man who obviously has excellent business judgment and is going to be a real asset to us in this body.

**STATEMENT OF JOHN F. SOMMER, JR., DEPUTY DIRECTOR, AMERICAN LEGION**

Mr. MITCHELL. Mr. President, I call the attention of my colleagues to recent testimony of John F. Sommer, Jr., deputy director, National Veterans Affairs and Rehabilitation Commission of the American Legion. Mr. Sommer's testimony was given before the House Veterans' Affairs Subcommittee on Oversight and Investigations on May 3, 1983.

The subject of Mr. Sommer's testimony was the various research projects being conducted regarding agent orange exposure by Vietnam vets and the possible health effects of that exposure. As a member of the Veterans' Affairs Committee, I am aware of the magnitude and the scope of the current research.

Mr. Sommer's testimony has great importance to the veterans of this country. My colleagues who share my concern over agent orange will find his testimony enormously enlightening. I ask unanimous consent that Mr. Sommer's testimony be printed in the RECORD.

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

**STATEMENT OF JOHN F. SOMMER, JR., DEPUTY DIRECTOR, NATIONAL VETERANS AFFAIRS AND REHABILITATION COMMISSION**

Mr. Chairman and Members of the Subcommittee: The American Legion appreciates this opportunity to present our views on Agent Orange research; a priority issue of this organization, and a matter of utmost importance to Vietnam veterans and their families.

There is a considerable amount of research relating to various health effects of Agent Orange exposure, aside from the study mandated by PL 96-151, that is either currently underway or in the planning stages, and we will comment on several of the projects that the Legion feels are significant.

Mr. Chairman, The American Legion was extremely pleased that the Center for Disease Control took over the responsibility for the PL 96-151 study when the Interagency Agreement between the Veterans Administration and the Department of Health and Human Services was signed on January 14, 1983. The transfer fulfilled a long and intense effort by the Legion to have the study completed by a scientific agency that is independent of the VA.

We are encouraged by the manner in which CDC has progressed since accepting the responsibility for the study. Within a matter of days following the signing of the Interagency Agreement, CDC officials met with The American Legion to discuss the study and elicit input and recommendations relating to the research.

At the same time, we offered the cooperation of the Legion in encouraging the participation of Vietnam veterans in the study, as we are keenly aware of the importance that such participation will play in the success of the CDC studies.

In reviewing the protocol outline prepared by CDC when it first became available to the Legion in early February, it was obvious that a great deal of what appears to us to be highly competent work was achieved in a relatively short period of time.

CDC has recommended that two historical cohort studies be completed; the Agent Orange study, and a broader Vietnam experience study. Authority for the expansion of the study was provided under PL 97-72, and CDC was quick to realize the importance of studying the possible health effects that other herbicides such as Agents White and Blue (picloram and cacodylic acid, respectively), other chemicals, medications, or environmental hazards or conditions, that existed in Vietnam could have had on the veterans who served in RVN.

The studies will each be comprised of three major components: a mortality study, a health and exposure questionnaire, and a clinical and laboratory assessment.

The Agent Orange study is to consist of 3 cohorts, and the Vietnam experience study 2 cohorts. The cohorts are to be composed of 6,000 individuals each, selected pursuant to a thorough review of the military records by the Army Agent Orange Task Force (AAOTF). The American Legion is pleased to have learned that CDC has assigned a Public Health Advisor to work full-time with the AAOTF, as we have long stressed the importance of a liaison between this dedicated group of experts in the area of military records and the agency responsible for the development of the protocol and the conduct of the Agent Orange study.

The AAOTF plays an integral part in the Agent Orange research efforts, and especially with respect to the foregoing studies that are currently being implemented by CDC. Without the military records from Vietnam the study cohorts could not be selected, thus it would be impossible to carry out the studies. It is unfortunate that the unobtrusive nature of the work performed by AAOTF detracts from the actual importance of the responsibilities that the Task Force bear. The American Legion is concerned that because of this inconspicuous-

ness, not enough emphasis is placed on the priority nature of the Army Agent Orange Task Force's role in the ongoing research.

The Legion understands that CDC has received approval for the requested positions needed to carry out the studies, and they are in the process of recruiting the necessary staff. However, this has not detracted from the ongoing development of the protocols for the two studies which are expected to be completed and available for peer review by the end of May.

CDC is also looking at the possibility of conducting case-control studies of the incidence of soft-tissue sarcomas and lymphomas. The American Legion is aware of the importance of such case-control studies, particularly with respect to soft-tissue sarcomas, and we urge that they be conducted by, or under the responsibility of CDC.

Mr. Chairman, as we stated at the outset, the Legion is both encouraged and pleased by the progress made by CDC in a relatively short period of time. In addition, CDC has held to a commitment made at the time the agency assumed responsibility for the study—to seek the input and recommendations of The American Legion and other veterans organizations, and to maintain open lines of communication. For this we are appreciative.

The only other thing that we can ask is that CDC release all relevant findings as they become available during the studies. Vietnam veterans are concerned about the effects of Agent Orange and other environmental hazards and want the facts as best they can be established. The American Legion's goal is to make absolutely sure that these concerns and apprehensions are promptly and accurately addressed.

Mr. Chairman, we will now offer comment on some of the other Agent Orange related research projects that are currently being carried out by the Veterans Administration, other Federal agencies, and by private entities under contract to the government. The American Legion is monitoring all of these studies, within the limits of our capabilities, and it is hopeful that the results of each of the projects will complement the total Agent Orange research effort.

The examination of Ranch Hand personnel, those Air Force personnel who were directly involved in Agent Orange spraying missions in Vietnam, has been completed, and we understand that an excellent rate of participation among the over 1,200 individuals who served in that unit was experienced. The study is composed of three elements: a mortality study, a morbidity study, and a follow-up. The questionnaire involved in this investigation was administered under contract by the Harris Organization, and the physical examinations and laboratory studies were conducted by the Kelsey-Seybold Clinic in Houston, Texas on a contract basis. A mortality report is expected to be issued in the near future, and preliminary reports on the data obtained from the examinations and questionnaires later in 1983. Follow-up examinations will be completed at 3, 5, 10, 15 and 20 year points.

The Centers for Disease Control in Atlanta is conducting a study that is designed to determine whether or not veterans who served in Vietnam are at a higher risk of producing offspring with serious birth defects. The test population consists of approximately 7,500 babies with birth defects born in the Atlanta area between 1968 and 1980, the identity of which were extracted from the CDC birth defect registry. Where possible, the parents of the subject babies,

are being interviewed to determine the factors which may be responsible for the occurrence of the abnormalities, including service in Vietnam and possible exposure to toxic substances which may be attributable thereto. Reportedly, CDC has experienced a good participation rate in this study. However, we understand there are some problems in locating a small number of veterans who were previously interviewed, and are now being contacted for followup interviews, due to the fact they have moved. The results of this study are expected to be available by the end of 1983.

The Armed Forces Institute of Pathology, since 1978, has been collecting pathologic material including tissues extracted during surgical procedures and during autopsy procedures, of Vietnam veterans from Veterans Administration medical centers, Armed Forces hospitals, and from medical facilities in the private sector, for the purpose of surveying the illnesses that have been incurred by these Vietnam veterans. It was recently reported that 1,200 cases have been submitted to AFIP to date, and an additional 600 are forthcoming. The project is being divided into two phases. The first phase is the collection and evaluation of the cases of veterans who served on active duty in Vietnam from 1962 to 1974. The second phase consists of the collection and evaluation of the cases of veterans or active duty personnel who did not serve in Vietnam. This group will serve as matched controls for the cohort included in phase one. We find it interesting to note the different diagnoses that have been made thus far. There are 86 different diagnoses of the skin, 15 varied liver diagnoses, 16 different benign tumor diagnoses, and 30 diagnoses of malignant tumors. There have been an additional 173 diagnoses made, not including the foregoing. As for the collection of the pathologic tissue, 1,088 samples are submitted by VA medical centers, 74 of the cases involved veterans in civilian hospitals, and the remaining 4 percent were submitted by Federal hospitals, for the most part Air Force. The tissue samples have been sent to AFIP from 46 States, and 99 percent of the cases involved male veterans. The completion date of this study is indefinite.

The Veterans Administration has begun preliminary work on a Vietnam veteran mortality study which will draw a comparison of death rates and the causes of death between groups of veterans who served in Vietnam and those who did not. VA estimates that this study will be completed in mid 1984.

An identical twin study is currently being designed by the VA at the St. Louis VAMC. The proposed study will compare a significant number of pairs of twins; one of whom served in Vietnam and the other who was in the military but was not in RVN, to examine the effects of the Vietnam experience. This study is expected to be concluded in mid 1984.

Ten additional research projects have recently been approved by the Administrator of Veterans Affairs, selected from proposals submitted by individual investigators working in VA medical centers, in response to a request for new research proposals issued by VA Medical Research Service, which specified a biochemical, physiological or toxicological focus on the delayed effects of exposure to Agent Orange and other herbicides. The research projects for the most part involve animal studies, but human tissue cultures will be analyzed in some of the experiments, such as biochemical stud-

ies of fat metabolism. The new projects are supported for up to five years with VA research funds in excess of \$2 million.

The VA has established an Environmental Medicine Monograph Series which was designed to provide useful information of a scientific nature on environmental and occupational factors that have or may have affected the health of Vietnam veterans. The Monographs that are to be initiated in Fiscal Year 1983 include Agent Blue (cacodylic acid), Human Exposure to Phenoxy Herbicides, Birth Defects (genetic screening and counseling), and Chloracne. The American Legion will continue to monitor the development of these and other monographs that have been proposed for future implementation.

The Legion is also following with interest several other ongoing studies involving dioxin exposure, including the National Institute for Occupational Safety and Health (NIOSH) Dioxin Registry, the NIOSH Soft-Tissue Sarcoma Investigation, and the National Cancer Institute's Case Control Study of Lymphoma and Soft-Tissue Sarcoma.

Mr. Chairman, we have presented this compendium of major Agent Orange and related research projects to demonstrate the magnitude of the total effort being put forth to determine the possible consequences of exposure. Needless to say, the picture is changing and it is apparent to the Legion that progress is being made. As was stated earlier, the Centers for Disease Control has moved quickly on the preliminary implementation of the study mandated by PL 96-151, and the expansion of that study authorized by PL 97-72. The agency has determined the complexities involved in such problematic research, and has moved forward to address the studies. We urge that CDC continue to act in an expeditious but cautious manner as they complete the protocols for the Agent Orange and Vietnam experience studies.

Mr. Chairman, The American Legion thanks you for your timeliness in scheduling hearings on this issue that is of such extreme importance to Vietnam veterans, as time is of the essence in this critical matter, and the continued vigilance of this Subcommittee will certainly serve to ensure that the research discussed today will continue to be conducted without delay.

You may be assured that The American Legion will continue its involvement in every aspect of the issue of Agent Orange.

Mr. Chairman, that completes our statement.

#### REMARKS OF AL KELLER, JR., NATIONAL COMMANDER OF THE AMERICAN LEGION

Mr. MITCHELL. Mr. President, I call the attention of my colleagues to recent remarks by Al Keller, Jr., National Commander of the American Legion. Mr. Keller made these remarks at a banquet at the American Legion Post 84 in Orono, Maine, on April 23, 1983.

Mr. Keller's remarks touched on a wide variety of issues on which the American Legion has taken a strong position. That includes agent orange, "atomic veterans," the nuclear freeze, and Central America.

Mr. Keller's remarks demonstrate the American Legion's strong tradition of active participation in the demo-

cratic process. I believe my colleagues will find his remarks thought provoking and well worth reading. I ask unanimous consent that Mr. Keller's remarks be printed in the RECORD.

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

#### REMARKS BY AL KELLER, JR., NATIONAL COMMANDER, THE AMERICAN LEGION

Distinguished guests, ladies and gentlemen, my fellow Legionnaires. As many of you who have heard me speak know I like to talk about tradition, the value of knowing where we have been, and keeping faith with the tried and true ways. I do not like to think of tradition as an excuse for not changing or as a place to hide because we are afraid of the future but I do like to recognize the value, and the importance, of preserving those things in life that have served us well and for which there are no reliable replacements.

The American Legion is a traditional organization. Our fundamental beliefs, outlined in the preamble to our constitution, talk of God, country, and service to veterans and their families. Today we are addressing these fundamental beliefs to the 98th Congress.

After months of work, legislation has finally been introduced in the 98th Congress that addresses the subject of Agent Orange and compensation for some Vietnam veterans.

I am pleased to report to you that it is a bill The American Legion can finally support. Scientific evidence now pinpoints three diseases that can be caused or aggravated by exposure to the herbicide used to destroy jungle cover in Southeast Asia.

The bill would establish a procedure for presumption of service connection for compensation based on those three diseases.

For years Vietnam veterans and their families have been concerned about the potential—but unknown—health hazards they may have incurred by exposure to Agent Orange.

It is high time Congress took up this issue of compensating veterans for their disabilities as scientific evidence becomes available. On behalf of our 700,000 Vietnam veteran members, I assure you, the American Legion insists on it.

Also in the area of veterans affairs, I am pleased that the Veterans Administration announced earlier this month that after 17 months of delay, they have agreed to liberalize their guidelines to provide medical treatment to military personnel who took part in open-air atomic tests and whose illnesses might have been caused by exposure to radiation.

Between 220,000 and 350,000 military personnel were exposed to radiation during atmospheric nuclear testing from 1945 until the Partial Test Ban Treaty of 1962. A large number subsequently developed leukemia and other cancers. However, only a small number of these veterans filing disability claims have had their claims approved by the VA.

The American Legion's position on "atomic veterans" is mandated by national convention resolutions going back to 1978, and most recently restated in Resolution 409 at our national convention last August in Chicago. Our work with individual veterans filing radiation-related disability claims goes back further.

It is apparent much more needs to be done about the plight of these "atomic veterans." The American Legion will continue its effort to help these afflicted veterans obtain recognition and compensation for service-connected disabilities.

Today the American Legion's concern for national security and foreign relations also remains intact.

All of us in The American Legion have a lot of work cut out for us in the days ahead. Secretary of Defense Caspar Weinberger has been talking lately of a consensus erosion. He points out that from the earliest days of our nation we have loved peace and been suspicious of things military. But defending a free society rests on principles that require a consensus to be formed in favor of a strong defense, if we are to have one, and for that consensus continually to be maintained. That's certainly no small task.

Today there are many voices shouting for attention across this great land. Voices that call for an immediate nuclear freeze, voices that demand cutbacks in our defense spending budget, voices that urge the government pay out money for this thing or that, all voices sincere in their beliefs but often ignoring cold, hard facts of history.

Does America really need a nuclear freeze? Certainly we do and so does the world. But an immediate nuclear freeze today is not the answer to the world-wide threat of nuclear war.

The American Legion continues to stand on our well established principles. We desire an end to the nuclear arms race with just four provisions.

First, the United States must be allowed to maintain a deterrent capability to be able to protect ourselves and our interests from those who would threaten our very existence.

Second, the introduction of Pershing missiles in NATO countries must move ahead. For years our NATO friends have been staring down the barrel of the Soviet SS-20 missile threat knowing that nothing is there to offset that threat. The Pershing missile will work toward that end. However, we do agree that a "zero option" agreement would be better still, if that can be negotiated.

Third, once this rough parity has been reached America and the Soviet should agree to begin a mutual reduction of nuclear arsenals.

Finally, a freeze can be negotiated that depends heavily on the ability of both sides to verify compliance with the agreement. That verification certainly should be tied to on-site inspection.

These four steps are not ultra-conservative. They are logical, rational, and necessary, if the ultimate objective is to ever be achieved.

It is up to each of you to let those who make laws on Capitol Hill, and in Maine, know how you feel. For it is very possible that a vocal minority can swing the pendulum to the "freeze right now" side.

In the related area of foreign relations, I feel the Caribbean Basin and Central America have been too long neglected in United States foreign policy.

Earlier this year I visited Mexico and Panama and I have come to believe that a solid "good neighbor policy" is imperative if we are to assist our friends in Latin America in regaining economic prosperity and defeating communist aggression.

The American Legion, after an extensive study by our Western Hemisphere Task Force, adopted three resolutions at our na-

tional convention in Chicago dealing with the Caribbean Basin and Central America.

One of those resolutions calls for an expansion of the Caribbean Basin initiative into a true "Marshall-type plan." Obviously, an expanded initiative could help rejuvenate the area just as it breathed new life into a devastated western Europe after World War II.

Our resolution also urges increased educational exchanges between the United States and all of the Caribbean Basin. We feel that concept is an excellent means of helping provide the technical knowledge needed for economic growth.

Incidentally, during my visit to this area, several high ranking U.S. officials pointed out that the Soviets offer many more scholarships than we do and thus gain influence among Latin America's youth.

A second resolution adopted in Chicago recommends economic and military aid be given to El Salvador. We know that help is needed there to fend off a hungry communist bear.

You and I should take heart from the elections in that country last year. The people soundly rejected the communist backed insurgents in the face of life-threatening danger. But Marxist backed guerillas rejected democracy. We support the enhanced aid package to El Salvador to give that beleaguered nation the resources to defeat the insurgents.

Last month President Reagan suggested he would send more military advisors to El Salvador, if Congress does not approve a \$110 million increased military aid package to that country.

This satisfies a mandate from our 1982 national convention concerning El Salvador, which urges the U.S. government to provide adequate economic aid to El Salvador and furnish increased military training and equipment as necessary to defeat communist guerillas in El Salvador.

Our third resolution focuses on Costa Rica, Honduras, and Guatemala. It mandates The American Legion to speak directly to the need for U.S. government economic and security assistance in those countries.

These same concerns were addressed by President Reagan when he made a major foreign policy address to The American Legion during our Washington Conference in February.

America is a wonderful country, founded on principles of freedom and peace. Nothing in our history has happened to destroy those principles.

In recent weeks, many people have been testifying in Washington on various aspects of the 1984 budget. Defense spending is increasingly under attack. There have been thoughts tossed around that defense spending is nothing more than welfare for the defense industries.

Members of The American Legion certainly do not feel that way. And if surveys are to be trusted neither do America's youngest veterans. A Lou Harris and Associates poll shows 79 percent of Vietnam veterans favoring increased defense spending.

They understand full well that for nearly 25 years defense spending in constant dollars remained virtually unchanged in this country while those who would impose their will on other countries had beefed-up every aspect of their military.

Today we are building a stronger military. One that is capable of responding to the variety of challenges that could present themselves in the years ahead.

Defense spending now amounts to 28 percent of the federal budget. That compares

to more than 45 percent in 1960. Clearly, defense money for our nation can never be considered welfare for contractors, more like welfare for all citizens. For if we shirk from our responsibility to remain a strong and capable deterrent in troubled times, all other spending for our people will be of little use.

You as members of The American Legion in the Department of Maine are an important link in determining our success in these mandates. I have full confidence that you will realize as did our founders years ago that American national security and foreign relations policy will determine the future peace and freedoms for the peoples of the world.

My fellow Legionnaires, now is the time to get involved. Continuing a strong veterans voice, anchored in proud American Legion tradition, is the challenge we face. I have no doubt that you will make vital contributions as we meet these challenges today and in the future.

Thank you, good luck, and God bless.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

#### RECESS UNTIL 2 P.M. TODAY

Mr. BAKER. Mr. President, notwithstanding that the time for the transaction of routine morning business was extended until 12 noon, the time scheduled for the recess of the Senate for 2 hours to accommodate the requirement for caucuses on both sides of the aisle, it appears that there is no further need for time for morning business. Therefore, I ask unanimous consent that the Senate now stand in recess until the hour of 2 p.m. today.

There being no objection, the Senate, at 11:29 a.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HECHT).

#### BUDGET ACT WAIVER

The PRESIDING OFFICER. The clerk will state the pending business.

The assistant legislative clerk read as follows:

A Senate resolution (S. Res. 146) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to consideration of S. 695.

The Senate resumed consideration of the resolution.

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

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BAKER. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Alaska (Mr. MURKOWSKI), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska (Mr. MURKOWSKI) and the Senator from Alaska (Mr. STEVENS) would each vote "yea."

Mr. BYRD. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from Texas (Mr. BENTSEN), the Senator from New Jersey (Mr. BRADLEY), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Connecticut (Mr. DODD), the Senator from Missouri (Mr. EAGLETON), the Senator from Colorado (Mr. HART), the Senator from Alabama (Mr. HEFLIN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Louisiana (Mr. LONG), the Senator from New York (Mr. MOYNIHAN), and the Senator from Rhode Island (Mr. PELL), are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators desiring to vote?

The result was announced—yeas 57, nays 26, as follows:

[Rollcall Vote No. 116 Leg.]

YEAS—57

Andrews	Gorton	Packwood
Baker	Hatfield	Percy
Biden	Hecht	Proxmire
Bingaman	Heinz	Pryor
Boschwitz	Inouye	Quayle
Bumpers	Jackson	Riegle
Byrd	Johnston	Roth
Chafee	Kasten	Rudman
Cochran	Kennedy	Sarbanes
D'Amato	Lautenberg	Sasser
Danforth	Laxalt	Simpson
Denton	Levin	Stafford
Dixon	Lugar	Stennis
Dole	Mathias	Thurmond
Domenici	Matsunaga	Tower
Durenberger	Mattingly	Tsongas
Garn	McClure	Wallop
Glenn	Mitchell	Weicker
	Nunn	Wilson

NAYS—26

Abdnor	Hatch	Nickles
Armstrong	Hawkins	Pressler
Boren	Helms	Randolph
Burdick	Humphrey	Specter
Cohen	Jepsen	Symms
East	Kassebaum	Trible
Exon	Leahy	Warner
Ford	Melcher	Zorinsky
Grassley	Metzenbaum	

NOT VOTING—17

Baucus	Eagleton	Long
Bentsen	Goldwater	Moynihan
Bradley	Hart	Murkowski
Cranston	Heflin	Pell
DeConcini	Hollings	Stevens
Dodd	Huddleston	

So the resolution (S. Res. 146) was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. HEINZ. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INTERNATIONAL MONETARY FUND AUTHORIZATIONS

Mr. BAKER. Mr. President, I have been advised by the minority leader that the four requests I am about to make have been cleared on his side and I will now present them.

Mr. President, the budget waiver authorizing consideration of S. 695 has now been agreed to.

Mr. President, I ask that the Chair lay before the Senate Calendar Order No. 185, S. 695.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. Mr. President, reserving the right to object this is S. 695, the International Monetary Fund?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. Mr. President, I object.

Mr. BAKER. Mr. President, I move that the Senate now proceed to the consideration of S. 695 and ask for the yeas and nays on the motion.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. BAKER. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Alaska (Mr. MURKOWSKI), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska (Mr. MURKOWSKI) and the Senator from Alaska (Mr. STEVENS) would each vote "yea."

Mr. BYRD. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from Texas (Mr. BENTSEN), the Senator from New Jersey (Mr. BRADLEY), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Connecticut (Mr. DODD), the Senator from Missouri (Mr. EAGLETON), the Senator from Colorado (Mr. HART), the Senator from Alabama (Mr. HEFLIN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Louisiana (Mr. LONG), the Senator from New York (Mr. MOYNIHAN), and the Senator from Rhode Island (Mr. PELL) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL), would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 65, nays 18—as follows:

[Rollcall Vote No. 117 Leg.]

YEAS—65

Andrews	Hatch	Packwood
Baker	Hatfield	Percy
Biden	Hecht	Proxmire
Bingaman	Heinz	Pryor
Boren	Inouye	Quayle
Boschwitz	Jackson	Riegle
Bumpers	Johnston	Roth
Byrd	Kassebaum	Rudman
Chafee	Kasten	Sarbanes
Chiles	Kennedy	Sasser
Cochran	Lautenberg	Simpson
D'Amato	Laxalt	Specter
Danforth	Leahy	Stafford
Denton	Levin	Stennis
Dixon	Lugar	Thurmond
Dole	Mathias	Tower
Domenici	Matsunaga	Trible
Durenberger	Mattingly	Tsongas
Ford	McClure	Wallop
Garn	Metzenbaum	Weicker
Glenn	Mitchell	Wilson
Gorton	Nunn	

NAYS—18

Abdnor	Grassley	Nickles
Armstrong	Hawkins	Pressler
Burdick	Helms	Randolph
Cohen	Humphrey	Symms
East	Jepsen	Warner
Exon	Melcher	Zorinsky

NOT VOTING—17

Baucus	Eagleton	Long
Bentsen	Goldwater	Moynihan
Bradley	Hart	Murkowski
Cranston	Heflin	Pell
DeConcini	Hollings	Stevens
Dodd	Huddleston	

So the motion was agreed to. The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 695) to amend the Bretton Woods Agreements Act to authorize consent to and authorize appropriations for an increase in the U.S. quota in the International Monetary Fund and to authorize appropriations for increased U.S. participation in the IMF's General Agreements to Borrow.

The Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with an amendment to strike out all after the enacting clause and insert the following:

TITLE I—BRETTON WOODS AGREEMENTS ACT AMENDMENTS

That (a) section 17 of the Bretton Woods Agreements Act (22 U.S.C. 286e-2) is amended—

(1) by striking out in subsection (a) "decision of January 5, 1962" and inserting in lieu thereof "decisions of January 5, 1962, and February 24, 1983, as amended in accordance with their terms,";

(2) by striking out in subsection (a) "not to exceed \$2,000,000,000 outstanding at any one time," and inserting in lieu thereof "in an amount not to exceed the equivalent of 4,250 million Special Drawing Rights, limit-

ed to such amounts as are appropriated in advance in appropriation Acts."

(3) by striking out in subsection (b) "\$2,000,000,000" and inserting in lieu thereof "an amount equivalent to 4,250 million Special Drawing Rights"; and

(4) by adding at the end thereof the following:

"(d) Unless the Congress by law so authorizes, the President, the Secretary of the Treasury, or any other person acting on behalf of the United States, may not instruct the United States Executive Director to the Fund to consent to any amendment to the Decision of February 24, 1983, of the Executive Directors of the Fund if the adoption of such amendment would significantly alter the amount, terms, or conditions of participation by the United States in the General Arrangements to Borrow."

(b) The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following new sections:

"Sec. 40. The United States Governor of the Fund is authorized to consent to an increase in the quota of the United States in the Fund equivalent to 5,310.8 million Special Drawing Rights, limited to such amounts as are appropriated in advance in appropriation Acts.

"Sec. 41. (a) It is the sense of the Congress that—

"(1) the lack of sufficient information currently available to allow members of the Fund to make sound and prudent decisions concerning their public and private sector international borrowing, and to allow lenders to make sound and prudent decisions concerning their international lending, threatens the stability of the international monetary system; and

"(2) in recognition of the Fund's duties, as provided particularly by article VII of the Articles of Agreement of the Fund, to act as a center for the collection and exchange of information on monetary and financial problems, the Fund should adopt necessary and appropriate measures to ensure that more complete and timely financial information will be available.

"(b) To this end, the Secretary of the Treasury shall instruct the United States Executive Director to the Fund to initiate discussions with other directors of the Fund and with Fund management, and to propose and vote for, the adoption of procedures, within the Fund—

"(1) to collect and disseminate information, on a quarterly basis, from and to Fund members, and to any other persons as the Fund deems appropriate, concerning—

"(A) the extension of credit by banks or nonbanks to private and public entities, including all government entities, instrumentalities, and central banks of member countries; and

"(B) the receipt of such credit by those private and public entities of member countries, where such banks or nonbanks are not principally established within the borders of the member country to which the credits are extended;

"(2) to review and comment, on a timely basis, on such contemplated receipt of credit by any member as the Fund determines to be of significant monetary value given the current state and size of that member's economy; and

"(3) to disseminate publicly information which is developed in the course of the Fund's collection, review, and comment efforts and which the Fund determines would serve to enhance the informational base

upon which international borrowing and lending decisions are taken.

"(c) As used in this section, the term 'credit' includes—

"(1) outstanding loans to private and public entities, including government entities, instrumentalities, and central banks of any member, and

"(2) unused lines of credit which have been made available to those private and public entities of any member, where such loans or lines of credit are repayable in freely convertible currency.

"(d) The President is authorized to use the authority provided under section 8 of this Act to require any person (as defined by that section) subject to the jurisdiction of the United States to provide such information in order to carry out the provisions of this section.

"(e) Within six months after the date of enactment of this section, the Secretary of the Treasury shall prepare and transmit to the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives, a report on the progress made toward establishing collection, review, comment, and reporting procedures within the Fund, as provided by this section.

"Sec. 42. It is the sense of Congress that the Chairman of the Federal Reserve, the Secretary of the Treasury, and the Secretary of State should consider United States membership in the Bank for International Settlements and report to Congress within ninety days of the enactment of this legislation on their findings."

The bill was then reported from the Committee on Banking, Housing, and Urban Affairs with amendments to the previously reported amendment, as follows:

On page 3, line 6, strike "That (a) section", and insert "Sec. 101. (a) Section";

On page 7, after line 15, insert the following:

SEC. 102. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"SEC. 43. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the Fund to present proposals to the Executive Board of the Fund for the purpose of ensuring that each member country using fund resources takes steps to eliminate expeditiously all import restrictions which are inconsistent with the General Agreement on Tariffs and Trade, or other international agreements, and which have a serious adverse impact on United States exports or employment. The United States Executive Director shall consult with the appropriate Committees of Congress prior to voting for any program which would be inconsistent with the above instructions.

"(b) As part of this effort, the United States Trade Representative, the Secretary of Labor, and the Secretary of Commerce shall inform the United States Executive Director to the International Monetary Fund and the Congress of all import restrictions and export subsidies maintained by member countries of the Fund which have a serious adverse impact on exports from or employment in the United States.

"(c) The Secretary of the Treasury shall transmit to the appropriate committees of Congress an annual report on the success in

reducing or eliminating the restrictions referred to in subsection (a).

"Sec. 44. The Secretary of the Treasury shall instruct the United States Executive Director to the Fund to initiate a wide consultation with the managing director of the Fund and the other directors of the Fund with regard to the development of financial and technical assistance policies which, to the maximum feasible extent, reduce obstacles to and restrictions upon international trade and investment, eliminate unfair trade and investment practices and promote mutually advantageous economic relations."

#### TITLE II—INTERNATIONAL LENDING SUPERVISION

SEC. 201. This title may be cited as the "International Lending Supervision Act of 1983".

#### FINDINGS; DECLARATION OF POLICY

SEC. 202. (a) The Congress recognizes that prudent international lending plays an important role in the growth of world trade and the health of the United States and world economy, that United States banking institutions are important participants in this process, and that from time to time external financial imbalances will develop as countries pursue differing economic policies suited to their individual circumstances. The Congress finds, however, that in recent years banking institutions have extended large amounts of credit to borrowers in some foreign countries which, as a result of strained economic conditions worldwide, have been unable to acquire foreign exchange for the payment of their external debts.

(b) In these circumstances, it is the policy of the Congress to assure that the economic health and stability of the United States banking system is not adversely affected in the future by concentrations of credit to borrowers which may experience serious external payment problems, and to maintain international lending to support world trade, United States exports, and the required economic adjustments in countries where adequate stabilization programs are in place. The Congress finds that these concerns should be addressed by strengthening the banking regulatory framework to encourage prudent private decisionmaking on international lending, by enhancing international cooperation among banking regulatory authorities, and by encouraging the early adoption of sound adjustment policies by borrowing countries.

#### DEFINITIONS

SEC. 203. For purposes of this title—

(1) the term "appropriate Federal banking agency" has the same meaning as in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q));

(2) the "appropriate Federal banking agency" for bank holding companies and nonbank subsidiaries thereof, Edge Act corporations organized under section 25(a) of the Federal Reserve Act (12 U.S.C. 611-631), and agreement corporations operating subject to section 25 of the Federal Reserve Act (12 U.S.C. 601-604(a)) is the Board of Governors of the Federal Reserve system;

(3) the term "banking institution" means any insured bank as defined in section 3(h) of the Federal Deposit Insurance Act (12 U.S.C. 1813(h)) or any subsidiary of an insured bank, any Edge Act corporation organized under section 25(a) of the Federal Reserve Act (12 U.S.C. 611-631), and any agreement corporation operating subject to sec-

tion 25 of the Federal Reserve Act (12 U.S.C. 601-604(a)); and

(4) the term "banking institution" also includes, to the extent determined by the appropriate Federal banking agency, any agency or branch of a foreign bank, and any commercial lending company owned or controlled by one or more foreign banks or companies that control a foreign bank as those terms are defined in the International Banking Act of 1978 (12 U.S.C. 3101), but such term does not include a foreign bank.

#### STRENGTHENED SUPERVISION OF INTERNATIONAL LENDING

SEC. 204. Each appropriate Federal banking agency shall evaluate banking institution foreign country exposure and transfer risk for use in banking institution examination and supervision. Each such agency shall establish examination and supervisory procedures to assure that factors such as foreign country exposure and transfer risk are taken into account in evaluating the adequacy of the capital of banking institutions.

#### RESERVES

SEC. 205. Each appropriate Federal banking agency shall require a banking institution to establish and maintain a special reserve whenever in the judgment of such agency the quality of such institution's assets has been impaired by a protracted inability of public or private borrowers in a foreign country to make payments on their external indebtedness as indicated by such factors, among others, as a failure by such public or private borrowers to make full interest payments on external indebtedness, or to comply with the terms of any restructured indebtedness, or a failure by the foreign country to comply with any International Monetary Fund or other suitable adjustment program, or where no definite prospects exist for the orderly restoration of debt service. Such reserves shall be charged against current income and shall not be considered as part of capital and surplus or allowances for possible loan losses for regulatory, supervisory, or disclosure purposes.

#### ACCOUNTING FOR FEES ON INTERNATIONAL LOANS

SEC. 206. Each appropriate Federal banking agency shall establish rules or regulations for accounting for agency, commitment, management, and other fees charged by a banking institution in connection with international lending. Such rules or regulations shall establish the accounting treatment of such fees for regulatory and disclosure purposes, to assure that the appropriate portion of such fees is accrued in income over the effective life of the loans.

#### COLLECTION AND DISCLOSURE OF CERTAIN INTERNATIONAL LENDING DATA

SEC. 207. (a) Each appropriate Federal banking agency is authorized to require each banking institution with foreign country exposure to submit, no fewer than four times each calendar year, such information regarding that exposure in such format as the agency shall prescribe.

(b) Each appropriate Federal banking agency shall require banking institutions to disclose to the public information regarding material foreign country exposure in relation to assets and to capital in such form as is deemed necessary or appropriate in the public interest.

#### INTERNATIONAL COOPERATION

SEC. 208. (a) The Secretary of the Treasury shall instruct the United States Execu-

tive Director to the International Monetary Fund to propose that the Fund adopt the following policies with respect to international lending:

(1) In its consultations with a member government on its economic policies pursuant to Article IV of the Fund Articles of Agreement, the Fund should intensify its examination of the trend and volume of external indebtedness of private and public borrowers in the member country and comment as appropriate in its report to the Executive Board from the viewpoint of the contribution of such borrowings to the economic stability of the borrower, and, the Fund should consider the extent and form that these comments might be made available to the international banking community and the public.

(2) As part of any Fund-approved stabilization program, the Fund should give consideration to placing limits on public sector external short- and long-term borrowing.

(3) As a part of its Annual Report, and at such times as it may consider desirable, the Fund should publish its evaluation of the trend and volume of international lending as it affects the economic situation of lenders, borrowers, and the smooth functioning of the international monetary system.

(b) The Federal banking agencies shall consult with the banking supervisory authorities of other countries to reach understandings aimed at achieving the adoption of consistent supervisory policies and practices with respect to international lending.

#### CAPITAL ADEQUACY

SEC. 209. Each appropriate Federal banking agency shall require banking institutions to maintain adequate levels of capital. Each such agency may establish reasonable time periods for a banking institution to comply with such capital requirements.

#### GENERAL AUTHORITIES

SEC. 210. (a) Each Federal banking agency is authorized to interpret and define the terms used in this title, and shall prescribe rules or regulations or issue orders as necessary to effectuate the purposes of this title and to prevent evasions thereof. The appropriate Federal banking agency is authorized to apply the provisions of this title to any affiliate of an insured bank, but only to affiliates for which it is the appropriate Federal banking agency, in order to promote uniform application of this title or to prevent evasions thereof. For purposes of this section, the term "affiliate" has the same meaning as in section 23A of the Federal Reserve Act (12 U.S.C. 371c(b)), except that the term "member bank" in such section shall be deemed to refer to "insured bank".

(b) The Federal banking agencies shall establish uniform systems to implement the authorities provided under this title.

(c) The powers and authorities granted by this title shall be supplemental to and shall not be deemed in any manner to derogate from or restrict the authority of each appropriate Federal banking agency under any other law or under section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), including the authority to require additional capital or reserves. Any such authority may be used by an agency to ensure compliance by a banking institution with the provisions of this title and all rules, regulations or orders issued pursuant thereto.

(d) The issuance of regulations, requirement of reports, and collection of information pursuant to this Act shall be exempt from the requirements of chapter 35 of title 44, United States Code and chapter 6 of title 5, United States Code.

(e) Within one year after the date of enactment of this title and for each of the two succeeding years, the Federal banking agencies shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives on actions taken to implement the provisions of this title. The report shall include a description of the actions taken in carrying out the objectives of the title, and any actions taken by any Federal banking agency that are inconsistent with the uniform implementation by the Federal banking agencies of their respective authorities under this title, and any recommendations for amendments to this title or any other provision of law.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. HEINZ. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc and be considered as original text for the purpose of amendment.

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

Mr. HEINZ. Mr. President, it is my understanding that the bill is now open for amendment.

It is also my understanding that the Senator from Utah (Mr. GARN) and the Senator from New Mexico (Mr. DOMENICI) have an amendment they would like to offer at this time.

#### AMENDMENT NO. 1304

(Purpose: To discourage lending to overseas mining operations that are not economically sustainable unless subsidized)

Mr. GARN. Mr. President, I send to the desk an amendment for Senator DOMENICI and me, and Senator HEINZ wishes to have his name added as a cosponsor of this amendment. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Utah (Mr. GARN), for himself and others, proposes an amendment numbered 1304.

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

Mr. MELCHER. Mr. President, reserving the right to object, I should like to have an opportunity to either hear the amendment read or have a copy of it.

Mr. GARN. I shall be happy to have it read or to supply the Senator from Montana with a copy. It might be more expeditious to have a copy. I am not aware of any controversy on this issue.

I believe it has been agreed to by both sides.

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

The amendment is as follows:

At the bottom of page 18, add the following:

Sec. 211. (a) No banking institution shall extend credit, whether by loan, lease, guarantee, or otherwise, to finance all or any portion of any project, which project:

(1) has as its principal objective the construction, establishment, or major expansion of any mining operation, or any metal or mineral processing or fabricating facility or operation, located outside the United States or its territories or possessions, and

(2) can reasonably be expected to require aggregate development expenditures (including all costs of construction and establishment) in excess of \$25,000,000, unless a written economic feasibility evaluation of such foreign project is prepared by or for such banking institution and approved in writing by a senior official of such banking institution; or if such loan is made as a part of a bank consortium loan, prepared by or for a banking institution managing such consortium and approved in writing by a senior official of such managing banking institution.

(b) Such economic feasibility evaluation shall—

take into account the profit potential of the foreign project, the impact of the project on world markets, the impact on U.S. industry and employment, the inherent competitive advantages and disadvantages of the project, the likely effect of the project upon the overall long-term economic development of the country in which the project would be located, and whether the extension of credit can reasonably be expected to be repaid over the life of the project without regard to any subsidy listed in the Annex of the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade provided by the government of the country in which the project would be located, or by any instrumentality of that government.

Mr. GARN. Mr. President, does the Senator from Montana wish that I put in a quorum call while he reads the amendment?

Mr. MELCHER. I thank the chairman, the floor manager of the bill. I will welcome his explanation of the amendment.

Mr. GARN. 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. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NICKLES). Without objection, it is so ordered.

Mr. GARN. Mr. President, what we are trying to resolve is this amendment of Senator DOMENICI and myself, and I expect it will be accepted—I think ultimately probably it will be—but it is not at that point yet.

I ask unanimous consent that my amendment be temporarily set aside so that the Senator from New Hampshire can bring up his amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears

none, and it is so ordered. The amendment is temporarily laid aside.

AMENDMENT NO. 1305

(Purpose: To limit compensation of employees of the IMF)

Mr. HUMPHREY. Mr. President, I ask unanimous consent that it may be in order to return to the consideration of my amendment in the event we are interrupted by the amendment addressed by the Garn request.

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

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire (Mr. HUMPHREY) proposes an amendment numbered 1305.

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

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

The amendment is as follows:

On page 9, between lines 7 and 8, insert the following:

SEC. 103. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"Sec. 45. Notwithstanding section 40 of this Act, the United States Governor of the Fund may not consent to the increase in the United States quota in the Fund which is described in that section unless the United States Governor is satisfied that the Fund has established, and will maintain, a requirement that employees of the Fund (including the Managing Director, Executive Directors, Alternate Executive Directors, and the staff of the Fund) may not be paid at a rate in excess of the rate payable for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code."

Mr. HUMPHREY. Mr. President, this amendment addresses the salary of IMF officials. It has been very difficult for my office and my staff to obtain information about the rate of pay and benefits for employees and officials of the IMF, as it has indeed been difficult to obtain any kind of information about the operations and operational expenses of the IMF.

However, by various means we have learned and verified that officials and employees of the IMF make extraordinarily high salaries. Before I delve further into that matter, let us all recall these salaries are paid for by the very kind of subscriptions and quota increases which we have been asked to approve in this bill now before us. In other words, it is the taxpayers of the United States, irrespective of the channels by which this money flows, it is the taxpayers of the United States and other member nations, who pay the salaries of IMF officials and, therefore, it is perfectly in order for

the citizens of our country, the taxpayers, to be aware of the level of prudence exercised in setting staff salaries at the IMF.

Mr. President, the IMF employs a total of 1,559 individuals. Two hundred thirteen of that number earn a take-home pay of between approximately \$54,000 and \$92,000. I emphasize and underscore and italicize this is take-home pay, this is net pay. This is not gross pay, this is net pay, and 213 are in between \$54,000 and \$92,000; 618 earn between \$39,000 and \$65,000.

The IMF has a policy for U.S. citizens, Mr. President, U.S. citizen employees, to gross up their salaries so that their take-home pay, their net pay, is that of those employees who are not U.S. citizens and who are not subject to U.S. taxes. So the take-home pay is net. In fact their gross pay is much higher and in many cases exceeds \$100,000. I need not point out to Members of Congress or to members of the senior executive of the U.S. Government that this is considerably in excess of what Members make and what executives, senior executives, of the U.S. Government make. So my amendment, Mr. President, would require that the Governor—this amendment, Mr. President, requires that the U.S. Governor—who is the Secretary of the Treasury in our case, the U.S. Governor, may not consent to this increase in the U.S. quota unless the U.S. Governor, that is our Secretary of the Treasury, is satisfied that the Fund has established, the IMF has established, and will maintain a requirement that employees may not be paid at a rate in excess of the rate payable for an individual occupying a position at level IV of the executive schedule under title 5 of the United States Code. That equates to presently \$67,000 gross salary.

This might seem to be a niggardly or nitpicking amendment, Mr. President, but I think not. I think most U.S. citizens will be outraged to know they are paying grossly excessive salaries to an organization which in my view is elitist. The taxpayers are doing so at a time when they are having great economic difficulties of their own, and being asked to help pay excessive salaries to these employees of the IMF.

So it is a simple amendment. It would curb these excessive salaries at the IMF and bring some sense of reasonableness and responsibility to that organization which today compensates its employees as though there was no end to the money which will flow from member nations. I will ask for the yeas and nays on the amendment at this time, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HUMPHREY. Let me ask if the floor managers wish to comment on the amendment, and I yield the floor.

Mr. GARN. Mr. President, I do not stand to argue with the Senator from New Hampshire on the amendment of the IMF salaries. He is correct, they are high. I do not think there is any doubt or any dispute about that. The difficulty comes in the amendment, and the reason I must oppose it is not on the substance of the issue of the size of the pay but on the matter that there are some 150 countries, member countries, of the IMF, and the effect of the amendment's trying to mandate salaries to one country is a very difficult process, in fact impossible unless they agree.

So it could have the effect of us simply dissolving our membership in the IMF and not being able to participate. I do not think it is a viable amendment from that standpoint.

Again, I am not going to stand up here and argue with the Senator from New Hampshire on the size of their salaries in comparison to others in the governmental sector. Those in the IMF would argue that they are in comparison to private sector banks for similar responsibilities which are comparable, but they are a quasi-governmental agency. Anybody who would start making that comparison would do it with the private sector.

I would only make one other point, however, which is not a strong one. Again, I do not want anyone to think I am standing up here defending the salaries. But they are paid out of the funds of net income and not paid out of the appropriated funds. Again, a major reason that I would oppose is simply the fact that you have 150 member countries and rather than getting agreement it might be better to send a message. Depending on the course of debate, I might offer a substitute, either a sense-of-the-Senate resolution, letting everybody know how we feel about it, or another amendment that would direct our Executive Director to work toward equitable salary levels that are more comparable. I do not know whether the Senator from New Hampshire would consider either of those types of modifications, rather than trying to mandate it.

I am sympathetic with what he is trying to do. But the problems that it would create among the member countries are my concern with the amendment.

Mr. PROXMIER. Mr. President, I would flatly oppose this amendment. I have great admiration for my friend from New Hampshire. I am an old nit-picker myself. In fact, like some people like intoxicating beverages, others gamble, and others sex, I like to pick nits. I have done it for years, and I get great pleasure out of it. In fact, when my wife feels that I am getting

on other subjects, she will say, "Bill, tend to your own knitting." That is what I have been doing since I have been in the Senate.

I congratulate my friend from New Hampshire because this is a nit beyond all nits. The fact is that I am really astonished by what the IMF pays its people. We do get very able people to work in the IMF. We limit our own representative, as the Senator points out, to \$67,500. Why not limit everybody else?

David Maxwell, head of Fanny Mae, appeared before the Banking Committee not long ago. David Maxwell gets a salary, and this is a U.S. agency, of over \$300,000 a year, not \$92,000, which is the maximum the IMF people get. Furthermore, he was paid an additional \$190,000 in deferred payments for 1982. So he is paid something like \$500,000 a year.

Two wrongs do not make a right, but in this case I think if you compare what the people in the IMF receive with what the people in comparable areas of activity get in private enterprise, you will not think their salaries are out of line. A banker in a reasonably good size bank will get half of a million dollars a year. In the National Citibank, Walter Wriston gets \$1.2 million a year, and he has two people under him who get over a half million dollars a year. The IMF is about the same size of the National Citibank.

The people in the IMF have to be very skilled. They have to have the ability to deal with a whole series of other countries.

They have made remarkable progress in doing so because, as you know, before they make an IMF loan, they require economic reforms and they insist that the borrowers live up to these conditions. It is too bad they cannot apply such measures to this country because among other conditions, as the Senator knows, they require borrowing countries to hold down their spending, they require them to balance their budget, they require them to follow policies with respect to their balance of payments so that they can get inflation under control.

That is their mission and they have been very, very successful in performing it.

I agree with the Senator from Utah that there are other reasons, but I think just on the merits, for this U.S. Senate, the Congress of the United States, to tell the International Monetary Fund, to which we contribute less than 20 percent of the amount, that they have to cut their salaries to the level that we dictate, that we put a veto on it, seems to me to be unfortunate and unwise.

The United States really, as the Senator from Utah has indicated, has no real ability to control such matters within the IMF. No one country has

control of the salaries of the IMF employees.

If they were paying salaries of \$300,000, \$400,000 or \$500,000, then I think the Senator would have a point. We might have to find some way of remedying such a situation. I do not think we should do it this way, but we would find some way of trying to bring our own values to bear.

In this case, I would suggest that if we do have an amendment of any kind, what we do is we urge our own representative to make a representation to the IMF, but not to say that we are going to withhold our contribution and, in effect walk out of the IMF, which we would be doing that very possibly would precipitate the end of this extraordinarily valuable and useful international agency.

Mr. HUMPHREY. Mr. President, I value the remarks of my fellow nit-picker. I hope that he will go after this very carefully as he described a moment ago concerning a gentleman who received over \$300,000. I would only respond by saying that the employees of the IMF, like Members of Congress and the executive, are not working for a private concern. We are not in the business of producing profits from which our salaries are paid. We are in the process of being engaged in disbursing funds that we tax from our citizens. That is an important distinction.

In any case, my amendment does not direct the IMF to do anything. It rather directs the U.S. Government, which is to say the Secretary of the Treasury of the United States, to withhold its consent from this increase unless the IMF designs and implements a program to bring into line more reasonable levels of salaries within that organization.

So, Mr. President, unless there are others who wish to address the amendment, perhaps we should vote.

Mr. GARN. Mr. President, I do not wish to discuss this further, but I am advised there is a large number of Senators on both sides of the aisle, both Republicans and Democrats, who are meeting with the President at the White House. As they are not back yet, I would simply suggest the absence of a quorum at this time.

Mr. HUMPHREY. Would the Senator withhold that for a moment so that we could discuss something else?

Mr. GARN. Can we temporarily lay this aside and see if I can resolve a matter with the Senator from Montana? I do not think I would be in a position, as manager of the bill, without the leadership, Senator BYRD and Senator BAKER, to bring forth a unanimous-consent agreement to stack votes. Either we can just go into a quorum call temporarily or, by unanimous consent, set the Senator's amendment aside and go back to the



Garn-Domenici amendment, which ever is his choice.

Mr. HELMS. Will the Senator yield?

Mr. GARN. I am happy to yield to the Senator from North Carolina.

Mr. HELMS. Mr. President, in the event the distinguished Senator from Utah is unable to work out anything on the Domenici amendment, I wonder if the Senator from New Hampshire will be willing to set his amendment aside and let me call up one?

Mr. GARN. May I suggest that, just for a couple of minutes, we have a quorum call and see if we can work something out?

Mr. HELMS. Surely, Mr. President.

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

The PRESIDING OFFICER. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. GARN. 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. GARN. Mr. President, I ask unanimous consent that the Humphrey amendment be temporarily set aside and that the Senate return to the Garn-Domenici amendment.

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

AMENDMENT NO. 1304, AS MODIFIED

Mr. GARN. Mr. President, I ask that I may be permitted to modify my amendment. On page 2, line 3, after "subsidy," add the words, "including but not limited to those".

The PRESIDING OFFICER. Has the Senator sent the modification to the desk?

Mr. GARN. Yes, Mr. President, there is a copy at the desk.

The PRESIDING OFFICER. The amendment is so modified.

The amendment, as modified, is as follows:

At the bottom of page 18, add the following:

Section 211(a) No banking institution shall extend credit, whether by loan, lease, guarantee, or otherwise, to finance all or any portion of any project, which project:

(1) has as its principal objective the construction, establishment, or major expansion of any mining operation, or any metal or mineral processing or fabricating facility or operation, located outside the United States or its territories or possessions, and

(2) can reasonably be expected to require aggregate development expenditures (including all costs of construction and establishment) in excess of \$25,000,000, unless a written economic feasibility evaluation of such foreign project is prepared by or for such banking institution and approved in writing by a senior official of such banking institution; or if such loan is made as a part of a bank consortium loan, prepared by or for a banking institution managing such consortium and approved in writing by a

senior official of such managing banking institution.

(b) Such economic feasibility evaluation shall—

take into account the profit potential of the foreign project, the impact of the project on world markets, the impact on U.S. industry and employment, the inherent competitive advantages and disadvantages of the project, the likely effect of the project upon the overall long-term economic development of the country in which the project would be located, and whether the extension of credit can reasonably be expected to be repaid over the life of the project without regard to any subsidy including but not limited to those listed in the Annex of the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade provided by the government of the country in which the project would be located, or by any instrumentality of that government.

Mr. GARN. Mr. President, I thank the Senator from Montana for his suggestion.

I yield to the Senator from Montana.

Mr. MELCHER. Mr. President, first, I thank the chairman of the Committee on Banking, the manager of this bill.

The amendment that is before us is an amendment requiring, in the case of loans to foreign countries for the development of a mining operation or the processing of a mineral, that the banks involved which are making the loan at least have a feasibility study conducted by a senior officer of that bank or the senior officer of a leading bank or consortium of banks in the United States. This is a beginning step toward determining whether such loans made by a bank or group of banks in the United States for the purposes of mineral development in another country are making a loan that will result in the production or processing of a mineral in excess of world demand and which will become surplus to world supply. Second it is a means of determining whether or not, in doing that, the country involved is looking at the means of government subsidies to make it possible or feasible for such production or processing.

We have good reason for wishing to determine whether such loans are going for that purpose. We watched a series of loans made by the International Monetary Fund to copper-producing countries. The result of those loans was actual production of copper or processing of copper that has been subsidized by the government of the country involved.

So we find ourselves in the position where our own domestic copper industry is already in the doldrums, with production limited to 50 percent, sometimes lower, and American workers out of jobs, or temporarily laid off—by temporarily, I mean for extended periods of time, sometimes as long as 6 to 9 months or sometimes well over a year. We find ourselves fi-

nancing operations that impact upon domestic copper producers or their employees the excessive amounts of copper production lowers the world price of copper and those workers or those producers are subsequently hurt. This situation is of significance to the entire country.

Copper production and the use of copper throughout the world is extremely important in automobile manufacturing, in housing, and in many other basic industries. So this is a first step and I compliment the authors of the amendment for taking this step to start gathering the information in order to document how much there is in subsidy and where it occurs. The amendment, of course, will not infringe upon the individual banking institutions making the loans such lending is their choice and we would not seek to infringe on that right. But we think it is fair to at least ask the institution to have a feasibility report that will indicate whether or not the feasibility of the venture is partially based on a government subsidy.

Mr. President, the requirement for this economic feasibility report is a very meritorious step.

If the feasibility study is going to look at the borrower's capability to repay the loan, and that is what is required in the language of this amendment, then the repayment of that loan should be evaluated against the criteria of what subsidies would be used to enhance that government's capability of making the repayment of the loan.

The words that are added are meant to establish that the economic feasibility study look at all subsidies, whether or not they are those subsidies listed in the GATT agreement or whether they are subsidies not explicitly listed in the GATT agreement. As such, it seems that the report will be more meaningful and will provide some opportunity for Congress to look at these types of loans.

The amendment only deals with private banks. We should not infringe on their right to make a loan even if on principle we think the loan is not meritorious in terms of the public interest of the United States, and we do not do so by this amendment. All we are requiring is the performance of an economic feasibility study.

At another point during the consideration of this bill I plan to offer an amendment that would require the U.S. member of the International Monetary Fund to be instructed by the Secretary of the Treasury to oppose any such loan from the International Monetary Fund. In that regard we have a greater responsibility concerning the direction the International Monetary Fund is going in making potentially bad loans because a large portion of the additional money authorized, is from the United

States. Additionally, a great percentage of the loans that are currently held by the International Monetary Fund are previous contributions of the United States, so we can be a little bit tougher in that regard. I plan to offer an amendment to that effect at the appropriate time.

Might I inquire of the chairman and the lead author of this amendment whether I might be added as a cosponsor of the pending amendment?

Mr. GARN. I am happy to have the Senator from Montana added as a cosponsor.

Mr. MELCHER. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered. The question is on agreeing to the amendment, as modified.

The amendment (No. 1304), as modified, was agreed to.

Mr. GARN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### UNANIMOUS-CONSENT AGREEMENT

Mr. BAKER. Mr. President, there are a number of Senators on both sides of the aisle who are necessarily absent from the Chamber on official business at another place and will be until 4:30 p.m. It seems desirable, therefore, to try to arrange record votes so they will occur at that time or later. I have consulted with the minority leader, who has indicated he believes there is no objection on his side. I will not state the unanimous-consent request for his benefit and that of all Senators. I have also consulted with the distinguished Senator from New Hampshire whose amendment was pending and on which the yeas and nays have been ordered.

Mr. President, I ask unanimous consent that the rollcall vote ordered on the Humphrey amendment or in relation to the Humphrey amendment No. 1305 occur at 4:30 p.m. this afternoon.

I further ask unanimous consent, Mr. President, that any other rollcall votes ordered between now and 4:30 p.m. on or in relation to any matter occur in sequence after the execution of the Humphrey vote.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object—

Mr. BAKER. Mr. President, I think that it might be wise to alter my unanimous-consent request to avoid complications that could occur. Let me restate it now.

Mr. President, I ask unanimous consent that the rollcall vote ordered on the Humphrey Amendment No. 1305 or on any vote in relation to the Humphrey amendment be deferred to occur at 4:30 p.m. today.

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

Mr. BAKER. Now, Mr. President, if I may impose on the time of the Senator for one further moment, we have not made provisions for stacking other votes which might be ordered between now and 4:30 p.m. I do not propose to do that at the moment because we are not sure what amendments might be offered, but I urge Senators to consider that the leadership should have an opportunity to consult with Senators on when any votes would occur if they were ordered between now and 4:30 p.m. in order to accommodate to the circumstances that I described earlier.

Mr. President, I thank the Senator for yielding. I thank all Senators, and I thank the minority leader for his cooperation.

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

Mr. GARN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GARN. I thought we would return to the Humphrey amendment automatically, the one which was set aside.

The PRESIDING OFFICER. The Senator is correct—the original Humphrey amendment was set aside.

Mr. GARN. I ask the Senator from New Hampshire if this is a different amendment.

Mr. HUMPHREY. Yes. Inasmuch as the vote on the amendment is set for 4:30 p.m., I presume we are at liberty to offer another amendment at this point.

Mr. GARN. I assume that that would have to be done by unanimous consent, and I would not object. However, the Senator from Pennsylvania was called from the floor momentarily, and I believe he was going to offer a substitute to the pending Humphrey amendment. So, until he returns, in order to see if he wishes to do that, I will have to object to substituting a different amendment for the original Humphrey amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

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

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

#### AMENDMENT NO. 1305

Mr. HEINZ. Mr. President, will the Chair state the pending amendment?

The PRESIDING OFFICER. The pending amendment is the Humphrey Amendment No. 1305.

Mr. HEINZ. Mr. President, is my understanding correct that not only will any rollcall vote on the Humphrey amendment take place at 4:30 p.m., but also, any motion on which a vote may be ordered, including a motion to table, even if made at this time, will take place at 4:30 p.m.?

The PRESIDING OFFICER. The order was that any motion or rollcall vote pertaining to the Humphrey amendment would occur at 4:30 p.m.

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

Mr. GARN. I am happy to yield.

Mr. PROXMIRE. I want to clarify it.

Suppose a substitute for the Humphrey amendment should be offered. Would the vote on that also take place at 4:30 p.m. Is that covered?

The PRESIDING OFFICER. No.

Mr. PROXMIRE. It would not be covered. I thank the Chair.

Mr. HEINZ. Mr. President, at the appropriate time, I intend to move to table the Humphrey amendment. I will not do so at this point so as not to impede any debate on the amendment of the Senator from New Hampshire.

Senator GARN, the chairman of the Banking Committee, and Senator PROXMIRE, the ranking minority members, have discussed the Humphrey amendment at some length, and quite eloquently. I also wish to state my strong opposition to the Humphrey amendment.

It seems to me that this amendment is really a killer amendment to the bill. Indeed, if one wanted to find a way to kill the bill by a back-door method, one would be well advised to vote for the Humphrey amendment, because that is what it will do. But I hope that our colleagues will not use a back-door method to try to deal with this legislation.

I understand the frustration of my colleagues who currently have a salary that is lower than that of Members of the House. I have a great deal of sympathy for the inequities that creates.

This amendment says that unless the IMF adopts a salary scale at level IV of the executive schedule, which is just a little above that of the Senate and just a little below that of the House, as I understand it—unless that is actually adopted, the International Monetary Fund is not going to get any authorization. The United States will therefore default on its obligations, and everything that the Reagan administration had labored to put in place for the last 6 to 12 months will come apart at the seams.

Mr. President, every Senator I know of keeps talking to us about the decisions of the marketplace. We are great believers in our speeches here about:

Let's have the marketplace make decisions. Let's not get involved in labor-management disputes; that's the collective bar-

gaining system. Let's leave that alone. Let's permit employers to decide how much they are going to pay their employees, and let them work that out.

We do that for small business. We do it for farms. We do it for General Motors. We even do it for banks. But apparently we are not willing to do it for a U.S.-headquartered international organization in Washington, D.C., the International Monetary Fund.

That is the principle: Free enterprise; free markets for Americans everywhere, unless you happen to be an employee of the International Monetary Fund in Washington, D.C. It seems to me that this goes against every principle of the free market in which most of us say we believe.

We could set the salaries far lower, I suppose, if we wanted to, of any of these organizations. Maybe that would save money. Of course, it might also have the effect of making it impossible for them to hire anybody.

I do not know what the intent of this amendment is. But we should not adopt, Mr. President, with respect to entities that are not part of our judicial, executive, or legislative branches what you might call the extraterritorial application of what we do to ourselves.

We, as I said a moment ago, do not set wages, or prices for that matter, for institutions, corporations, or businesses that are in this country, but if there is an international organization apparently we have a different standard. Who knows, maybe the next amendment will be to set the salaries of the people who work at the Red Cross or the Salvation Army and maybe because they serve poor people we should set their salaries low.

But the International Red Cross is an international organization and why it is not covered in this amendment makes me wonder about the consistency of it.

Mr. President, the fact is that this amendment represents a terrible principle which I hope I never see this body adopt, and I oppose it frankly not on the merits of whether the people at the IMF have high salaries or low salaries, but on the basis of the principle that the only place that this body should be setting salaries is for the U.S. Government, and this clearly does not meet that test. If we violate that principle, then tomorrow we will be expanding that principle to every organization, not just international organizations, but every nonprofit organization and ultimately every business organization in the United States. That is a Pandora's box that we open at great peril.

Mr. President, it is not as if the level of compensation at the IMF or other international financial institutions for that matter has been ignored as an issue by the U.S. Government.

We are one of many, many members of the IMF. We have some influence there. And we do pay attention to the way that organization is managed.

As a result of that concern of our Government, the IMF and for that matter the World Bank created an international committee of experts in 1977 to examine the basis on which IMF compensation should be established.

Our Government representatives, Mr. President, were active participants on that committee. It met extensively over an 18-month period for 2 years. It was assisted in its deliberations by management consulting experts, American as well as British, and as a result of that committee's deliberations and recommendation IMF salaries are based on those paid in the United States in public and private sectors for comparable jobs.

Mr. President, that is a perfectly reasonable way for an organization to go about setting its executive salaries and other compensations.

For us to go farther than to insist upon a rational mechanism, it seems to me is not only irrational but also a dangerous principle, the end to which would not soon be in sight.

So, Mr. President, I ask my colleagues to defeat the Humphrey amendment. It is my intention to make a motion to table. But if there are any other Members wishing to speak on the Humphrey amendment, I urge them to do so at this time.

Does the Senator from New Hampshire wish to speak further on his amendment?

Mr. HUMPHREY. Yes. I am exercising my right.

Mr. President, I wish to make a very clear distinction between the nature of the IMF and the private firms and for that matter charitable organizations. The IMF obviously is not a private organization. It does not generate profits out of which salaries are paid. Congress is not, in trying to reform the salary levels of IMF, proposing to set wage levels of private organizations. Nothing could be farther from that situation.

Likewise, the IMF, although charitable in a certain nature, much too charitable in fact, is not the same kind of a charity as is the Red Cross and the Salvation Army. What is the difference? The difference is that the Salvation Army and Red Cross and other truly charitable organizations derive their funds from citizens who freely give and the situation with the IMF is quite different.

There are no Americans queuing up to make a voluntary contribution to the IMF. Instead Congress is going to use the taxing powers of the United States, the taxing powers of the Federal Government to take from citizens most of whom would not give a nickel or a penny to this organization; the

Federal Government is going to use its taxing powers to take the property of their labor and hand it over to the IMF who will then disburse it as though it is a charity but, of course, it is not a true charity because it is funded involuntarily and we are not proposing to set the salary levels for a charity or a private profitmaking organization. Instead, we are proposing to set the salary levels or reform the salary levels or bring them into a reasonable level of an organization that is funded by taxes raised among the people of the United States, among others.

So it is quite different, I think, than the situation described by my friend from Pennsylvania. I will say that I was delighted, although not in the least surprised, to learn that the Senator from Pennsylvania is a strong advocate of the free enterprise system. I would hope that would run in his family, and I imagine it does. I believe it does.

But this organization, the IMF, has nothing whatever to do with the free enterprise system in this country or anywhere else in the world, nothing whatever. It is completely the opposite of that situation.

The IMF is a substitute for the allocation of resources by the marketplace.

The Senator from Pennsylvania believes in the free enterprise system. He believes in letting scarce resources be allocated by marketplace forces and not by politicians. Yet precisely what we are being asked to do today in this bill is to empower politicians and bureaucrats to allocate scarce resources. In this case we are being asked to allocate to provide to IMF \$8.4 billion ultimately in real American assets, not just papers, real cash, taxed from our citizens or borrowed from them, one of the two, to turn that over to the IMF to be disbursed as the bureaucrats, some of whom are politicians in my view, of that organization see fit.

That is allocation of resources by bureaucracy. That has all the trappings of socialism and central planning and will yield, as it has yielded in the past, all of the fruits of central planning and allocation by bureaucratic fiat which is, namely, lower production, a lower standard of living for our people, and all kinds of economic difficulties.

So, it does seem to me that the Senator is inconsistent in urging that we embrace the free enterprise system when, in fact, the IMF from A to Z is completely against the free enterprise system, is supposed to be.

Mr. HEINZ. Mr. President, it seems that all the Senators desiring to speak on this motion have done so. I shall make the motion to table in the expectation we will vote on it at 4:30 p.m.

Mr. President, I ask for the yeas and nays on the motion to table.

The PRESIDING OFFICER. Does the Senator make a motion?

Mr. HEINZ. The Senator from Pennsylvania moves to table the Humphrey amendment and asks for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HEINZ. Mr. President, I understand, with the concurrence of the majority and minority leaders, that we could take up another amendment at this time, but I see no Senators seeking to offer other amendments at this time.

Mr. HUMPHREY. Mr. President, if the Senator from Pennsylvania will yield, I know the Senator from North Carolina was prepared to offer an amendment.

Mr. HELMS addressed the Chair.

Mr. HEINZ. Mr. President, I ask unanimous consent that the Humphrey amendment be temporarily laid aside, in accordance with the previous agreement, and that it be in order to proceed to an amendment that I understand will be offered by the Senator from North Carolina.

The PRESIDING OFFICER (Mr. WILSON). Is there objection? The Chair hears none, and it is so ordered. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I thank the able Senator from Pennsylvania and I thank the Chair for recognizing me.

I listened with great interest to the debate thus far. You will recall yesterday the distinguished Senator from Montana (Mr. MELCHER) commented that this whole concept of the International Monetary Fund is absurd. He said we lend them money to buy things from us.

I am reminded of the plight of various countries—and it might be applicable to our own as well—by my recollection of Tennessee Ernie Ford. He used to sing a song about 16 tons. He said:

Sixteen tons and what do we get?  
Another day older and deeper in debt.  
St. Peter, don't call me because I can't go,  
I owe my soul to the company sto'.

That is what is happening, except that the taxpayers of the United States are unknowingly picking up the tab on this and a lot of other things.

I said yesterday if the average men and women on the street really understood what is being done here they might organize a posse and take off after those of us in Congress.

AMENDMENT NO. 1296 (AS MODIFIED)

(Purpose: To condition the receipt of financial assistance from the International Monetary Fund on the elimination of predatory export subsidy practices in connection with international trade in agricultural products)

Mr. HELMS. Mr. President, I have an amendment at the desk which I call up and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an amendment numbered 1296, as modified.

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

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

The amendment is as follows:

On page 9, line 7, strike out the closing quotation mark and the second period and insert in lieu thereof the following:

"SEC. 45. (a) In order to contribute to global economic stability through a cooperative framework for the conduct of a free and market oriented system of world trade in agricultural commodities and products thereof, the Secretary of the Treasury shall instruct the United States Executive Director to the Fund to propose and to vote for the adoption by the Fund of the following policies with respect to any purchases, drawings, or other use of Fund resources (including loans under the General Arrangements to Borrow), by members, except for purchases or drawings within a member's reserve tranche:

"(1) That as a condition of receiving Fund resources, a member must present to the Fund information describing all direct or indirect export subsidies, including among other things the use of special tax incentives and subsidized financing for exports, employed by such member in connection with the exporting of agricultural commodities and products thereof to foreign countries.

"(2) That as a further condition of receiving Fund resources, if it is determined by the Fund that the export subsidies being employed by such member are predatory export subsidies and the U.S. Executive Director to the Fund has been advised by the Secretary of Agriculture, after consultation with the United States Trade Representative, that such subsidies have an adverse impact on United States exports of agricultural commodities and products thereof, such member must agree to a specific program of steps to eliminate expeditiously such predatory export subsidies over a period of time not to exceed three years.

"(b) For purposes of subsection (a) of this section, the term 'predatory export subsidies' means the provision by any country or organization of countries, or instrumentality thereof, of any financial assistance through loans, payments, or comparable means (including the use of special tax incentives or subsidized financing for exports) to any person in connection with the export sale to a third country of agricultural commodities and products thereof produced in such country or organization of countries, that has the effect of lowering the export price, directly or indirectly, of such com-

modities and products thereof to less than the highest comparable price that a like commodity or product thereof produced and processed in the United States could be exported to the same third country in the ordinary course of trade.

"(c) Not later than January 1, 1985, the President shall prepare and transmit a report to Congress setting forth his determination on whether the Fund has adopted and fully implemented the policies set forth in subsection (a) of this section. If the President determines that the Fund has not adopted the policies set forth in subsection (a), or that the Fund has adopted but not fully implemented the policies set forth in subsection (a), the President shall take immediate action to suspend United States participation in the Fund. Within thirty days after any such suspension, the President shall prepare and transmit a report to Congress setting forth his recommendations with regard to any further United States participation in the Fund, and, such suspension shall continue in effect until there is enacted specific authorization for further United States participation in the Fund."

Mr. HEINZ. Mr. President, does the Senator from North Carolina have an extra copy of the amendment?

Mr. HELMS. Yes. I believe it has been handed to either the Senator or his staff.

Mr. HEINZ. Do I understand the Senator has sent to the desk a modified amendment?

Mr. HELMS. The modification I propose simply conforms the amendment to the printed version of the bill, S. 695, by changing the line number where the amendment is to be inserted.

Mr. President, this amendment would add a new section to the Bretton Woods Agreements Act to require that the U.S. Executive Director to the Fund propose and vote for the adoption of certain policies applicable to member purchases or drawings from the Fund above their reserve tranche level.

These policies would require that any member seeking access to Fund resources provide information to the IMF describing all direct and indirect export subsidies being used by that member in connection with agricultural exports. This would include the United States as well, to the extent that our Government may seek to borrow from the IMF above our reserve position at any future time.

In addition, if the Fund determines that the members' trade practices involved the use of predatory export subsidies, and the U.S. Executive Director of the Fund has been advised by the Secretary of Agriculture, after consultation with the U.S. Trade Representative, that the subsidies have a serious adverse impact on U.S. agricultural exports, the member must agree to the elimination of the predatory export subsidies within a period of 3 years as a condition to receiving resources from the International Monetary Fund.

There is nothing complicated about this proposal, Mr. President. This amendment would attempt to restore free and fair trade in agricultural export markets by conditioning the receipt of IMF assistance on the elimination of export policies that are disruptive of foreign trade in agricultural products and destructive of international prosperity.

Let me say that my intent, as I have expressed it in this amendment, is consistent with the underlying objectives set forth in the articles of agreement forming the IMF, and this amendment is consistent with the free market philosophy that we are told pervades the IMF. Nevertheless, adoption of this amendment is necessary because in actual practice, as all Senators should know, the International Monetary Fund has not—and I reiterate for the purpose of emphasis, the IMF has not—gone far enough in its efforts to achieve these objectives.

The amendment pending also defines the term predatory export subsidies in order to clarify specifically what type of trade practices are being objected to. As defined, this would include any financial assistance such as loans, direct payments, subsidized interest rates, tax incentives or similar means being made directly or indirectly by the borrowing member to any person in connection with agricultural exports to a particular market that has the effect of reducing the export price of the products involved to less than the highest comparable price that a like product produced and processed in the United States could be exported to the same market in the ordinary course of trade.

Let me digress, Mr. President. This past November President Reagan and Ambassador Brock and others urged me to go to Switzerland to attend the GATT Ministerial during Thanksgiving week. I did not want to go because I had looked forward to spending that week with my four grandchildren in North Carolina. But, I suppose that they wanted the rough element represented there to lay down the law as best I could do it to various nations and, in particular, to the European Community nations which are constantly and arrogantly using unfair predatory export subsidies in connection with trade in agricultural products.

It turned out that the GATT Ministerial in terms of getting anything done was almost meaningless because these nations do not take the United States seriously. They almost arrogantly disregard any suggestion that the matter be discussed.

I think Senator GRASSLEY, who was on the trip, Senator MATTINGLY, who conducted himself so ably there, Senator DOLE, and others will agree with me that something serious needs to be done about the existing situation be-

cause we are sitting here letting our farmers be patsies to subsidized trade by the European Community and others.

We all go home and tell our farmers, "We are going to look after you the best we can," and I suppose we all mean it—I know I do. I say to Senators if you do mean it then you had better vote for this amendment because the farm community in this country will be watching the vote on this amendment with great interest.

Mr. President, I realize that the task of defining unfair export subsidies has been a rather difficult and perhaps elusive one for the existing international trade organizations such as GATT. It is for this very reason that I have rejected the idea that the conditionality requirement of this amendment be tied only to subsidy practices determined to be inconsistent with the GATT or other international agreements.

Instead, through this amendment, I propose that we adopt the more logical approach of using the U.S. export price as the yardstick for making the determination. That is, since U.S. farmers are the most efficient farmers in the world, and the U.S. domestic prices for agricultural products tend to be among the world's lowest, this amendment defines as predatory export subsidies those practices which lower the export prices of commodities to a point below the export price to the same market for a comparable U.S. produced product marketed in the ordinary course of trade.

If there is a better way to do it, Mr. President, it has not come to my mind, nor has it come to the mind of any member of the Senate Agriculture Committee, of which I have the privilege of being chairman.

Finally, recognizing that the United States has only about 20 percent of the voting power in the IMF, and, thus, could easily be blocked in its efforts to get these important policies adopted, the amendment would require that the President take action to suspend U.S. participation in the Fund by January 1, 1985—more than 1½ years down the line—if the President determines that the Fund has failed to adopt these new policies by that time.

The President would also be required to report to Congress within 30 days after such suspension his recommendations for further U.S. participation in the IMF. The suspension would then remain in effect pending congressional action on the President's recommendations.

Mr. President, the United States is the single largest contributor to the IMF by far. Currently, the United States share of total IMF quota contributions is about 20.7 percent, if my information is correct, and I think it is.

Based on April exchange rates, this reflects a commitment of about \$13.6

billion of the American taxpayers money.

It is not the money of Congress. It is not the money of any administration. It is not the money of the State Department or the Treasury Department. It is the money of the American taxpayers.

The next largest contributor, by the way, is England, with about a 7.2-percent share compared to the 20.7-percent share of the United States. Third, Mr. President, is West Germany, with a 5.3-percent share of the total.

The point I am trying to emphasize is that the International Monetary Fund is highly dependent upon U.S. participation. In fact, it probably could not exist as it exists today without the U.S. contribution. For this reason, I do not think the circumstances on January 1, 1985, will be such as to require the suspension called for in this amendment.

Let me digress once more, Mr. President.

During my stay in Geneva during Thanksgiving week 1982, I met with dozens of officials of other countries. An official of a very friendly country said:

I do not understand you Americans. Here you are, Senator Helms, in Geneva, wondering why the European community is arrogantly ignoring U.S. requests to talk about unfair subsidized trade practices by the European Community and by other nations. But you do not do anything about it. You just talk.

He said:

Why do you not use your clout with the International Monetary Fund? Then you will get their attention, Senator. And you are not going to get their attention otherwise.

I concluded, Mr. President, he was absolutely right. That is the reason this amendment is pending in the Senate today.

There are not many Senators on this floor. I hope some may be listening in their offices over the loudspeakers. But I say to them with all courtesy, respect, friendship, and affection, this is put-up or shut-up time with respect to doing the best we can for the American farmer.

What we do on this amendment will not escape their attention.

I believe it is essential to include the suspension language in the amendment in order to impress upon all of the IMF members, every one of the member countries, that the United States at long last is dead serious about this issue of linkage between monetary aid and fair trade in agricultural export markets.

I do not apologize to anybody for saying that it is time for us to plant the flag and take a position.

The timing for this amendment to be adopted by the Senate could not be more appropriate than it is this very day.

Just a week ago, the Williamsburg Economic Summit meeting took place. Of course, I commend President Reagan for his masterful handling of that meeting. But this point must be made: The outcome, as far as resolving agricultural trade issues, was disappointing.

I hope I do not have to present any credentials to indicate my support for Ronald Reagan. I have been supporting him for a long time. But I wrote him and I have told him that the performance at Williamsburg was disappointing insofar as what was not done for the American farmer and comity in world agricultural trade.

I note that in a May 31 Washington Post article about the summit, it was stated that,

The French did succeed in having agriculture removed from \* \* \* the communique. But the others succeeded, over French opposition, in including trade in services and in high technology products among the issues to be pursued by both the GATT and OECD.

The PRESIDING OFFICER. The Chair regrets interrupting the Senator from North Carolina in order to respect the previous order, which calls at this hour, 4:30 p.m. having arrived, for a vote on the motion to lay the Humphrey amendment on the table.

Mr. HELMS. Mr. President, I shall be through in just a moment and I ask unanimous consent that I be allowed to continue for 5 more minutes.

The PRESIDING OFFICER. Is there objection? There being no objection, it is so ordered.

Mr. HELMS. I thank the Chair.

Mr. President, if you read that quote from the Washington Post article of May 31 to which I have just alluded, you see that the French avoided the export subsidy issue as the French have been doing for so long: they succeeded in having agriculture removed from the communique. This avoidance of the subsidy issue is what has been going on the full while, not only with France but with other countries in the European Community and in other places around the world.

The fact that agriculture is not mentioned in the communique obviously causes great concern with this Senator. Without a firm commitment from the administration and the GATT member nations to even discuss this issue and to agree to carry it to resolution, through bilateral and multilateral negotiations in the form of a work program, the Congress simply has no recourse but to mandate through statute certain unilateral actions to nullify the effect of the subsidies.

Mr. President, the Williamsburg summit was not the first time the United States has raised this matter with our trading partners. Several unfair trade practices petitions filed by U.S. agricultural groups are presently pending at various stages in the

GATT process. In addition, a major effort was made by the United States during the GATT Ministerial Conference last November to discuss the issue with the Europeans, but to no avail. I attended those discussions and can report that our efforts to get the Europeans to agree to a work plan to resolve these issues were rejected out-of-hand. Some discussions have taken place since November, but the bottom line is that the Europeans, and other countries using unfair export subsidies, simply have not indicated any resolve to work toward the elimination of these practices.

These issues have also been examined in detail by the Senate Agriculture Committee, of which I am the chairman, and a bipartisan measure to authorize certain U.S. responses to such practices was reported to the Senate by the committee on March 16 of this year. That bill, S. 822, is currently pending on the Senate Calendar.

Mr. President, for the United States, the stakes involved in this export subsidy dispute are very high. At issue is the welfare of our agricultural industry and jobs. Yes, jobs—25,000 lost jobs for every \$1 billion in lost export sales.

The value of U.S. agricultural exports fell from \$43.8 billion in fiscal year 1981 to \$39.1 billion in fiscal year 1982, the first year-to-year decline since 1969. Export values are expected to decline to \$36 billion this year. These figures translate to the loss of nearly 200,000 jobs for Americans since 1981, due in great measure to the impact on U.S. agricultural exports of the predatory export subsidies being employed by the competitor nations.

To be blunt, Mr. President, a vote against this amendment is a vote for continued losses of export markets for U.S. agricultural products due to unfair export practices and for fewer jobs. A vote for this amendment is a vote against continued use of the predatory export subsidies that have been so harmful to U.S. agriculture and against higher unemployment.

Mr. President, some of the very nations that are devastating U.S. agricultural exports with their predatory subsidies have at the same time turned to the IMF, as in the case of Brazil, or are likely to turn to the IMF in the near future, as in the case of France, to bail them out of their monetary problems, brought on in great measure by irrational and poorly conceived economic policies.

I see no reason why the United States should continue to divert its increasingly limited resources to aid the economies of nations that in turn are pouring massive amounts of their own resources into export subsidies that adversely impact on the U.S. economy. The use of these export subsidy practices simply must be brought under

control by the competitor nations if the United States is to be expected to continue providing assistance to these same nations in their times of economic need.

Clearly, then, when nations suffering from economic and monetary problems seek help from the IMF it is completely reasonable to require that the use of such practices be examined and that conditions be imposed to bring about the termination of export policies that lack economic value—particularly when those policies adversely impact on the economy of the United States. This is exactly what I propose be done.

Mr. President, as I pointed out previously, the adoption of this amendment is consistent with the current policies of the IMF to impose conditionality requirements on members seeking access to Fund resources above the reserve tranche level. It simply adds a new and very important dimension to that conditionality that will take into account the economic value of export policies being used by members seeking IMF assistance and the extent to which those policies adversely impact on agricultural exports from the Fund's largest contributing member.

Let me point out that the subject of unfair export subsidies was discussed in the Agriculture Committee's report on S. 822—Senate Report No. 98-27—and in my statement that accompanied introduction of amendment No. 1296. These materials are most informative on this subject, and I commend them to interested Senators.

Finally, Mr. President, I offer this amendment because it is absolutely necessary to put U.S. agricultural policy on a correct course. I do not believe that any observer or analyst would dispute the fact that the massive export subsidies employed by competitor nations are a substantial reason why the value of wheat and some other commodities has fallen below what it would otherwise be—and in many instances below the cost of production in the United States.

The massive worldwide oversupply of virtually all farm commodities is the result of a number of factors, of course. One significant factor is the fact that the U.S. loan rate creates a worldwide floor for grain prices. When the United States creates a price "umbrella," it induces overproduction worldwide. This trend began in the late 1970's, when the U.S. loan rates began to climb higher and higher—after they had substantially declined during the late 1960's and early 1970's leading up to the 1973 adjustment in U.S. farm policy incorporating the target price concept as the principal farm income support. Then, in 1980, just when worldwide production had been induced higher and higher because of the increased U.S. loan rates,

the Carter administration imposed its grain embargo on the Soviet Union.

The Carter administration and Congress then increased the loan rates even more—with the idea to "help" farmers cope with the embargo. Well, in fact, these increases in the loan rates actually served to induce even greater production from United States and foreign farmers and principally served to exacerbate the already tremendous surpluses and oversupplies worldwide.

During this time, the EEC and other nations disposed of their surpluses with the massive use of export subsidies, in effect, dumping their surpluses on world markets.

It just seems irrefutable to me that it will be impossible for the world agricultural economy to right itself without the end to these massive export subsidies. U.S. reductions in production will not do the job—unless we are prepared to virtually withdraw from foreign markets, and that is just not acceptable. Of course, it will be necessary for our loan rates and target prices to be at market clearing levels, but it is absolutely essential that predatory foreign export subsidies be eliminated or U.S. efforts to adjust loan rates and target prices and to employ production controls will prove to be insufficient to achieve profitability in the production of agricultural commodities.

Needless to say, Mr. President, I feel very strongly about this amendment and I am prepared to discuss it further. But now, in view of the unanimous-consent request, I yield back the remainder of my time.

I thank the Chair.

#### AMENDMENT NO. 1305

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the Humphrey amendment on the table. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BAKER. I announce that the Senator from Kansas (Mr. DOLE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Pennsylvania (Mr. SPECTER), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska (Mr. STEVENS) would vote "yea."

Mr. BYRD. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from Texas (Mr. BENTSEN), the Senator from New Jersey (Mr. BRADLEY), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Connecticut (Mr. DODD), the Senator from Missouri (Mr. EAGLETON), the Senator from Colorado (Mr. HART), the Senator from Alabama (Mr. HEFLIN), the Senator from South

Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from New York (Mr. MOYNIHAN), and the Senator from Rhode Island (Mr. PELL) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL), would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 55, nays 26, as follows:

#### [Rollcall Vote No. 118 Leg.]

##### YEAS—55

Andrews	Grassley	Proxmire
Baker	Hatfield	Pryor
Biden	Hecht	Quayle
Bingaman	Heinz	Riegle
Boren	Inouye	Roth
Boschwitz	Jackson	Rudman
Chafee	Johnston	Sarbanes
Chiles	Kasten	Sasser
Cochran	Lautenberg	Simpson
Cohen	Leahy	Stafford
D'Amato	Levin	Stennis
Danforth	Lugar	Tower
Dixon	Mathias	Trible
Domenici	Matsunaga	Tsongas
Durenberger	Metzenbaum	Wallop
Exon	Murkowski	Warner
Garn	Nunn	Weicker
Glenn	Packwood	
Gorton	Percy	

##### NAYS—26

Abdnor	Hawkins	Mitchell
Armstrong	Helms	Nickles
Bumpers	Humphrey	Pressler
Burdick	Jepsen	Randolph
Byrd	Kassebaum	Symms
Denton	Laxalt	Thurmond
East	Mattingly	Wilson
Ford	McClure	Zorinsky
Hatch	Melcher	

##### NOT VOTING—19

Baucus	Eagleton	Long
Bentsen	Goldwater	Moynihan
Bradley	Hart	Pell
Cranston	Heflin	Specter
DeConcini	Hollings	Stevens
Dodd	Huddleston	
Dole	Kennedy	

So the motion to lay on the table Mr. HUMPHREY'S amendment (No. 1305) was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, if I could have the attention of the managers and other Members, it is 5 p.m. now and it will be the intention of the leadership on this side to ask us to go a little while longer, maybe to 6 or 6:30 p.m., if we could make good progress on this measure. We are making progress now.

I inquire of the two managers if they think they could handle another amendment or two in the course of the next hour or hour and a half.

Mr. HEINZ. Mr. President, if the Senator will yield, there is an amendment pending offered by the Senator from North Carolina.

I would hope and anticipate that we might proceed to dispose of that with a vote by 5:30 p.m.

Mr. BAKER. I thank the Senator.

Mr. HEINZ. And it would be, I think, quite possible to take up one more amendment and dispose of it by 6:30 p.m. That is not impossible.

Mr. BAKER. Mr. President, I see the senior Senator from New Hampshire is in the Chamber. Could I inquire of the Senator if he has another amendment that he would be willing to call up this afternoon?

Mr. HUMPHREY. Yes.

Mr. BAKER. Could the Senator give me some idea how long he might require to debate the amendment?

Mr. HUMPHREY. For my part it would require not more than 10 minutes, I would say.

Mr. HEINZ. Mr. President, I am advised that the Senator from Georgia (Mr. MATTINGLY) also has an amendment that also could be disposed of quite promptly.

Mr. BAKER. Very well.

Mr. President, it looks like we might be able to do as many as three more amendments. That means another rollcall or two, maybe three. But Senators should be advised that there is a high likelihood of at least one more record vote and we will be in for another hour and a half approximately.

I thank the Senator.

#### AMENDMENT NO. 1296, AS MODIFIED

Mr. HELMS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is amendment No. 1296, as modified, offered by the Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Mr. President, I ask unanimous consent that the distinguished occupant of the chair, Mr. WILSON, be added as a cosponsor of the amendment.

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

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

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I thank the Chair.

Mr. HEINZ. Mr. President, some of us wish to speak on the amendment.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. HEINZ. I thank the Chair.

Mr. President, I rise in opposition to the amendment of the Senator from North Carolina, and I do so notwithstanding the fact that what the Senator from North Carolina is attempting to do is quite attractive.

I happen to share the concern of the Senator from North Carolina about the impact of foreign agricultural subsidies on U.S. farm exports. But I am concerned that the amendment that he has proposed reflects a basic misperception about the role of the IMF and our role in the IMF that could be counterproductive.

I alluded yesterday in my introductory remarks to the fact that the International Monetary Fund already plays an important role in encouraging an open trading system. So it does.

In fact, a standard performance criterion in IMF programs is a prohibition on the introduction or, for that matter, on the intensification of restrictions on trade and payments.

Second, this goes to the heart of the Senator's amendment. The IMF actively encourages members to eliminate existing restrictions by relying on more efficient market-oriented measures.

In other words, it discourages direct Government intervention, such as subsidies, such as performance requirements, such as quotas, in favor of market measures such as exchange rate changes.

Of 38 recent International Monetary Fund conditionality programs, 30 included positive reform or liberalization of the borrowers' exchange or trade systems.

Clearly, we should encourage the IMF to do more to promote a fairer international trading system, and the International Monetary Fund legislation before us does contain a provision designed specifically to achieve that objective.

However, no matter how much I may agree with the intent of the Senator from North Carolina in what he wishes to achieve, namely, a more open international trading system, one free of agricultural subsidies, such as those used by our friends in the Common Market, such as those used by the Brazilians, on any number of products including manufactures as well as agriculture, nonetheless, I am afraid that the proposed amendment goes too far and could hamper efforts to achieve the objectives which the sponsors seek.

I am afraid that it may be unrealistic to expect that we can overnight eliminate agricultural subsidies. I would like to be able to do it. It would be nice if we could do it. But a practice that has been in effect for 20 or 30 years, such as our dairy program, or the common agricultural program in the European Community is probably going to be around, even if we can minimize it, for more than just another 6 months or a year.

What happens is that such subsidies are major political issues in the countries that maintain them, and those nations obviously feel they have a

right to control their own resources, their own agriculture.

And let me put it this way, Mr. President: If the United States were in the position of having to go to the International Monetary Fund as we did frequently in the sixties and early seventies—we are the second largest user of the IMF—would we be willing as a condition of going to the International Monetary Fund to eliminate our tobacco program—I choose that one randomly, of course—our peanut program, our dairy program, our wheat program? Would we be willing to just get rid of all those programs as a condition of going as we did in the sixties and early seventies to the IMF?

The answer is, I think we would be very hard put to agree to change everything that we have built up over decades.

Mr. President, we did not necessarily want it this way, but the fact is that agricultural export subsidies are permitted under the GATT, provided that countries do not take more than an equitable share of the world market, or result in prices materially below other suppliers in a particular market.

The GATT already provides a mechanism which the United States is actively using for dealing with such problems and that is the appropriate forum for dealing with this issue. That mechanism is embodied in section 301 of the Trade Act of 1974. In addition, we are using ongoing bilateral channels for resolving problems in this area.

Further, Mr. President, the International Monetary Fund simply does not have the mandate or the expertise to determine what is, under the terms of the amendment of the Senator from North Carolina, a predatory export subsidy, notwithstanding the fact that he does provide a definition in his bill. Furthermore, our Executive Director, the U.S. Executive Director, is not in a position to assess whether such subsidy has a serious adverse impact on American farmers.

Finally, it is this Senator's judgment, perhaps others will concur, that the standard proposed in the amendment is so broad as to encompass any commodity sold anywhere in the world at prices below those in the United States.

Mr. President, I said a moment ago that I certainly have sympathy for the objectives of the amendment, but my sympathy for the amendment itself ends when I read the last paragraph of the amendment which says that by the end of 1984, roughly 18 months from now, the President not only has to prepare and transmit a report to Congress, determining whether or not the International Monetary Fund has adopted and fully implemented the policies set forth in this amendment; but further if he determines that the Fund has not fully implemented the

politics set forth in this amendment, the President shall immediately suspend U.S. participation in the International Monetary Fund.

(Mr. DURENBERGER assumed the chair.)

Mr. HEINZ. Mr. President, that judgment would have to be made by the President 18 months from now, and it is not possible. It is unrealistic to even wish that all of the subsidies to which we object, let alone all of those which exist, would be eliminated within the terms of the Senator from North Carolina's amendment.

As a result, Mr. President, this amendment really would force the United States to withdraw unilaterally from an institution which has been a cornerstone of U.S. foreign economic policy for 40 years and which is at the heart of international efforts to deal with current economic and financial problems.

Mr. President, the International Monetary Fund, as I said yesterday, is the international turnaround expert. We are a very important player, therefore, in those turnaround operations. The jobs of millions of Americans who are working today depend upon our continued ability to export to the member nations of the IMF and to the member nations who are taking advantage of IMF bridging loans. Were this country to withdraw, one of two things would happen: Either we would take our money out of the IMF, and it is a very big chunk indeed, and the IMF might be forced to suspend its role, possibly creating an international catastrophe, or, Mr. President—and here I am really not sure what the Senator from North Carolina intends—the United States will withdraw from the IMF and leave its money that is already there, a considerable amount, and we will lose any voice over the conduct, not just of the IMF but how the money that we put into the IMF in fact is managed for the future.

Remember, Mr. President, all the money that has ever been committed to the IMF by the United States is in a revolving fund. The IMF has never suffered a failure to repay by a borrowing country. So we have a lot in there right now, and maybe the Senator from North Carolina can, if he would be so kind as to respond, enlighten me as to whether he would intend to take all our money out of the IMF when we withdraw or what his intentions would be? Would he respond to that question?

Mr. HELMS. I would like to respond to a number of things the Senator has said.

Mr. HEINZ. The Senator from Pennsylvania understands that and will certainly finish his statement. But I was wondering if he would respond to the question.



Mr. HELMS. As the Senator from Pennsylvania knows, it is not going to happen because you had better believe that these offending countries are going to get the message. They cannot operate in the International Monetary Fund without the United States. The Senator knows that, and all this Senator from North Carolina is saying is let us send them a message which will be unmistakable.

Before the Senator regains the floor, I notice in a random selection of commodities he mentioned tobacco and peanuts. He did not mention poultry. There is a great deal of poultry in Pennsylvania and in North Carolina. Senator, the poultry people in North Carolina are not enthusiastic that this amendment has a 3-year phasedown. They say to me: "Senator, we can't last 3 more years" I am sure they are saying that in Pennsylvania as well.

So I say to the Senator from Pennsylvania I understand his need to defend this piece of legislation. But if we do not do something along the lines of the amendment pending, farmers are simply going down the tube.

Mr. HEINZ. Mr. President, I thank the Senator from North Carolina for his response.

I would say to him that when I said I have sympathy with the objectives of his amendment it was not empty rhetoric. I do, and I share his goals. I just do not happen to think that his amendment as drafted on this bill is the way to achieve it. But I do intend, at the appropriate time, to offer a substitute amendment for the amendment of the Senator from North Carolina which I hope the Senator from North Carolina would consider supporting even though it is somewhat different from his amendment. I know he will reserve judgment on that until he sees the amendment, and he should appropriately do so.

Mr. HELMS. The Senator can count on that. Any remedy for the situation is suitable for the Senator from North Carolina. I have no pride of authorship in the amendment. If the Senator can improve on it and get the job done, fine.

Mr. HEINZ. I thank my friend from North Carolina. I yield the floor.

Mr. PROXMIRE. Mr. President, I have great respect and affection and admiration for my good friend from North Carolina.

I might call his attention to the fact, however, on page 7, line 16 and following, the committee has tried to do much of what the Senator is offering in his amendment. They adopted the Mattingly-Riegle amendment, and I want to read that amendment, it is short, only takes a minute or two to read, and I think it does help to take us a long way toward trying to reduce these predatory practices, these re-

strictions on trade, which are so unfortunate. It reads as follows:

SEC. 102. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"SEC. 43. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the Fund to present proposals to the Executive Board of the Fund for the purpose of ensuring that each member country using fund resources takes steps to eliminate expeditiously all import restrictions which are inconsistent with the General Agreement on Tariffs and Trade, or other international agreements, and which have a serious adverse impact on United States exports or employment. The United States Executive Director shall consult with the appropriate Committees of Congress prior to voting for any program which would be inconsistent with the above instructions.

"(b) As part of this effort, the United States Trade Representative, the Secretary of Labor, and the Secretary of Commerce shall inform the United States Executive Director to the International Monetary Fund and the Congress of all import restrictions and export subsidies maintained by member countries of the Fund which have a serious adverse impact on exports from or employment in the United States.

I repeat that part, "that the Trade Representative shall inform the Congress of all import restrictions and export subsidies maintained by member countries of the Fund which have a serious adverse impact on exports from or employment in the United States."

Then that section concludes by saying:

"(c) The Secretary of the Treasury shall transmit to the appropriate committees of Congress an annual report on the success in reducing or eliminating the restrictions referred to in subsection (a).

So this bill already attempts to deal with this and I think does so in a responsible and effective way. It does not require the United States to withdraw from the International Monetary Fund if its provisions are not adopted but it takes steps which, it seems to me, would be effective without that kind of an unfortunate threat which the Senator from North Carolina says he did not think we would have to carry out in any event.

Mr. President, agricultural subsidies are just a legal nightmare worldwide. The U.S. subsidizes agricultural exports. GATT discussions have considered including agricultural subsidies and, as I say, our remedy is not to withdraw from the IMF but to work to eliminate subsidies.

What bothers this Senator is the wording of the amendment is so broad that it could be very, very embarrassing to us.

I call the attention of the Senate to the fact that in a March release of the U.S. Department of Agriculture, it is pointed out that we today provide subsidies for our agricultural exports. That backgrounder from the Depart-

ment of Agriculture says the following:

The program was announced last October 20 at \$1.5 billion over 3 years. One-hundred million dollars in direct, interest-free CCC credit was to be blended with \$400 million in credit guarantees during fiscal 1983, with like amounts for each of the next 2 fiscal years.

Then a further release by the Department of Agriculture on March 11:

Secretary of Agriculture John Block today announced a new \$255 million package of blended credits and credit guarantees for agricultural exports to Portugal. These include approximately 1.25 million tons of feedgrains, 250,000 tons of wheat and 300,000 tons of oilseeds.

Mr. President, this country is by far the biggest exporter of agricultural products in the world. It is the most important element in our trade situation that gives this country a benefit in international trade. And it has really exploded in recent years. I think few people in the country realize how enormously helpful the American farmer is to us in providing food that is sold abroad.

The U.S. trade—now listen to these figures—the U.S. trade surplus in agriculture grew from \$1.6 billion in 1970—that is only 12 years ago—to over \$24 billion in 1982. So in 12 years, we have had our trade surplus in agriculture explode. Now this is at a time when we have an adverse balance of trade with many countries, when we suffer an adverse balance of trade in manufacturing and many other respects. But in agriculture we have this enormous benefit. So talk about shooting yourself in the foot.

This amendment, if it is passed, would, No. 1, take us out of the International Monetary Fund which has served our interests and served the interests of countries throughout the world I think with great skill. In the second place, it would provide the basis for other countries to attack our agricultural exports, which are so absolutely vital for our economy and so very useful to us, when we, as I say, have a surplus that has grown from \$1.6 billion to \$24 billion. As I multiply that out that means we have increased our surplus 15 times. I do not think there is any country in the world that has that kind of a record.

So, Mr. President, it seems to me it would be most unfortunate to us from every standpoint, and especially from the agricultural standpoint, for us to adopt the amendment of the very able Senator from North Carolina, the chairman of the Agriculture Committee. I think the language we have in the bill at the present time is good language, strong language, language that will enable us to act effectively in reducing the export subsidies both here and abroad and in negotiating with other countries to do this in a responsible way and without a threat which,

if we were pressed to exercise, would be very pernicious from our own standpoint.

Mr. HELMS. Mr. President, I do not have to remind my friend from Wisconsin I owe him the greatest admiration and affection. He and I have worked together on many things and it is rare when we disagree, particularly on matters of economics, and Federal spending, and that sort of thing.

Now, he read section 102 beginning on page 7. Now let me read it and I want to ask him if I am correct in my understanding of the English language.

SEC. 102. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"SEC. 43. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the Fund to present proposals to the Executive Board of the Fund for the purpose of ensuring that each member country using fund resources takes steps to eliminate expeditiously all import restrictions which are inconsistent with the General Agreement on Tariffs and Trade, or other international agreements.

Now, that is the action part of section 102. And that deals purely and simply with import restrictions. It does not deal with export subsidies.

Now, true enough, in section (b) it does say that:

The United States Trade Representative, the Secretary of Labor, and the Secretary of Commerce shall inform the United States Executive Director to the International Monetary Fund and the Congress of all import restrictions and export subsidies maintained by member countries.

But that is all it says about these export subsidies.

At this time, Mr. President, I am not worried about import restrictions. I am concerned about these export subsidies.

Now, the distinguished Senator from Pennsylvania, and I must confess a measure of surprise, as I understood him, compared the farm programs in the United States with the export subsidies of the European Community, Brazil, and so forth. Now the difference, I emphasize to my friend from Pennsylvania, is that the United States maintains inventory and engages in acreage reduction programs, while the European Community and Brazil dump their subsidized commodities onto the world market.

Now that is the difference, that is the malignancy of the predatory export subsidies. I do not know any way in the world to resolve the problem except to get their attention.

Any farmer in North Carolina will tell you the story about the man who was hitting his mule between the eyes with a 2 by 4. His friend came up and said: "Why are you doing this?" He said: "I want to get his attention."

Now I do not know what it will take to get the attention of the European Community and Brazil and other

countries which are dumping subsidized commodities worth billions upon billions of dollars onto the world market.

I say again, Mr. President, that any Senator who is misled on this amendment and votes against it is going to have a difficult time explaining to his farmers or her farmers. Now, Senators may do as they wish, but if we do not get a handle on this proposition, countless hundreds of thousands of additional farmers are going to go down the tube. It is as simple as that.

Now, the use of agricultural export subsidies is widespread throughout the world. These practices, as I have said over and over again this afternoon, impair and inhibit free trade in world agricultural markets. All I am asking for is free trade in the markets.

Although the U.S. farmers are the most efficient producers of most of the agricultural commodities, our farmers have lost our competitive advantage in world markets largely due to these predatory export subsidy practices of other nations. Any Senator who does not know that needs to wake up and smell the coffee.

To illustrate the extent to which these practices have been employed to the detriment of U.S. farmers, I ask unanimous consent that a table prepared by the Senate Agriculture Committee staff showing a number of countries known to employ export subsidies and the type of assistance offered be printed in the RECORD at this point.

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

#### COUNTRIES KNOWN TO EMPLOY EXPORT SUBSIDIES

	Country	Type of government assistance
Wheat and wheat flour	EEC	Cash Payment
Coarse grains	EEC	Cash Payment
Beef and veal	EEC	Cash Payment
Poultry meat	EEC	Cash Payment
	Brazil	Favorable Prod. Financing, Rebate of Taxes.
Lard	EEC	Cash Payment
Cotton	Argentina	Cash Payment
	Brazil	Differential Taxes.
	Turkey	State Control, Cash Rebates.
Lemons	Cyprus	Cash Payment
	Spain	Tax Rebate, Pref. Credit.
	Italy	Cash Payment
	EEC	Cash Payment
Grapes, pears, and apples (fresh)	Italy	Cash Payment
Almonds, shelled	Spain	Tax Refunds, Pref. Credit.
	Japan	State Trading
Rice	Italy	Cash Payment
Soybean meal and oil	Brazil	Tax Rebates, Pref. Credit.
	Argentina	Tax Rebates, Pref. Credit.
Pork	EEC	Cash Payment
	Sweden	Cash Payment
Eggs	EEC	Cash Payment
	Sweden	Cash Payment
Tobacco	EEC	Cash Payment
Oranges and tangerines	Spain	Internal Tax Rebates.
	Italy	Cash Payment
	Greece	Cash Payment
Grapelruit	Spain	Tax Rebates, Pref. Credit.
Walnuts in shell	France	Cash Payment
	India	Cash Payment
	Italy	Cash Payment

Note.—Listing is partial and preliminary, as prepared by staff of Senate Committee on Agriculture, Nutrition, and Forestry.

Mr. HELMS. I do not want to go over and over again, on this question,

like a broken record, but we do not have any time to play with, Mr. President, in trying to get this burden off the back of the American farmer. We either do something now or it is going to be too late for tens of thousands of them. We can play around with the semantics on International Monetary Fund and all the gobbledygook in this bill, but the bottom line is: Are we going to include in this legislation something that will offer a fair and equitable protection to the finest producers in this world, the American farmer?

I yield the floor.

Mr. DANFORTH addressed the Chair.

THE PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. I have just come on the floor and have not had the benefit of listening to the debate or the explanations by Senator HELMS of his amendment, but I wonder if he could just perhaps answer one or two questions for me.

As I understand this, the purpose of it would be that the United States would take the position, with respect to the availability of IMF funding, that it would not be available to countries that subsidized the exports of agricultural products, but that it would not preclude a country from subsidizing the production of its agriculture. Is that correct?

Mr. HELMS. Before I answer let me clarify that I am neither a lawyer nor a specialist in international finance. So permit me to check with my experts before I answer the question. The answer is "Yes."

Mr. DANFORTH. Therefore, where it says on page 1 of the amendment, "direct or indirect export subsidies," an indirect export subsidy would not be the subsidy of the production of an agricultural product.

Mr. HELMS. Staff suggests that I illustrate this point by mentioning a tax incentive in connection with the export of agricultural products, or something of that sort. So the short answer is "Yes."

Mr. DANFORTH. So that a tax incentive for the production of a product would not be an indirect export subsidy?

Mr. HELMS. A tax incentive for production would not, but a tax incentive for export would.

Mr. DANFORTH. Only for export?

Mr. HELMS. Yes.

Mr. DANFORTH. If the government of a country would very heavily subsidize the production of a product but not actually subsidize the shipment of the product abroad, that would not be covered by this amendment?

Mr. HELMS. Obviously, the Senator has asked a question that requires some explanation by the experts on

the Agricultural Committee. They say that probably it is not covered.

Mr. DANFORTH. Could the Senator explain sometimes or some circumstances under which it would be covered?

Mr. HELMS. The amendment states, and I shall read it in answer to the question:

(b) For purposes of subsection (a) of this section, the term 'predatory export subsidies' means the provision by any country or organization of countries, or instrumentality thereof, of any financial assistance through loans, payments, or comparable means (including the use of special tax incentives or subsidized financing for exports) to any person \* \* \*

And the key words are "in connection with the export sale" of agricultural products.

I think that answers the Senator's question. But if the Senator is looking for specific instances of obviously predatory export subsidies now in use, I would remind him of the very large restitution payments made by the European community or point him toward the tax preferences for exports employed by Brazil. The European community has an 11-cents-per-carton direct subsidy on eggs, it is those kinds of indisputable export subsidies that are so very damaging to our farmers.

Mr. DANFORTH. Let us suppose that a product in another country, say Egypt, is produced for export and not for domestic consumption. Suppose that Egypt goes into, for example, the business of raising tomatoes, not because there is any particular demand for tomatoes in Egypt, but because it wants to get into the European market, and it subsidizes the production of tomatoes, just the production, but it does not have any specific subsidy for the cost of shipment, for example. Would that be a direct or indirect export subsidy?

Mr. HELMS. That determination would need to be made on the specific circumstances involved.

Mr. DANFORTH. Who would determine whether or not there is an export subsidy?

Mr. HELMS. The IMF, of course, would have to determine it. Under the provision of this amendment, countries that are seeking loans above the reserve tranche level would be required to provide the IMF with specific information describing their subsidy practices in connection with agricultural exports.

Mr. DANFORTH. So it would be like an honor system. The country would identify whether or not it is engaging in subsidies, and if it says that it is engaging in export subsidies, then the IMF would make a determination that it is engaging in export subsidies?

Mr. HELMS. This is not an invisible operation, the business of farming and export production. It would not be an honor system. It would be there for all to see.

Mr. DANFORTH. Suppose the United States were to believe that, say, Mexico were involved in subsidizing exports. Would our Government be able to make that determination on its own under this amendment, or would we have to go to the IMF?

Mr. HELMS. The U.S. Executive Director to the IMF, who represents, let me say, about 20 percent of the voting power of the Executive Board of the IMF, would also have some input and he would report the information that he has. We should understand that everybody will be watching everybody else. That question would seem to raise no problem.

Mr. DANFORTH. Is the International Monetary Fund equipped to make determinations as to what is a subsidy and what is not a subsidy?

Mr. HELMS. I think so without question. Particularly since the amendment gives some very clear direction on this point through the definition of "predatory export subsidy."

Mr. DANFORTH. In our country, in policing countervailing duty laws, it is a fairly elaborate process. Some people think that it is too elaborate. We tried to correct that in the 1979 Trade Act. That is, for determining, first, what is a subsidy, and, second, whether or not there is injury.

It would seem to me that there would have to be some form of adjudication as to what is a subsidy and what is not a subsidy. Or is there? Is it just viewed under this amendment as being self-evident?

Mr. HELMS. There would be adjudication only in the sense that the representatives of the countries would vote on the proposition.

Mr. DANFORTH. Would the vote of our country in the International Monetary Fund be based on a determination of subsidy which is identical to the determination made under the countervailing duty laws?

Mr. HELMS. I have no earthly way of answering that question because I do not know.

Mr. DANFORTH. Is there any provision for hearings before, say, the International Trade Commission?

Mr. HELMS. No; there is not.

Mr. President, I will state to the Senator that I apologize to him for having to consult once again with my legal adviser. I am not a lawyer. I do not want to give an answer which may be incorrect. I apologize to him for taking the time to make sure that I understand both his question and the proper answer to it.

There is a mechanism. The Secretary of Agriculture will consult with the U.S. Trade Representative—in this case, Mr. Brock at the present time—and then will report to the U.S. Executive Director.

Mr. DANFORTH. Well, Mr. President, Senator HEINZ and I, back in 1979, spent an inordinate amount of

time, really, working with the revisions to the Trade Act. The whole point of that was to try to streamline the process of both dumping and countervailing duty cases. It is a fairly detailed process of how a determination is made and also the determination as to whether or not there is injury caused by the subsidy. I take it that that process is just not going to be followed under this procedure. It is a much more casual procedure.

Mr. HELMS. It is not necessary, I say to the Senator. GATT and its adjudicative procedures relating to unfair trade practices would not be affected by this amendment. However, we do not need to wait for GATT to determine if U.S. tax dollars should be used to support those unfair trade practices. After all, what we are talking about is how we are going to use the billions of dollars of the taxpayers' money. It seems to me that the Secretary of Agriculture and the U.S. Trade Representative and this Congress and the President of the United States not only have the capability of making the determination but the responsibility to make it. We must decide whether we are going to continue to put money in an organization so it can be used to drive the American farmer out of business with export subsidies, as is now the case.

Mr. DANFORTH. Would DISC be covered under this?

Mr. HELMS. I am advised no, Mr. President.

Mr. DANFORTH. So that we, in our country, would still be able to use DISC for agricultural exports? That would not come within the terms of this amendment?

Mr. HELMS. Mr. President, we are not borrowing from the IMF, nor to my knowledge are we engaging in predatory export practices. Those countries that are doing that, this amendment says to them, "Stop it."

Mr. DANFORTH. But we are using IMF—the United States is, as I understand it.

Mr. HELMS. I am advised that we have never drawn on the IMF beyond our reserve position. This amendment applies only to those nations which make drawings above their reserve tranche.

Mr. DANFORTH. But we are the second largest borrower from IMF, as I understand it.

Mr. HELMS. That may be true, but because our donations are large, our reserve position is also large. I repeat the United States has never drawn beyond our reserve, and thus would not be affected by the amendment.

Mr. DANFORTH. But if the United States were, itself, practicing export subsidies, would that not cut us out from the availability of IMF? We would not be able to use it ourselves, would we?

Mr. HELMS. It would and it should.

Mr. DANFORTH. Why would not DISC be clearly an export subsidy?

Mr. HELMS. Again, Senator, I am not a lawyer and I ask your forbearance while I consult with counsel.

The amendment would apply only to countries which IMF assistance over and above their IMF reserve positions, the United States is not doing so, and this amendment would not apply to us.

DISC may well be an export subsidy, but in the instance of this particular amendment, it would not have the effect of a predatory export subsidy.

The purpose of the amendment is to assure that U.S. taxpayer dollars will not be sent, via IMF, to countries which will then use those funds, in effect, for predatory export subsidies that rob our farmers of trade markets with their own money. That is the issue here.

The other point the Senator must keep in mind is that the amendment applies only to the use of predatory subsidies as I have clearly defined in the amendment. If we, the United States, engage in predatory subsidies, certainly it should and would affect us. Everybody would be treated on the same basis and I think that is the way it should be.

Mr. DANFORTH. Well, DISC or any substitute for DISC that we devise to meet the terms of the General Agreement on Tariffs and Trade would clearly be in jeopardy under this amendment, would it not?

Mr. HELMS. Why?

Mr. DANFORTH. We could not very well take a position that other countries cannot engage in export subsidies but the United States can.

Mr. HELMS. Predatory export subsidies.

Mr. DANFORTH. What is the meaning of the phrase "predatory export subsidies"?

Mr. HELMS. It is stated in the amendment.

Mr. DANFORTH. Where is it, Mr. President?

Mr. HELMS. I continue:

(b) For purposes of subsection (a) of this section, the term "predatory export subsidies" means the provision by any country or organization of countries, or instrumentality thereof, of any financial assistance through loans, payments, or comparable means (including the use of special tax incentives or subsidized financing for exports) to any person in connection with the export sale to a third country of agricultural commodities and products thereof produced in such country or organization of countries, that has the effect of lowering the export price, directly or indirectly, of such commodities and products thereof to less than the highest comparable price that a like commodity or product thereof produced and processed in the United States could be exported to the same third country in the ordinary course of trade.

Mr. DANFORTH. That has the effect of lowering the export price, directly or indirectly. Is that not DISC?

Mr. President, it would seem to me that—DISC might be short lived anyhow, but we are at least trying to work out a substitute for it and it would seem that the effect of this amendment is that it would put DISC in jeopardy.

Or am I wrong?

Mr. HELMS. Let me get the advice of counsel. I do not know, frankly.

Mr. President, counsel points out that I have already answered that question once or twice. We are talking about amounts above the reserve. So the answer to the Senator's question is no, it would not affect DISC.

Mr. DANFORTH. Because the United States only participates in the IMF up to a certain point, it can continue to engage in export subsidies, but those countries which do not—

Mr. HELMS. Predatory subsidies as defined in the amendment.

Mr. DANFORTH. It looks to me as though DISC may well be covered under this definition. But who knows? It would have to be determined by the IMF.

Let me ask the Senator this: Under the subsidies code, there is the so-called injury test. That is, the subsidy has to cause injury. Would that same standard, the so-called injury test, apply under this amendment?

Mr. HELMS. I am advised that that question has been answered before, however, the process incorporated into this amendment calls for the Agriculture Secretary to confer with the U.S. Trade Representative and then to advise the U.S. Executive Director to the Fund as to whether or not the particular subsidy practices adversely impact on U.S. agriculture.

Mr. DANFORTH. So the International Trade Commission would be required under this amendment to make a determination of injury?

Mr. HELMS. I am advised that that question has been answered and, again, the answer is no, that determination would be made by the Trade Representative and the Secretary of Agriculture.

Mr. DANFORTH. Would they not be guessing, though—

Mr. HELMS. No, sir.

Mr. DANFORTH. If we did not use the established process for making a determination of injury?

Mr. HELMS. No, sir, there would be no guesswork about it.

Mr. DANFORTH. Maybe we should just abolish the International Trade Commission. It is surplus—

Mr. HELMS. I would rather abolish the International Monetary Fund, to tell you the truth.

Mr. DANFORTH. I gathered that.

Mr. President, let me ask another question.

Mr. HELMS. I hope it is not one the Senator has asked three times before. He is a good trial lawyer.

Mr. DANFORTH. Let me ask about the meaning of export subsidies. Let us suppose that a country subsidizes its railroads and that the railroads are used to ship grain from the farm ultimately to the consumer, whether the consumer is home or abroad. Would subsidies for the railroad be viewed as export subsidies under this amendment?

Mr. HELMS. The IMF would make that determination.

Mr. DANFORTH. So that would be a factual determination but it might be, as I understand it under this amendment, that a subsidy of a country's railroads would be an export subsidy?

Mr. HELMS. The Senator's guess is as good as anybody's.

Mr. BAKER. Mr. President, will the Senators permit me to interrupt their colloquy for a moment to ask a question so that we can try to determine the schedule for the remainder of this day and tomorrow?

Mr. HELMS. Surely.

Mr. BAKER. It appears to me from listening to the colloquy of the two very excellent Senators that they are not through and there may be more discussion on this subject—as a matter of fact, there may be a good bit more discussion on this subject. I wonder if they would be, especially the author of the amendment, willing to agree by unanimous consent to temporarily lay aside this amendment and make it the pending question when we return to the consideration of this bill tomorrow? Perhaps then the managers of the bill might find one or two or three matters that they could dispose of yet this evening and still permit the Senate to finish by 6:30 or 7 p.m. tonight.

Mr. HEINZ. Will the majority leader yield?

Mr. BAKER. Yes; I yield.

Mr. HEINZ. Speaking for the managers—I cannot speak for Senator DANFORTH or Senator HELMS—they would most certainly encourage that and would be most agreeable to it. I might say to the Senator from North Carolina that Senator DOLE called, and he is detained out of town tonight. He would like to be a participant in the discussion on the amendment of the Senator from North Carolina and also would join, I think, if he were present, in the majority leader's request.

Mr. HELMS. Certainly I would agree to anything that would be accommodating to the distinguished leader.

Mr. BAKER. Very well. Mr. President, I thank the Senator from North Carolina. I thank the manager on the majority side. I assume that is agree-

able to the Senator from Missouri also.

Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside to recur as the pending question immediately after the Senate resumes consideration of this measure on tomorrow.

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

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. HEINZ. Mr. President, at this point what is the pending business?

The PRESIDING OFFICER. The bill is the pending business.

Mr. HEINZ. The bill. Very well.

Mr. President, my understanding is that the Senator from Georgia and the Senator from New Hampshire have amendments. I can say that the amendments, which I believe are several in number, the Senator from Georgia will be seeking to offer, we can dispose of fairly quickly, if the Senator will offer them.

Mr. MATTINGLY. Yes; I will offer them right now.

AMENDMENT NO. 1307

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. MATTINGLY. Mr. President, I send three amendments to the desk and ask that they be considered en bloc.

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

The bill clerk read as follows:

The Senator from Georgia (Mr. MATTINGLY) proposes amendment No. 1307.

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

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

The amendment is as follows:

On page 9, between lines 7 and 8, insert the following:

SEC. 103. (a) Not later than 180 days after the date of the enactment of this section, the Secretary of the Treasury shall transmit to the Congress a report containing a thorough review and detailed analysis of the policies of the International Monetary Fund (hereinafter referred to as the "Fund") relating to the Fund's gold reserves. Such report shall include an analysis of—

(1) the feasibility of returning all or part of the Fund's gold reserves to Fund members;

(2) the feasibility of selling the Fund's gold reserves in the private markets in an effort to raise capital; and

(3) the feasibility of establishing a Gold Lending Facility whereby the Fund would lend gold to Fund members who would in turn use such gold as collateral for commercial loans.

(b) In addition to the matters referred to in subsection (a), the report shall analyze—

(1) the effect on the market price of gold as a result of taking any of the actions described in paragraph (1), (2), or (3) of subsection (a);

(2) the effect on countries whose central banks maintain reserves in the form of gold as a result of taking any of the actions described in paragraph (1), (2), or (3) of subsection (a); and

(3) the effect on the credit markets of the United States as a result of taking any of the actions described in paragraph (1), (2), or (3) of subsection (a).

On page 9, between lines 7 and 8, insert the following:

SEC. 103. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"Sec. 45. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the Fund, prior to the extension to any country of financial or technical assistance by the Fund, to work to obtain the agreement of such country to eliminate, in a manner consistent with its balance of payments adjustment program, unfair trade and investment practices, such as those which are inconsistent with the General Agreement on Tariffs and Trade or other international agreements, including the provision of export subsidies such as government subsidized below-market interest rate financing for commodities or manufactured goods, the maintenance of unreasonable import restrictions, or the imposition of trade-related performance requirements on foreign investment, which the Secretary of the Treasury, after consultation with the U.S. Trade Representative, the Secretary of Commerce, and the Secretary of Labor, has determined to have a significant deleterious effect on the international trading system.

"(b) In determining the United States position on requests for periodic drawings under Fund programs, the Secretary of the Treasury shall take full account of the progress countries have made in achieving targets for eliminating or phasing out the unfair trade practices referred to in subsection (a) of this section. In the event that the United States supports a request for drawing by a country that has not achieved the Fund targets relating to such practices specified in its program, the Secretary shall report to the appropriate committees of Congress the reasons for the United States position."

On page 9, between lines 7 and 8, insert the following:

SEC. 103. It is the Sense of the Congress that there should be meetings on a regular basis between representatives of the International Monetary Fund and of the Contracting Parties to the General Agreement on Tariffs and Trade to ensure closer cooperation and more frequent sharing of information on the monetary-trade link.

Mr. MATTINGLY. Mr. President, I am pleased to introduce three amendments which I feel will improve the quality of S. 695, the proposed increase in the U.S. contribution to the International Monetary Fund. These amendments enjoy the support of the administration, Senator GARN, Senator PROXMIRE, and Senator HEINZ, the managers of S. 695 and, therefore, will be acceptable without the necessity of a rollcall vote.

Very briefly, the amendments are as follows:

Amendment 1 requires the Secretary of the Treasury to conduct a review and detailed analysis of the gold reserves held by the International Monetary Fund, including the feasibility of returning all or part of the Fund's gold reserves to Fund members; the feasibility of selling the Fund's gold reserves in an effort to raise capital, and the feasibility of establishing a gold lending facility whereby the Fund would lend gold to Fund members who, in turn, would use such gold as collateral for loans in the private sector.

Amendment 2 expresses the sense of the Congress that the General Agreement on Tariffs and Trade and the International Monetary Fund should meet on a regular basis to insure closer cooperation and more frequent sharing of information on the monetary-trade link.

Amendment 3 instructs the U.S. Executive Director to the Fund to obtain the agreement of countries which use unfair trade and investment practices, such as those inconsistent with the GATT or other international agreements, to eliminate such practices before any assistance is extended. In the event that the United States supports a request for drawing by a country that has not achieved the Fund targets relating to such practices specified in its programs, the Secretary shall report to the appropriate committees of Congress the reasons for the U.S. position.

Mr. President, again I believe the foregoing amendments improve the quality of this legislation. The first amendment examines an alternative to the necessity of Fund members increasing their quota to raise capital. Such should prove helpful in the event the current \$8.4 billion fails to last the intended 5-year period. In my opinion, it is very likely the proposed quota increase will be exhausted in a much shorter period of time.

The second and third amendments will go a long way toward improving the quality of the international trade environment. None of these is a panacea. However, they will go a long way toward encouraging both free and fair trade in the international arena.

Again, I thank both Senators HEINZ and PROXMIRE for their support of these amendments.

In addition, Mr. President, \$8.4 billion, the choice is whether it will cost the taxpayers money or whether it is going to net out in job increases in our country. So that is the decision that we have to make today. I believe that these amendments lend credibility toward the \$8.4 billion coming back to our country in the form of increased trade and maintaining jobs and increasing economic growth.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. HEINZ. Mr. President, I have examined all three of the amendments offered by the Senator from Georgia (Mr. MATTINGLY). All three are good amendments. The first amendment, at least in the order I have them, seeks to eliminate unfair trade and investment practices, those that are inconsistent with the General Agreement on Tariffs and Trade, including export subsidies.

The second amendment requires the Secretary of the Treasury to study and report on the feasibility of returning gold reserves to Fund members, the selling of the Fund's gold reserves in private markets and the feasibility of establishing a gold lending facility where the Fund would lend gold to Fund members. This also is a worthwhile study.

The third amendment expresses the sense of the Senate that the International Monetary Fund should meet regularly with the contracting parties to the GATT to insure closer cooperation and more frequent sharing of the monetary-trade link.

I commend the Senator from Georgia on a set of amendments which, taken together, I think, will substantially strengthen free and fair trading practices in international trade and might well lay the groundwork for a good deal more progress in this area than we have achieved heretofore, notwithstanding many excellent efforts.

So, speaking for this side of the aisle, I commend the Senator from Georgia for his amendments, and we are prepared to accept them.

Mr. PROXMIRE. Mr. President, the Senator from Georgia was very instrumental in committee in getting a greatly improved bill to the floor. In committee, it was a Mattingly amendment which we have already discussed, on pages 7 and 8, which I think does exactly what we should do in reducing restrictions and exports, subsidies, and so forth, and does it in an effective way.

In addition, the Senator has offered three amendments, all of which I approve, but the third amendment particularly, because that is more specific than the language now in the bill. It would provide for the elimination of versions of export subsidies, such as government-subsidized, below-market interest rate financing for commodities or manufactured goods, and so forth.

Mr. President, I think this is precisely what the Senator from North Carolina was working toward, but I think the Senator from Georgia is doing this in a very responsible and effective way, and I am delighted to support his amendment. I commend him on the

excellent work he has done throughout on this bill.

Mr. MATTINGLY. Mr. President, I thank the Senator from Wisconsin and the Senator from Pennsylvania for their kind remarks.

I ask unanimous consent that the names of Senator WILSON and Senator RANDOLPH be added as cosponsors of the amendment.

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

Mr. MATTINGLY. The intent of the amendments is to stop the unfairness that prevails in certain countries in the trade field. We have been looking forward to vehicles to try to stifle something that could not be stifled at the GATT conference last November. I think this will be a useful tool.

I thank the Senator from Wisconsin and the Senator from Pennsylvania for their confidence.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

Is the amendment disposed of?

THE PRESIDING OFFICER (Mr. PRESSLER). The amendment has not been disposed of.

Mr. HUMPHREY. I yield the floor.

THE PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1307) was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### AMENDMENT NO. 1309

(Purpose: To make quota increase conditional on the non-participation of communist nations in the IMF)

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its consideration.

THE PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Hampshire (Mr. HUMPHREY) proposes an amendment numbered 1309.

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

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

The amendment is as follows:

On page 9, between lines 7 and 8, insert the following:

Sec. 103. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"Sec. 45. Notwithstanding section 40 of this Act, the United States Governor of the Fund may not consent to the increase in the United States quota in the Fund which is described in that section as long as communist nations remain members of the International Monetary Fund.

Mr. BAKER. Mr. President, will the Senator from New Hampshire yield to me for a moment?

Mr. HUMPHREY. I yield.

Mr. BAKER. Mr. President, I expect that this will be the last matter the Senate can deal with this evening.

I inquire of the distinguished Senator from New Hampshire, first, if he expects to ask for a rollcall vote on this measure tonight. Second, if he does, would he be agreeable to stacking that vote to occur tomorrow, after we resume consideration of this bill?

Mr. HUMPHREY. I will respond by asking for the yeas and nays, Mr. President.

Mr. HEINZ. Mr. President, I do not know what the amendment is yet.

THE PRESIDING OFFICER. The Senator has a right to ask for the yeas and nays.

Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HUMPHREY. Yes; I will be more than happy to stack the vote.

Mr. BAKER. Mr. President, I ask whether the managers of the bill are willing to do this:

I ask unanimous consent that when debate is completed on this amendment today, the vote just ordered be postponed to occur first after we resume consideration of this measure tomorrow.

I further ask unanimous consent that following this vote, the Senate then resume consideration of the Helms amendment, which was temporarily laid aside.

I further ask unanimous consent that when the Senate completes its business today, it stand in recess until 12 noon tomorrow.

Mr. President, I further ask unanimous consent that the Senate resume consideration of the pending measure at 1 p.m. tomorrow.

Mr. PROXMIRE. Mr. President, reserving the right to object, I will need to consult with the staff of the minority leader on this before I agree.

Mr. BAKER. Mr. President, I was under the mistaken impression that the request I had just made, to arrange the sequence of the Senate for today and tomorrow, had already been cleared. Apparently, it has not. For the moment, I withdraw the request.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry. Who has the floor?

THE PRESIDING OFFICER. The Senator from New Hampshire has the floor.

Mr. HUMPHREY. Mr. President, the amendment I have offered would act in the following manner—to wit, the U.S. Governor of the Fund may not consent to the increase in the U.S. quota in the Fund as long as Communist nations remain members of the International Monetary Fund.

I hate to be a tattle-tale, Mr. President, but it should be known to the American citizens that there are three Communist member nations in the International Monetary Fund—namely, Romania, Hungary, and the People's Republic of China.

Perhaps the question will arise, "So what? What is wrong with that?" The question really is, should the United States—and we in Congress, acting as the agents of our people—obligate them to support Communist regimes? The answer, of course, is clearly "No." Yet, that is what we are doing with respect to these Communist nations.

We are taxing the American people. Congress is then authorizing an increase in the quota of the IMF, which is to say that we will transfer the proceeds of that tax upon the American people to the IMF to distribute and disburse as the agents and employees of the IMF choose to do.

Some of those funds historically have gone to Communist nations, and more than likely—almost certainly—some of this \$8.5 billion we have been asked to approve, this levy on the American people that will be turned over to IMF, will be turned over to the regimes in these Communist countries. That constitutes a subsidy, a support, for the Communist regimes, which are among the most repressive in the world.

Therefore, as we consider the legislation before us, we should consider, as we act as agents of the American people, whether we should be in support of those repressive Communist regimes.

I remind my colleagues—although I am sure there is no need of reminders on this point—that there is very little, almost nothing, in the way of freedom in these Communist nations. There are no free elections, no meaningful free elections. There is very little in the way of freedom of emigration—in fact, less and less in recent years. There is very little freedom in the way of travel. There is no freedom in the area of the press. All press is government controlled.

All press is really propaganda in these nations. There is no freedom of the press in Communist nations, no freedom of speech, no freedom of religion, no due process of law, no protection of the God-given rights as we have stated in our Declaration of Independence, no protection of the God-given rights of life, liberty, and property and as explicitly spelled out in our Constitution in the 5th and 14th amendments.

So if we approve this quota increase, this extension of aid to Communist nations we support, we reinforce, we extend these oppressive regimes. Is that what the American people expect us as their agents to do with their money? I doubt it.

So I offer this amendment to draw attention to this matter, to the matter that we are subsidizing, reinforcing, and extending oppressive Communist regimes if we pass this quota increase.

If it is in our interest to lend certain countries, then let us do it bilaterally. Let us lend to our allies. Let us lend in those circumstances where our lending can be conditioned on reforms, real reforms in the area of human and civil rights. Let us lend where we will get credit. Let us lend bilaterally.

But let us not lend through multinational, multilateral organizations where we have no leverage to reform oppressive regimes such as those that exist in Hungary, Romania, and the People's Republic of China where there is no hope among the peoples of those nations that they can change their government, that they can secure their God-given rights.

I am not arguing against aiding our allies and aiding those nations where it is in our interest to do so, but I am arguing against aiding through multinational and multilateral organizations, and I am arguing particularly against aiding and abetting and extending and reinforcing these wicked Communist regimes which have never been elected and would not stand one day in a truly free election.

Mr. HEINZ. Mr. President, the amendment offered by the Senator from New Hampshire is very clear. It simply says that we are not going to put any money into the International Monetary Fund unless the three Communist countries that are now members in good standing—Romania, Hungary, and the People's Republic of China—get out of the International Monetary Fund.

Mr. President, the criteria for membership in the International Monetary Fund are the same for every country. They are not political criteria. The 146 members of the IMF include countries with a wide range of economic, social, and political systems.

But in spite of those tremendous differences, all members have exactly the same responsibilities to provide financing to the International Monetary Fund when in sufficiently strong balance-of-payments positions and have the same rights to obtain IMF resources on the basis of the economic and financial criteria applied uniformly to all members.

The IMF, therefore, is an economic institution, and its technical economic character is essential to its successful functioning.

Despite the fact that there are numerous conflicts, all too numerous indeed among countries, the IMF membership—146 strong—has carefully respected this basic political approach.

I think we should ask ourselves, Mr. President, what happens if we begin to politicize the IMF? I would imagine

that were this amendment to pass or were this kind of policy to be adopted Arab countries would start to make an effort to expel Israel from the International Monetary Fund. I can imagine less-developed countries unhappy with the terms of North-South trade suggesting that the United States should not be allowed to make withdrawals as we have on so many occasions from the International Monetary Fund. I can imagine many black African nations moving to expel South Africa from the International Monetary Fund.

I can imagine all of those consequences and more. I do not think that this body should invite the responsibility for kicking off the politicization of the Fund and injecting this kind of political consideration into it and its financing decisions. It would simply invite others to do so. It would totally change the character of the IMF, and more than that it would undermine the ability of the IMF to meet its responsibilities.

Before I go any further, Mr. President, I note in the Chamber the majority leader and the minority leader and, I suspect, if my instinct serves me correctly, they may have some business they wish to transact. So I yield the floor.

Mr. BAKER. Mr. President, I thank the Senator. He is most perceptive, especially since as far as I could tell he never looked back. He must have felt my presence.

In any event, I am grateful to the Senator to give me this opportunity to repropound the unanimous-consent request that I described or at least substantially the same request at this time.

I believe now, Mr. President, the Senator from New Hampshire is agreeable to finish the debate on his amendment tonight and have the vote tomorrow.

#### ORDERS FOR WEDNESDAY

##### ORDER FOR RECESS UNTIL TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 12 noon tomorrow.

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

##### ORDER FOR PERIOD FOR THE TRANSACTION OF MORNING BUSINESS TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the two leaders under the standing order there be a period for the transaction of routine morning business to extend from the time of the expiration or yielding back of the time allocated to the two leaders under the standing order until 1:30 p.m. in which Senators may speak for not more than 10 minutes each.

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

ORDER FOR RESUMPTION OF CONSIDERATION OF S. 695 TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that at 1:30 p.m. tomorrow the Senate resume consideration of S. 695, the pending business.

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

ORDER FOR VOTE TO OCCUR AT 1:30 P.M. TOMORROW ON OR IN RELATION TO THE HUMPHREY AMENDMENT AND THEN RESUMPTION OF CONSIDERATION OF THE HELMS AMENDMENT

Mr. BAKER. Mr. President, I ask unanimous consent that at 1:30 p.m. tomorrow a vote occur on or in relation to the Humphrey amendment and that following the vote on the Humphrey amendment and after the disposition of the Humphrey amendment, the Senate resume consideration of the Helms amendment which has been temporarily laid aside.

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

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, what that means is first there will not be any more record votes tonight; second, that we will get a fairly late start on this measure tomorrow but with relative certainty as to the next few steps to be taken in connection with this measure.

Senators should be on notice that since we do not resume consideration of this bill and the amendments there until 1:30 p.m. tomorrow we may have to stay later than would ordinarily be expected.

I sincerely hope we can finish this bill tomorrow, and I am persuaded that we can. Therefore, I urge Senators not to make plans for an early evening tomorrow and to anticipate that we will stay a reasonable length of time past the usual recess or adjournment hour in order to complete this measure.

It is the hope of the leadership on this side, Mr. President, that as soon as we finish this measure we can at least lay down the supplemental appropriations bill.

I would not expect us to be able to do much more than just lay it down on Wednesday if we can reach it.

Mr. President, with that I am prepared to yield.

Mr. HEINZ. Mr. President, will the majority leader yield for a parliamentary inquiry at this point?

Mr. BAKER. I yield.

Mr. HEINZ. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HEINZ. Mr. President, at the appropriate time I will move to table the Humphrey amendment. Does the leader's unanimous-consent request make a tabling motion in order?

Mr. BAKER. Yes; it was on or in relation to the Humphrey amendment.

Mr. HEINZ. I thank the Senator.

Mr. BAKER. Mr. President, could I inquire of the Senator from New Hampshire if he has any need for time for debate on this measure tonight.

Mr. HUMPHREY. I would, in fact, like to have a few minutes.

Mr. BAKER. Then, Mr. President, I yield the floor.

Mr. PROXMIRE. And I also wish to speak briefly on this.

Mr. BAKER. Mr. President, I hope we will be able to finish the debate on this amendment, the pending question, in a reasonably short time. After that it is my intention to ask the Senate to recess over until tomorrow.

SEVERAL SENATORS addressed the Chair.

#### INTERNATIONAL MONETARY FUND AUTHORIZATIONS

The Senate continued with the consideration of the bill (S. 695).

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I will be very brief. I have just one further observation I want to make on the amendment of the Senator from New Hampshire, and that is this: The fact that we have so-called nonmarket economies, Communist countries, in the IMF subjects them every time they come to the International Monetary Fund for any assistance to the same kinds of conditionality that are imposed on any non-Communist country.

Mr. President, that is rather interesting because what that means is that when Romania or Hungary or the People's Republic of China comes to the IMF they have to adopt what we all think of as free market capitalist principles. What are those principles? Well, they cannot use artificial barriers, they cannot use quotas, they cannot use subsidies to help themselves. They have got to use free market mechanisms.

It sounds like one of the best weapons we have in trying to change nations that we today consider Communist, so they become more and more like capitalist countries. It seems to me if we really want to spread the idea of free market discipline, the idea of capitalist economies, such as ours, that we should not be afraid to allow our ideas to be spread by the IMF, as indeed they are so carefully built into the IMF. As a matter of fact, one of the reasons that the Soviet Union is not a member of the International Monetary Fund is that after the Bretton Woods negotiations they were afraid their economy would be contaminated with capitalistic ideas.

So I do not think we should be afraid of teaching capitalism to Communist countries. They might learn something, and indeed some people have said that Romania and Hungary

and even the People's Republic of China are moving more and more toward the West and western economic systems, and when you consider the alternative this has got to be better.

Mr. President, what are the alternatives to moving their systems in our direction? I suppose the real alternatives are either totally to shut them out and ignore them, and I do not know where that leads, or somehow try to subjugate them either by economic or military warfare. Well, we do not propose to engage in that kind of warfare.

I think we well serve the foreign policy interests of this country, the promotion of democracy, the market system, the enterprise system, capitalism, by supporting the IMF, and at the appropriate time, Mr. President, I will move to table the Humphrey amendment.

Mr. PROXMIRE addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. I also strongly oppose this amendment by my good friend from New Hampshire. It is the kind of amendment which is tempting. Everybody likes to show in the RECORD they are anti-Communist. As a matter of fact my predecessor in the U.S. Senate was Joe McCarthy and he made a great reputation. He was the best known Senator in the United States and many people felt he was even better known than the President in some parts of the world because of his conspicuous, strident opposition to communism.

All of us—I think there is not a U.S. Senator who does not deeply, deeply oppose communism and will do all he can to prevent its progressing certainly in this country in any way, shape or form.

Mr. President, we ought to realize that trade is quite a different kind of an operation. Romania, for instance, is a most-favored-nation country. They get most-favored-nation treatment from us. So does Yugoslavia, Mr. President. I think we should keep in mind that these countries are quite different from the Soviet Union as the distinguished Senator from Pennsylvania has pointed out. Furthermore, Mr. President, our trade with these countries is very, very big and very important. This country exports to the Eastern bloc \$4.3 billion; that is to Communist countries, in Europe. We made that kind of an export in 1981, \$4.3 billion. That is an important source of jobs for American farmers and industry.

The logic, if we accept this amendment by the distinguished Senator from New Hampshire, is we should not trade with them at all, do not touch them. I hope we do not get into an isolationist mood where we figure there can be no progress that these coun-



tries can evolve toward, can move, in our direction.

As the Senator from Pennsylvania pointed out they can do that economically and there is every reason to hope and pray and expect they can do so politically.

Let us take the three countries that would be affected: Yugoslavia. Yugoslavia is an original IMF member, is not a member of the Soviet bloc. Its ability to maintain an independent position depends importantly on the close economic ties with the West which IMF membership fosters. So if you believe in helping this country, helping democracy, opposing the foreign policy of the Soviet Union, it seems to me that you should oppose this amendment, and make it possible for the country of Yugoslavia, which is against the Soviet bloc in its foreign policy, to continue to be so.

Romania joined the IMF in 1972. Romania tends to pursue a foreign policy also separate from the Soviet Union, despite its participation in the Communist economic arrangements. Romania's use of the IMF resources has helped to strengthen economic ties to the West, has promoted a more efficient market-related use of its resources. I am sure the Soviet Union does not want Yugoslavia or Romania to have those relationships with the West. It would be serving the interests of Communist Russia if we adopt this amendment.

Hungary has the most market-oriented economy in Eastern Europe and it became an IMF member in 1982 as a further means of liberalizing its economy and broadening its relationship with Western democratic anti-Communist countries. The adoption of an IMF adjustment program in December has played an important role, enabling Hungary to maintain its creditworthiness and thereby reduce the potential zone of Soviet influence and pressure on its policies.

This Senator does not want to throw in the sponge, give up on these countries when there is every reason to hope, pray and expect they may be ready to move away from the Soviet Union further, possibly politically.

It will not be easy. It may not be possible. But I think we should certainly encourage that kind of action and their continued membership in the U.N.—in the IMF will do that.

As a matter of fact, as long as I mentioned the U.N., let me point out that if we are going to follow this kind of policy with respect to the International Monetary Fund, we might do the same thing with respect to the United Nations—lay down the gauntlet to the United Nations, get rid of the Communist countries or get out and no longer contribute 20 percent of the support of the United Nations. The same thing for UNESCO, GATT, all along the line.

Mr. President, I think we should realize and recognize that we live in a world in which we can agree to be different. All of us in the Senate, virtually all of us, I am sure, deplore the Communist system. We think it inhibits freedom. We think it destroys the opportunity for people to be independent and own their own property and lead their own life. But, at the same time, I think all of us respect the right of other countries to be different than we are. I think if we do that, if we believe in peace, if we believe in trying to work toward a peaceful world and negotiate with other countries, we should do our best to try to make it possible for them to evolve through an institution like the IMF in our direction.

Mr. President, I yield the floor.

Mr. HUMPHREY, Mr. President, my friend and colleague from Wisconsin stated a moment ago that we should all agree to be willing to be different. But what choice do the people of Hungary and Romania and so-called People's Republic of China have? What role do they have in agreeing to be different? Have they agreed for their nations to have repressive regimes? Romania has one of the most repressive regimes and is one of the most repressive states in the Communist bloc.

This is not a question of funding a charity or a United Nations. This is a question of lending money, to be sure, through an intermediary called the International Monetary Fund, but it is a question of lending hard assets taxed from the American people or borrowed from their economy and providing that to Communist regimes which deny, however present there might be gradations between the oppressive nature of these regimes from country to country, which deny their citizens of any of the basic human rights that we all talk about so often—no free speech, no freedom of religion, no freedom of emigration, no free elections, no freedom of protection of one's life or liberty or personal property, the property of one's labor.

These are vicious regimes. We should not be subsidizing them, supporting them, extending them, perpetuating them with money taxed from American people.

If we want to lend to other countries, then let us do it bilaterally, but let us not directly or indirectly lend to regimes as oppressive as these Communist regimes which are members of the IMF.

Mr. PERCY, Mr. President, I have just seen a copy of the amendment of our distinguished colleague. My initial reaction is negative. Certainly, through the years I have denounced the theory of communism. I have pointed to its utter failures, which are apparent all over the world, whether in foreign policy or in the ability to feed its people or to run an organiza-

tion that will economically support its people. Certainly in the area of human rights it has the most miserable record of any system of government on Earth.

But, when my former professor and my opponent in the race for the U.S. Senate in 1966, Paul Douglas, became a founder of the movement to keep Red China out of the United Nations, I was very strongly opposed. The idea might at one time, have had some validity. But at that particular time, I saw tremendous advantage in having a fourth of the human race become a part of a United Nations which embraces the whole world, regardless of ideology. It was a revealing thing to have the two Communist countries, in the same international organization.

During the 6 months I was a delegate to the U.N., I saw the Soviet Union and the People's Republic of China at each other's throat on virtually every single issue that was raised. So I would certainly oppose any amendment that would require that Communist countries be excluded from the United Nations.

When we participate in organizations such as GATT, we do so whether there are Communist countries in GATT or not. We are not going to withdraw from GATT. We remain in our national interest.

With respect to the pending amendment, three Communist countries, Romania, the PRC, and Hungary, would be affected. Certainly, they are not, any one of them, looked upon as satellites of the Soviet Union, our most powerful adversary and the greatest threat to world peace today. In fact, as we all well know, every single nuclear missile in Communist China, is aimed at the Soviet Union and there are a million forces on either side of that border compared to our virtually undefended border. So that they tie up a tremendous amount of the manpower because of the fear that exists between these countries.

Romania and Hungary are Communist countries, but they are more independent of the Soviet Union than certain other Iron Curtain countries.

Having these countries in the IMF means that they are obliged to follow the rules of the IMF. This encourages them to adopt market-oriented economic practices. Certainly it is in the interest of free capitalistic countries and to encourage market-oriented activities in other countries.

We are not pleased to see that the PRC itself is abandoning certain collective farming activities and going to individual plots. I have been in Communist countries and seen private ownership of farmland. That is a helpful and encouraging improvement over having it all commonly-owned property, because it provides incentives that we believe in so strongly.

These three countries could not belong to the IMF and participate in it unless they actually accept its requirements, including guidance which encourages market-oriented economic practices.

We deal with these Communist countries in the GATT and we deal with these countries in the U.N. I see no reason, therefore, that we should not continue to deal with them in the IMF because they have to operate under the rules of the IMF. These Communist countries also contribute to Fund resources. To have Communist countries, particularly those that we have mentioned, participate in these activities, contribute toward the Fund and be a part of it, in association with other free economic societies, I think is strongly to be encouraged.

So long as they are members in good standing, pay their allotments including the quota increase on which we are taking action now, and abide by the rules of the IMF, it is desirable to encourage that participation rather than take any action to force them out, and push them into greater isolation.

I hope that my distinguished colleague will take these factors into account and reconsiders his own amendment.

Mr. HEINZ. Mr. President, the parliamentary situation is such that, as I understand it, we have concluded all debate for anyone now wanting to debate this issue. We will again take up this issue tomorrow at 1 p.m.

I move to table the Humphrey amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, I gather from that that there is nothing more we can do on this bill tonight.

#### ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a brief period for the transaction of routine morning business to extend not past the hour of 6:50 p.m. in which Senators may speak.

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

#### THE WAGNER-PEYSER ACT OF 1933 WAS A VITAL PART OF THE NEW DEAL

Mr. RANDOLPH. Mr. President, I hope my colleagues and readers of the CONGRESSIONAL RECORD will examine the speech I gave last evening at the Interstate Conference of Employment Security Agencies.

I supported the important measure signed by President Franklin D. Roosevelt on June 6, 1933.

The measure provided for services to jobseekers and to employers. For a half-century the program has served to lessen unemployment by assisting the people to secure work.

In those crucial days we acted quickly but wisely. The bill was passed after an hour of debate in the House and discussion was some 4 minutes in the Senate. In both bodies there was no opposition.

Mr. President, at this point I wish to set forth in the RECORD my remarks of last evening.

REMARKS BEFORE INTERSTATE CONFERENCE OF EMPLOYMENT SECURITY AGENCIES, INC., COMMEMORATING THE FIFTIETH ANNIVERSARY OF THE ENACTMENT OF THE WAGNER-PEYSER ACT OF 1933, ARLINGTON, VA., JUNE 6, 1983

Fifty years ago the Wagner-Peyser Act became law, on June 6, to be precise. It passed the U.S. Senate on May 29 after 4 minutes of debate. The U.S. House of Representatives in which I served at that time, took a little longer to pass the bill. June 1, after about an hour's debate, we passed it with a few minor amendments. The Senate accepted those amendments and the measure went to President Roosevelt. The President signed the legislation into law June 6, 1933.

The act established a Federal-State Employment Service system which provides services to job seekers and to employers. The State Employment Services have provided labor exchange services for a half century. We celebrate the anniversary today.

Why was this system created in 1933? Who were the two gentlemen whose names are identified with this visionary plan to help alleviate the suffering of unemployment by matching jobs with the jobless?

I must tell you that as a young Representative newly arrived in Washington in 1933, that I was committed to developing policies and programs to help people through the Great Depression which had descended on our Nation. We were fortunate that we had leaders who were able to move the country ahead. Wagner-Peyser was part of that forward movement.

Robert F. Wagner was a Senator from New York. He was born in Germany. With his parents he had immigrated to the United States in 1885 when he was only eight years old. He had a distinguished career in public service in the New York State Legislature, and as justice of the Supreme Court of New York prior to being elected as a Democrat to the U.S. Senate in 1926. He later served as a delegate to the United Nations Monetary and Financial Conference at Bretton Woods in 1944. He resigned from the Senate in 1949.

The other man who shares authorship of the act was Theodore Albert Peyser, a Representative from New York. We take justifiable pride that Mr. Peyser was born and reared in

Charleston, W. Va. At the age of 20 he moved to Cincinnati and became a traveling salesman, an occupation which led him to New York City in 1900, where he settled into the life insurance business. He was elected as a Democrat to Congress in 1932, the same year that I was first elected. Mr. Peyser served until his death in 1937.

Although the Wagner-Peyser Act bears the names of these two gentlemen, we must not forget nor overlook the inspirational leadership in 1933 of President Franklin Delano Roosevelt. There would have been no Wagner-Peyser Act without FDR. Indeed, President Herbert Hoover had vetoed similar legislation in 1932 saying that it was not necessary.

Not necessary. The Nation was in the grips of the worst economic catastrophe in our history. Unemployment had reached 25 percent in 1933 and nearly every family was suffering. Those who did have jobs were fortunate, but wages were down about 60 percent and industrial output stood at 50 percent. Thousands took to the roads and railroads in the search for work, leaving their families and loved ones behind. There were bread lines and soup lines and deprivation and suffering in 1933.

The First Hundred Days of Franklin Roosevelt's first term made great progress in establishing economic order out of economic chaos. There were those who disagreed with the proposals, but the President believed, and a majority of those in the Congress agreed, that direct action to alleviate the suffering was necessary.

I remember when the President called me and a few of my young colleagues to the White House in those early weeks of the new Congress. President Roosevelt looked across his desk at us as we sat together, and said, in essence, "Gentlemen, we shall make some mistakes with these programs but we must act now." And we did act. Some mistakes were made, but the Nation went back to work and the productive capacity began to improve. We created jobs and dignity began to return as deprivation receded a little under the leadership of FDR.

We know that our job is not over, we are faced with the most serious economic recession now that we have seen since the 1930's and I fear that our response is inadequate. Our Nation cannot sustain over 10 percent unemployment for these long periods of time. Our State of West Virginia suffers over 20 percent unemployment. Today, a 1-percent increase in unemployment costs \$20 billion to \$30 billion in lost revenues. If you add increased outlays for unemployment insurance, Federal assistance and interest on the debt, each percentage point of unemployment costs \$26 billion to \$40 billion.

We are working on a variety of jobs and other emergency assistance measures. I believe we must design and enact programs which have human needs at the center. Current economic policies have failed to work, and in fact have further harmed the Nation by vastly increasing the number of persons without jobs. We are not acting as quickly as we should, but it is difficult to hammer out these programs when we consider budgetary concerns.

Since 1933, the employment service has been an essential element in combating unemployment. You are on the front lines in the economic war and I know you are serving the jobless and the jobseekers with compassion and strength. You also serve employers by recruiting workers for jobs to be filled. You administer the unemployment compensation program in your States.

Your task is not easy. You do not have adequate resources, and we are trying to rectify that in the Congress. I believe the employment service system created under the Wagner-Peyser Act of 1933 is more valuable and vital today than ever before. The 50th anniversary is a special time—you have served millions of jobseekers and employers in the last five decades. I salute you on a job well done.

Join with me now as we recognize problems as challenges. With that positive outlook we shall work together and win together.

#### CHICAGO TRIBUNE HONORED FOR POPULATION REPORTING

Mr. PERCY. Mr. President, recently I attended the Population Action Council's third annual awards luncheon for media excellence in population reporting. The Washington-based Population Institute, with its Population Action Council and a 14,000-member grassroots network, has been working since 1969 to educate the public and Congress on the issues of the global population explosion. I am proud that the Chicago Tribune won an award as best U.S. daily newspaper in the area of population reporting.

The journalists honored at the PAC luncheon have, over the past year, informed the public all over the world by writing articles on population issues. From as close to home as Chicago, Ill., to as far away as Dacca, Bangladesh, these journalists have called the world's attention to the underlying cause of many of today's problems.

The Population Action Council citation states that these reporters have worked together with the people of many countries "in fostering support to solve the world population crisis through a demonstrated commitment to share ideas, knowledge, and experience toward the ultimate objective of reducing population growth and creating a better life for all the world's

people." And the Population Institute is doing its job to help lessen misery and tensions and to alleviate hunger around the world.

#### APPROPRIATE TECHNOLOGY

Mr. PERCY. Mr. President, during a time when we are reexamining the usefulness of our aid to developing countries, I commend to the attention of my colleagues a recent article in the Harvard Business Review entitled "The Coming Growth in Appropriate Technology." The article outlines the innovations taking place in the field of international development whereby the traditional gap between Western technology and village-level needs in less developed countries (LDC) is being filled.

Coauthor Henry Norman is the executive director of Volunteers in Technical Assistance (VITA), a private, voluntary organization based in Arlington, Va., which provides the services to help fill this gap. Coauthor Patricia Blair is a writer and consultant on third world development.

VITA draws upon its unique documentation center and worldwide network of volunteers, who lend their technical expertise, to provide specifically tailored packages of technical assistance to requesters in LDC's. Under a grant from the U.S. Agency for International Development, VITA's research and technical information exchange has resulted in a number of advances in the development and diffusion of technologies relating to renewable energy, and in the ability of local entrepreneurs and institutions to adopt and sustain the innovations in the application of those technologies. The United States also benefits as demand for fossil fuel is reduced.

I believe that VITA's activities go a long way in helping to clarify the concept of appropriate technology. I ask unanimous consent that the article be placed in the RECORD at this point.

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

#### THE COMING GROWTH IN "APPROPRIATE" TECHNOLOGY

(By Henry R. Norman and Patricia Blair)

Western Solar Refrigeration, Inc. recently shipped a solar-powered refrigerator system to Outer Mongolia, where it is being used to store medicines and vaccines at a rural public health station. Other Western Solar systems have gone to Red Cross stations in Kampuchea and a Bedouin village in Egypt. Ronald Strathman, president of this San Diego company, now has 180 solar-powered units in 18 Third World countries. The two-year-old company's refrigeration and lighting systems, which are run by photovoltaic cells, are in growing demand from governments and international agencies for use in clinics and installations in remote places.

Last year Wind Baron Corporation of Phoenix raised \$4.5 million in a public stock offering to underwrite the manufacture of its patented windmill. Three years in devel-

opment, this mill can pump water efficiently from depths exceeding 1,500 feet and in wind speeds of less than five miles an hour, so that it is usable almost everywhere over 90 percent of the time. It requires little or no maintenance. One reason President Richard Sutz expects the windmill to sell well in the Third World is that it can be built locally with "low-level machine shop technology."

Western Solar Refrigeration's units and Wind Baron's pumping mills are examples of an increasingly popular form of "appropriate technology"—a marriage of high-tech elements with a product or service designed to meet the needs of poor, undereducated users in Africa, Asia, and Latin America. Appropriate technology presents a growing market opportunity for small and not-so-small companies in the industrialized nations.

Most of the products in question are too expensive for individual villagers, at least until their incomes rise, but they are tailor-made for the thousands of rural development projects directed at small-scale farmers and entrepreneurs now being supported by governments and international aid agencies. Strathman estimates that such projects could use up to 50,000 of his solar refrigerators, to say nothing of the larger refrigeration systems he is developing for vegetable cooling and fish freezing.

Strathman, Sutz, and others are testing the commercial potential of a product gap between sophisticated Western technology and more primitive local goods. They hope to combine the best features of Western technology with local needs and resources to fill this gap and at the same time to meet the basic needs of the poor. This concentration on designs to meet the needs of developing countries has grown increasingly popular in the years since E.F. Schumacher (the Britisher who wrote "Small Is Beautiful" and others pointed out that many development projects worldwide are failing because they rely on Western technology, which has been designed for quite different conditions).

In response, entrepreneurs and researchers have designed an impressive variety of products ranging from improved charcoal stoves to better peanut oil presses. What is notable in recent years is their increasing willingness to integrate advanced Western technology with these appropriate technologies when it makes sense to do so—and to try to make a profit in the process. Besides opening up a chance to make a profit, companies that invest in appropriate technology activities are helping to benefit host economies in two ways.

First, they are adding to entrepreneurial strength and general productivity, which in turn enhances a country's ability to participate in the international economy.

Second, they are helping to spread technical awareness and dexterity through the population. Developing countries are usually short of people with crucial supporting skills in such fields as equipment repair and maintenance, bookkeeping, and welding. They lack Americans' easy familiarity with machines and numbers. Without this familiarity, or something like it, middle-level manpower takes longer to train or, worse, must be imported at considerable cost to the investor and the country.

The needs—and the potential—of the rural and semiurban masses have been the focus of our organization, Volunteers in Technical Assistance (VITA), for more than 20 years. Our staff and 4,000 volunteer con-

sultants, many of them from leading businesses and universities around the world, have promoted R&D and information exchange on the whole range of technology applicable to small farmers and entrepreneurs in developing countries, including small-scale cement plants and improved water wheels, automotive repair and pedal-powered threshers.

Recently, thanks to a grant from the U.S. Agency for International Development, we have been concentrating on technology relating to renewable energy—technology that cuts down on the use of scarce firewood and expensive kerosene, the chief energy sources in rural areas—as well as on technology that uses sun, wind, water, and biomass. In most developing countries these energy sources are more competitive with, as well as more readily available than, imported fossil fuels. The oil price increases of the past decade have made believers out of a lot of appropriate technology skeptics in the Third World.

Increasingly VITA and organizations like A.T. International, a government-sponsored organization in Washington, and the Intermediate Technology Development Group (ITDG) in London, are looking for "second-generation" appropriate technology—that is, technology that has links to the modern sector and is capable of evolving as user needs change. If it is to spread beyond the demonstration-project stage, this technology must also have the potential for commercial success. Experience has taught us that, without these characteristics, appropriate technology is unlikely to be competitive with modern techniques and products, even when they are expensive and unsuitable.

U.S. business has not been known to take the long view in development matters. But appropriate technology is an area well suited to the strengths of American industry in R&D, managerial know-how, and investment resources.

There are signs that some small young businesses and some transnational corporations are seeing opportunities in this field. Almost two dozen American companies (out of 200 worldwide) took space in the U.S. pavilion at the "Technology for the People" trade fair held in Mexico City in November 1981. They displayed technologies ranging from "starter" tractors sun-powered audio-visual units, and small canning installations to pedal-powered farm implements and composting toilets. Several organizations offering appropriate technical or management assistance to small enterprises were also among the exhibitors. Deals worth as much as \$5 million were discussed, some of them involving joint ventures or manufacturing agreements, others direct sales.

Many Third World governments want evidence of social commitment from companies that do business in their countries, and more and more such companies seem to be getting the message. For example, the Liberian American-Swedish Minerals Company (LAMCO) is supporting an elaborate program for developing small-scale entrepreneurship in Yekepa, the site of its mining concessions. This project—which includes a poultry farm, a bakery, woodworks, a supermarket, and a farm store among its many Liberian-run enterprises—provides services to LAMCO workers now, and the company has pledged to leave behind a healthy local economy when the iron ore deposits run out in about 25 years. LAMCO's record is likely to translate into a warmer welcome when it seeks new mining concessions in other developing countries.

Other large corporations are beginning to find that appropriate technology can complement their operations. Control Data Corporation, for example, is including a data base specifically related to Third World needs as part of its new international development services. It contains information on such subjects as alternative energy and small-farm agriculture, with descriptions of available technology, names of experts, possible licensing arrangements, and so on. For a modest charge Control Data expects to sell this information to distributors, venture capitalists, governments, voluntary organizations, and international agencies in both industrial and developing countries.

In a different vein, 3M Company is looking for ways to market in the Third World some highly reflective polyester-based films that the Minnesota company has developed. The mirror-like films, which are low in cost and can be used outdoors, might be applied in solar devices for cooking, pumping, refrigeration, and other purposes. 3M thinks they have great potential for areas where power is expensive or unavailable.

This is not to suggest that the appropriate technology business is easy. Most businesses that are developing new products or services are young, small, and inexperienced. They tend to be undercapitalized, to have little money for extensive product promotion, test marketing, and working out the mechanical and distribution problems that come up with any new product.

Solar Enterprises of London, England is one example. Its product is a portable solar micro-pump designed to fill the enormous gap in irrigation technology between the bucket, which can service farms of a quarter acre or so, and the five-horsepower diesel pump, which becomes economical when a farmer has ten acres or more. The average farmer in Asia's rich river deltas is lucky to have one or two acres, the size for which the Sun Pump was designed.

Managing Director Stephen V. Allison originally projected sales of 10,000 units by 1984, but bureaucratic constraints, particularly in India, have proven more formidable than anticipated. Also, the cost of the photovoltaic cells that power the pumps has dropped more slowly than expected (partly because incentives to the U.S. solar industry have been slashed). About 200 Sun Pumps have been sold, and an order for 2,000 more is still in the works. Allison remains optimistic that the company will be successful.

There are other important constraints on the participation of private companies in the development and spread of appropriate technologies. Among them are:

Lack of information on opportunities and markets for appropriate technology.

Lack of experience in managing programs that involve numerous small farmers and entrepreneurs.

Lack of support systems (training, services, spare parts) to help users minimize the risks inherent in new technology.

A legacy of local and governmental suspicion toward both appropriate technology and foreign involvement.

Intermediary institutions—local and international nonprofit agencies, research laboratories and extension services, multinational development institutions, and the like—often can help overcome these constraints. The organized network in this field, by now quite extensive, is becoming more adept at filling the information gap and brokering suitable projects. (The ruled insert lists some additional information sources.) In working with small farmers and

entrepreneurs, many other institutions have built up experience and now have entrée.

These intermediary institutions have played a variety of roles in the examples cited here. LAMCO has turned over operating responsibility for advising and assisting Yekepa's small businesses to the Partnership for Productivity/International, a development agency with many years' experience in the field of small-scale enterprise. LAMCO had tried to mount the program on its own but soon ran into technical, financial, and cultural problems that it was unequipped to deal with. The prototype of Allison's Sun Pump was developed at M.I.T.'s Lincoln Laboratory under a grant from the U.S. Department of Energy, and ITDG sponsored the field tests in Pakistan. Control Data has contracted with the Denver Research Institute to conduct searches on Control Data's DEVELOP data base for requesters in developing countries.

Research and development have barely scratched the surface of possibilities for second-generation appropriate technology. By and large, the technology now in use is still too expensive and too risky. Systems for diffusion are ill developed. On-site follow-up and maintenance remain problem areas.

Nonetheless, there seems to be a realistic prospect for considerable expansion, along with increasing recognition that appropriate technology must be linked to the marketplace if it is to be a vehicle for sustained development. If the examples we have cited are indicative, appropriate technology could yet turn from a movement into a growth industry worth entering.

#### LEE VERSTANDIG, ASSISTANT TO THE PRESIDENT FOR INTERGOVERNMENTAL AFFAIRS

Mr. ANDREWS. Mr. President, as of June 1, Lee Verstandig succeeded Richard S. Williamson as Assistant to the President for Intergovernmental Affairs.

I rise at this time to commend President Reagan for appointing such an eminently qualified individual to this key post in his administration.

As chairman of the Appropriations Subcommittee on Transportation I had the opportunity to work with Lee when he was Assistant Secretary of Transportation for Governmental Affairs, and I have rarely encountered an administrator with sounder judgment or more sensitivity to congressional and public concerns.

It came as no surprise that the President chose Lee to be Acting Administrator of the Environmental Protection Agency to help restore some amount of confidence in the EPA and to pave the way for the return of another fine administrator, William Ruckelshaus.

Lee Verstandig brought his expertise as a professor of history and political science to Capitol Hill in 1977 as administrative assistant to my distinguished colleague from Rhode Island, Senator CHAFEE. As so often happens with people of his rare and highly

valued qualities, he has progressed rapidly from one position of responsibility to another and shows all promise of continuing to make valuable contributions to the advancement of national policy in the public interest.

Once again I compliment the President on his outstanding choice, and look forward to Lee Verstandig's continued association with Congress.

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

#### EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed in the end of the Senate proceedings.)

#### MESSAGES FROM THE HOUSE

##### ENROLLED BILL SIGNED

At 2:27 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 973. An act to make technical amendments to the Indian Self-Determination and Education Assistance Act and other acts.

The enrolled bill was subsequently signed by the President pro tempore (Mr. THURMOND).

At 5:08 p.m., a message from the House of Representatives, delivered by Mr. Berry, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 593. An act to designate the New York Bulk and Foreign Mail Center at Jersey City, N.J., as the "Michael McDermott Bulk and Foreign Mail Center".

#### HOUSE MEASURE REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 593. An act to designate the New York Bulk and Foreign Mail Center at Jersey City, N.J., as the "Michael McDermott Bulk and Foreign Mail Center"; to the Committee on Governmental Affairs.

#### HOUSE MEASURES HELD AT DESK

The following bills, received from the House of Representatives on June 6, 1983, were ordered held at the desk by unanimous consent:

H.R. 2293. An act to amend the Office of Federal Procurement Policy, and for other purposes; and

H.R. 2592. An act to transfer from the Director of the Office of Management and Budget to the Administrator of General Services the responsibility for publication of the catalog of Federal domestic assistance programs, and for other purposes.

#### ENROLLED BILL PRESENTED

The Secretary reported that on today, June 7, 1983, he had presented to the President of the United States the following enrolled bill:

S. 973. An act to make technical amendments to the Indian Self-Determination and Education Assistance Act and other acts.

#### EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1137. A communication from the Secretary of Agriculture transmitting a draft of proposed legislation to establish an improved program for extra-long staple cotton; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1138. A communication from the Secretary of Agriculture transmitting a draft of proposed legislation extending authority of Secretary of Agriculture to collect fees for enforcement of plant and animal quarantine laws, laws for humane care, treatment, and transportation of animals; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1139. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report on four new deferrals and a revision to a previously reported deferral; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations, the Committee on the Budget, the Committee on Commerce, Science, and Transportation, and the Committee on Energy and Natural Resources.

EC-1140. A communication from the Clerk of the U.S. Claims Court transmitting, pursuant to law, a copy of the court's judgment order in the matter of Hannahville Indian Community against the United States; to the Committee on Appropriations.

EC-1141. A communication from the Assistant Secretary of Defense (Comptroller) transmitting, pursuant to law, a secret report on a supplemental listing of contract award dates for June 18 to 30, 1983; to the Committee on Armed Services.

EC-1142. A communication from the Administrator of the Panama Canal Commission transmitting, pursuant to law, a report on a claim for damages incurred by a vessel in canal waters; to the Committee on Armed Services.

EC-1143. A communication from the President of the United States transmitting, pursuant to law, his conclusions relative to the survivability, cost effectiveness, and combat effectiveness of certain new ships requested for the combatant forces; to the Committee on Armed Services.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. Hatch, from the Committee on the Judiciary, with an amendment but without recommendation:

S.J. Res. 3. Joint resolution to amend the Constitution to establish legislative authority in Congress and the States with respect to abortion (Rept. No. 98-149).

#### EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. TOWER, from the Committee on Armed Services:

Mr. TOWER. Mr. President, from the Committee on Armed Services, I report favorably the following nominations: Lt. Gen. John J. Murphy, U.S. Air Force (age 57) to be placed on the retired list, Maj. Gen. James E. Light, Jr., U.S. Air Force, to be lieutenant general, Lt. Gen. Marion C. Ross, U.S. Army, (age 55) to be placed on the retired list, Maj. Gen. Charles P. Graham, U.S. Army, to be lieutenant general, Lt. Gen. William J. Livsey, U.S. Army, to be reassigned in the grade of lieutenant general, Lt. Gen. William R. Maloney, U.S. Marine Corps, to be reassigned in the grade of lieutenant general, Maj. Gen. Bernard E. Trainor, U.S. Marine Corps, to be lieutenant general, Rear Adm. Joseph Metcalf, III, U.S. Navy, to be vice admiral, Rear Adm. Donald S. Jones, U.S. Navy, to be vice admiral and in the Air Force Reserve there are 14 appointments in the grade of major general and below (list begins with Jerry W. Cochrane). I ask that these names be placed on the Executive Calendar.

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

Mr. TOWER. Mr. President, in addition, in the Air Force Reserve there are 48 promotions to the grade of colonel (list begins with John A. Almquist, Jr.), in the Navy and Naval Reserve there are 34 permanent appointments in the grades of captain and below (list begins with Stephen J. Bowdren) and in the Navy and Naval Reserve there are 26 appointments to the grade of captain and below (list begins with David A. Baran). Since these names have already appeared in the Congressional Record and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

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

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of May 23 and May 24, 1983, at the end of the Senate proceedings.)

### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DANFORTH (for himself and Mr. EAGLETON):

S. 1412. A bill to authorize community relocation and business and employee protection in cases of toxic substance contamination; to the Committee on Environment and Public Works.

By Mr. INOUE:

S. 1413. A bill for the relief of Dr. L. Neil Frazer and wife, Marie Sylvania Pauline Frazer; to the Committee on the Judiciary.

By Mr. TRIBLE:

S. 1414. A bill for the relief of Rebecca Lynn Higgins; to the Committee on the Judiciary.

By Mr. INOUE:

S. 1415. A bill to amend title 10, United States Code, to authorize retention of certain reserve officers and to authorize the transfer of certain reserve officers from the Retired Reserve to active status; to the Committee on Armed Services.

S. 1416. A bill to amend title 10, United States Code, to prohibit persons from furnishing care as clinical psychologists to members and former members of the uniformed services and their dependents unless such persons meet certain professional qualifications; to the Committee on Armed Services.

S. 1417. A bill to amend title 10, United States Code, to provide that the Chief of the Army Nurse Corps be appointed in the regular grade of brigadier general; to the Committee on Armed Services.

By Mr. INOUE (for himself and Mr. MATSUNAGA):

S. 1418. A bill to amend title XVIII of the Social Security Act to provide that services furnished by a clinical social worker shall be reimbursable under medicare when furnished by a health maintenance organization to a member of that organization; to the Committee on Finance.

By Mr. SARBANES:

S. 1419. A bill to amend title XVIII of the Social Security Act to retain the option of direct reimbursement for all providers under the medicare program; to the Committee on Finance.

By Mr. MITCHELL:

S. 1420. A bill to suspend the duties on semiconductors and computers; to the Committee on Finance.

By Mr. INOUE (for himself and Mr. MATSUNAGA):

S.J. Res. 112. Joint resolution to proclaim the month of March 1984 as National Social Work Month; to the Committee on the Judiciary.

### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DANFORTH (for himself and Mr. EAGLETON):

S. 1412. A bill to authorize community relocation and business and employee protection in cases of toxic substance contamination; to the Committee on Environment and Public Works.

#### RELOCATION AND PROTECTION IN CASES OF TOXIC SUBSTANCE CONTAMINATION

● Mr. DANFORTH. Mr. President, the State of Missouri has had the un-

fortunate experience during the last 6 months of serving as a laboratory for the initial operations of the Superfund program. Through the actions of a single waste-oil hauler, Missouri was contaminated by one of the most lethal chemicals known to man, dioxin. More than 200 potential sites of contamination have been reported to the Environmental Protection Agency, and 30 have been confirmed. The Superfund program has responded to this emergency, but not without difficulty.

As with the initial operations of any program, problems have arisen that could not be foreseen in the drafting of the Superfund law—the Comprehensive Environmental Response, Compensation and Liability Act. And it is for that reason that today, along with my colleague from Missouri (Senator EAGLETON), I am introducing legislation to amend that law. The problems we seek to address are not earth shaking ones, but they are important in human terms. Our bill would expand the latitude given to EPA to respond to an emergency; I believe it will not prove controversial.

This legislation arises out of the following fact situations. In December, the citizens of Times Beach, Mo., were driven from their homes by the rising waters of the Meramec River. They then were told not to return because of dioxin contamination in their community. The Government provided temporary relocation assistance to the majority of residents that heeded that warning, and the assistance mitigated the financial hardships involved in relocation. But the owners of businesses in Times Beach found themselves in quite a different pickle. Not only were they told to stay away from their businesses—so were their customers. They were, in effect, put into a situation where their income went to zero and their obligations continued unabated—a prescription for bankruptcy. As an obvious corollary, some of their employees were put out of work.

In the case of Times Beach, after 2 months EPA decided to relocate the residents permanently, and the businesses were assured of a fresh start. EPA was aided in reaching this decision by the fact that there is no established technique for removing dioxin from soil and Times Beach is subject to frequent flooding. The danger to the residents was so obvious that there could be little question as to the remedy. But other cases may not be so obvious, and they may lead not to permanent relocation, but to cleanup. In such cases businesses may find themselves unable to continue in operation for many months, and, Mr. President, there are not many small businesses that could long survive under those circumstances. Justice delayed thus becomes justice denied.

This anomaly was not specifically addressed by the Superfund law, but I believe the omission was not deliberate. What we propose today is that during periods of temporary relocation, Superfund pay not only the costs of shelter for the residents involved but also the debt service of the businesses. This "hold harmless" situation would continue only until permanent relocation was accomplished or until it was rejected and the temporary relocation ended.

In addition, some of the aid available to individuals under the Disaster Relief Act of 1974 would be permitted for those persons thrown out of work by the relocation. This includes unemployment and reemployment assistance, food stamps, and grants to meet necessary expenses or serious needs of individuals or families if those expenses are not covered by other aid programs. Such a provision simply would extend to victims of a manmade disaster some of the humanitarian relief measures that we now accord to victims of natural disasters.

The second fact situation follows. A trailer park in Gray Summit, Mo., recently was found to be contaminated with up to 1,100 parts per billion of dioxin—that is, 1,100 times the amount deemed to be acceptable in soil. Again, the residents were temporarily relocated. This time it was very obvious from the beginning that permanent relocation is the only answer that makes any sense at all. But as implemented by the EPA, the Superfund law does not allow for such an immediate response, even if it is the most humane and cost-effective strategy available.

The legislation we propose today would give EPA the authority to proceed immediately with permanent relocation if it determines that to be the best option. This change in the law was suggested by Gov. Kit Bond of Missouri at the annual meeting of the National Governors Association and adopted by that group.

Mr. President, this legislation simply would expand EPA's flexibility in responding to an emergency involving hazardous substances. The State of Missouri unfortunately was the test case that proved the need for changes in law, but other States will be afflicted by like disasters and would benefit by the changes we propose today. I am hopeful that the Committee on Environment and Public Works and the Congress as a whole can take quick action on this bill, so that the changes we propose can be implemented in Missouri now and be available later when needed elsewhere in the Nation.

Indeed, we are submitting the identical language today as a proposed amendment to S. 757, the Solid Waste Disposal Act Amendments of 1983—amendment No. 1306—in the hope

that it can be included with that bill and enacted by midsummer.

I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

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

## S. 1412

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

Paragraph 101(23) of the Comprehensive Environmental Response, Compensation and Liability Act is amended by substituting a period for the semicolon and inserting the following new language:

"In those circumstances where temporary relocation or evacuation is the appropriate response and permanent relocation may be an appropriate remedy, the term includes the permanent relocation of residents, businesses and community facilities. In the case of a business located in an area of evacuation or relocation, it may also include the payment of those installments of principal and interest on business debt which accrue between the date of evacuation or temporary relocation and 30 days following the date that permanent relocation is actually accomplished or, if permanent relocation is formally rejected as the appropriate response, the date on which evacuation or temporary relocation ceases. In the case of an individual unemployed as a result of such evacuation or relocation, it may also include the provision of the assistance authorized by sections 407, 408, and 409 of the Disaster Relief Act of 1974."●

By Mr. INOUE:

S. 1415. A bill to amend title 10, United States Code, to authorize retention of certain reserve officers and to authorize the transfer of certain reserve officers from the Retired Reserve to active status; to the Committee on Armed Services.

## TRANSFER OF CERTAIN RESERVE OFFICERS TO ACTIVE STATUS

● Mr. INOUE. Mr. President, today I am introducing legislation which would authorize the Secretary of the Army to either retain in an active status or transfer certain reserve officers from the retired reserve to active status if such a consenting individual would contribute to the service.

This proposal essentially modifies an earlier bill which I introduced (S. 204) to give the Secretary of the Army the additional authority to invite retired reserve officers back into the service. Under the current law, the Secretary may retain in an active status any consenting reserve officer in the Medical Corps, the Dental Corps, the Chaplaincy, the Army Nurse Corps, or the Army Medical Specialist Corps until that officer reaches 60 years of age. Other officers must currently retire when they satisfy the mandatory retirement requirements, which I personally do not feel is in the best interest of our Nation.

Accordingly, my proposal will allow the Secretary of the Army greater administrative flexibility.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

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

## S. 1415

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) section 3855 of title 10, United States Code, is amended to read as follows:

"§ 3855. Retention in and transfer to active status of certain officers until age 60

"Notwithstanding any other section of this chapter except section 3846, the Secretary of the Army may, with the officer's consent—

"(1) retain in an active status; or  
 "(2) transfer to an active status from the Retired Reserve and retain in such status, any reserve officer until the date on which such officer becomes sixty years of age. An officer may be retained in an active status or transferred to an active status from the Retired Reserve under the authority of this section only to fill a mission-based requirement."

(b) The item relating to section 3855 in the table of sections at the beginning of chapter 363 of such title is amended to read as follows:

"3855. Retention in and transfer to active status of certain officers until age 60."●

By Mr. INOUE:

S. 1416. A bill to amend title 10, United States Code, to prohibit persons from furnishing care as clinical psychologists to members and former members of the uniformed services and their dependents unless such persons meet certain professional qualifications; to the Committee on Armed Services.

## FURNISHING OF CERTAIN CLINICAL PSYCHOLOGISTS TO MEMBERS AND FORMER MEMBERS OF THE UNIFORMED SERVICES

● Mr. INOUE. Mr. President, I am introducing legislation today which would require that those persons who serve in our Department of Defense health care programs as psychologists be required to be licensed by a State licensing authority within a reasonable period of time upon their entry into the service. My proposal is very similar to that adopted for psychologists serving with the Veterans' Administration as set forth in Public Law 96-151. In my judgment, it is in the best interest of our Nation's military personnel and dependents that all health care providers serving within the armed services be licensed. Currently, only nurses and medical technicians must be licensed and, of interest, attorneys who are commissioned in the Judge Advocate General's Corps must be admitted to a State bar.

I further understand that physicians who have been in private practice for some time after finishing their formal

medical education and who then entered into the military must have a State license; however, once in the Armed Forces they are not required to maintain such licensure.

This has been an issue which the Senate Appropriations Committee has addressed on several occasions but, unfortunately, the Department has not been forthcoming with corrective measures. My proposal, as drafted, would not affect those psychologists currently in the services; however, all new entrants would have to meet the minimal standards.

Mr. President, I request unanimous consent that the text of my bill be printed in the RECORD.

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

## S. 1416

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) chapter 49 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 979. Professional practice by qualified clinical psychologists

"(a) Except as provided in subsection (b), a person may not furnish care as a clinical psychologist under the Surgeon General of any of the armed forces unless the person has received a doctoral degree in psychology with a specialty in clinical psychology from a college or university pursuant to a program of education and training approved by such Surgeon General for the purposes of this section, has completed an internship in clinical psychology approved by such Surgeon General for the purposes of this section, and is licensed or certified to provide care as a clinical psychologist in a State.

"(b) A person who satisfies the requirements of subsection (a) other than the requirement to be licensed or certified in a State may furnish care as a clinical psychologist under the Surgeon General of any of the armed forces for not more than two years if such person furnishes such care under the direct supervision of a person who satisfies all the requirements of subsection (a) and who furnishes care as a clinical psychologist under such Surgeon General."

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"979. Professional practice by qualified clinical psychologists."

SEC. 2. The amendment made by subsection (a) of the first section shall not apply to any person who, before January 1, 1984, furnished care as a clinical psychologist under the Surgeon General of any of the Armed Forces of the United States.●

By Mr. INOUE:

S. 1417. A bill to amend title 10, United States Code, to provide that the Chief of the Army Nurse Corps be appointed in the regular grade of brigadier general; to the Committee on Armed Services.

## PROMOTION OF CHIEF OF ARMY NURSE CORPS

● Mr. INOUE. Mr. President, today I am introducing legislation that would provide that the Chief of the Army

Nurse Corps be appointed in the regular grade of brigadier general.

I recently had the opportunity to participate in the special memorial service at Arlington Cemetery which was highlighted by a solemn wreath-laying at the Nurses' Memorial Statue. In preparing my remarks, I learned that since 1775, dedicated and compassionate persons have served our Army as nurses even though it was not until 1901 that the Congress of the United States statutorily established the Army Nurse Corps as a permanent entity.

I further learned that it was not until 46 years later, in April 1947 that nurses were finally commissioned as officers in the Regular Army. The current Chief of the Army Nurse Corps, Brig. Gen. Hazel W. Johnson, is the first black woman general officer in the entire Department of Defense. In all candor, I am afraid that for too long a time now, we have been taking our Nation's professional nurses for granted since they have always provided us with dedicated, compassionate, and high-quality care whenever the need has arisen.

Accordingly, I sincerely hope that my colleagues on the Senate Armed Services Committee will report my proposal favorably to rectify this situation and provide our Army Nurse Corps with the status and stature that it so richly deserves.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

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

S. 1417

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 3069 of title 10, United States Code, is amended by adding at the end thereof the following new sentence: "If the officer appointed as the Chief holds a lower regular grade, such officer shall be appointed in the regular grade of brigadier general."*●

By Mr. INOUE (for himself and Mr. MATSUNAGA):

S. 1418. A bill to amend title XVIII of the Social Security Act to provide that services furnished by a clinical social worker shall be reimbursable under medicare when furnished by a health maintenance organization to a member of that organization; to the Committee on Finance.

Senate Joint Resolution 112. Joint resolution to proclaim the month of March 1984 as National Social Work Month; to the Committee on the Judiciary.

RECOGNITION OF CLINICAL SOCIAL WORKERS

● Mr. INOUE. Mr. President, today, Senator MATSUNAGA and I are introducing two legislative proposals which would further the professional recog-

nition of our Nation's clinical social workers.

The first would proclaim the month of March 1984 as "National Social Work" month.

The second would amend the medicare health maintenance organization (HMO) provisions to insure that within the HMO clinical social workers would continue to be authorized to perform to the fullest extent of their State licensure/certification statutes.

Mr. President, I request unanimous consent that the text of these proposals be printed in the RECORD.

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

S. 1418

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1861(s)(2)(H) of the Social Security Act is amended to read as follows:*

"(H)(i) services furnished pursuant to a contract under section 1876 to a member of an eligible organization by a clinical social worker (as defined in subsection (ee), or by a physician assistant or nurse practitioner (as defined in subsection (aa)(3)), and (ii) services and supplies furnished as an incident to the services described in clause (i) to such a member which would otherwise be covered under this title if furnished by a physician or as an incident to a physician's service";

(b) Section 1861 of such Act is amended by adding at the end thereof the following new subsection:

"CLINICAL SOCIAL WORKER

"(ee) The term 'clinical social worker' means an individual who—

"(1) possesses a master's or doctor's degree in social work;

"(2) after obtaining such degree has performed at least two years of supervised clinical social work; and

"(3) is licensed or certified as a clinical social worker in the State in which the services are performed, or, in the case of a State which does not provide for licensure or certification, is listed in a national register of social workers who, by education and experience, qualify as health care providers in clinical social work."

(c) The amendments made by subsections (a) and (b) shall be effective with respect to services performed after the date of the enactment of this Act.

SENATE JOINT RESOLUTION 112

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,*

Whereas, a productive and rewarding life for all of our citizens is a major goal of our nation; and

Whereas, for millions of people in our society adverse economic and social conditions create severe stresses and an inability to cope with life situations; and

Whereas, countless numbers of Americans through accidents, birth or illness develop physical, emotional and mental impairments; and

Whereas, professional social workers are advocates for sound and humane public policies and services; and

Whereas, professional social workers are in the vanguard of the forces working to

provide protection for children and the aged, the reduction of racism and sexism and the prevention of the social and emotional disintegration of individuals and families; and

Whereas, professional social workers constitute the largest group of professionals engaged in the treatment and recovery of those individuals who have become emotionally and mentally ill:

Now, Therefore, in recognition of professional social workers continuing efforts to provide the opportunities for a life of accomplishment, dignity and purpose for all people, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the month of March 1984 as "National Social Work Month", and calling upon the people of the United States to observe the month with appropriate programs, ceremonies, and activities.*●

By Mr. SARBANES:

S. 1419. A bill to amend title XVIII of the Social Security Act to retain the option of direct reimbursement for all providers under the medicare program; to the Committee on Finance.

MEDICARE FISCAL INTERMEDIARY AMENDMENTS ACT

● Mr. SARBANES. Mr. President, I am introducing legislation today to require that the Health Care Financing Agency retain the option of direct reimbursement for health care providers under the medicare program. Providers of health care services currently have the right for their medicare claims to be processed either by a designated regional intermediary or directly by the Federal Government, through the Health Care Financing Agency's Office of Direct Reimbursement.

HCFA, however, has recently announced its intention to dismantle the Office of Direct Reimbursement and contract out its functions to the intermediaries, putting an end to any direct Federal role in the processing and reimbursement of medicare claims.

This legislation would mandate that the current choice be continued. The Office of Direct Reimbursement has proven to be a cost-effective mechanism for controlling rising medicare claims processing expenses. ODR is, according to HCFA's own figures, one of the most efficient processors of medicare claims, ranking second lowest in cost nationwide out of 66 intermediaries in fiscal year 1982. The Agency has offered no rigorous cost or quality comparison studies to justify contracting out the work performed by the Office of Direct Reimbursement. HCFA has only indicated that it is taking steps "to assure that operations in the private sector are no more costly than those in ODR."

In contrast, a recent study by the President's Private Sector Survey on Cost Control clearly found that the



plan to do away with ODR "will actually increase the cost (to the Medicare program), rather than produce savings." Shifting ODR's claims load to other, less efficient intermediaries will result in increased administrative and Medicare claims processing costs. In addition, the benefits of ODR's centralized operations to many providers will be lost through a regionalization of reimbursement and the unnecessary duplication of many functions.

The Office of Direct Reimbursement enjoys a national reputation for promptness in processing claims, consistent and fair application of standards in judging Medicare services, and expertise in all areas of health care. ODR's cost-effectiveness and efficiency provide important competition with regional intermediaries, and encourage them to maintain similar high performance standards.

The option of Medicare providers to use the Office of Direct Reimbursement as an intermediary acts as a key check and balance in the system. It serves HCFA as a resource for quality control of the regional intermediaries, and permits them to make comparisons among intermediaries on a variety of performance measures. Thus a reimbursement system is achieved that is far more likely to provide both cost control for the Medicare program and fairness for beneficiaries.

The health care data base which has been compiled by the Office of Direct Reimbursement also serves HCFA as an invaluable tool for determining health care policy and reimbursement procedures and benefits. ODR provides HCFA with the ability to experiment and to test ways to reduce claims processing costs and to strengthen program administration. Development of new methods of savings for the Medicare program will be far more difficult without the Office of Direct Reimbursement.

I have worked closely over the past 2 years with the employees of ODR and their representatives to insure the continuation of this tremendously important operation. HCFA's efforts to contract out the Office of Direct Reimbursement clearly run counter to the intent of Congress, as expressed in the 1980 Omnibus Budget Reconciliation Act, that Medicare providers retain the choice of contracting directly with the Federal Government for reimbursement.

At a time when spiraling Medicare costs are of national concern, the ODR permits the Federal Government to maintain oversight over the payment of Medicare claims and to seek innovative ways to reduce administrative costs. I therefore urge my colleagues to join me in supporting this legislation to provide an on-going Federal commitment to holding down Medicare costs. ●

By Mr. MITCHELL:

S. 1420. A bill to suspend the duties on semiconductors and computers; to the Committee on Finance.

SUSPENSION OF DUTIES ON SEMICONDUCTORS AND COMPUTERS

Mr. MITCHELL. Mr. President, today I am introducing legislation to suspend the duty on computers and semiconductors.

This legislation is rather unique in that the computer and semiconductor firms in my State and across the country support suspension of the duty on their own products. This is a reflection not only on the increasingly international character of these industries, but of their strong commitment to open markets in this country and abroad.

In an era of increasing concern over the continuing competitiveness of U.S. industry in world markets, the American computer and semiconductor industries have proven remarkably successful. This is largely due to their heavy emphasis on research and development of technologies, their high level of capital investment, and their ability to operate successfully internationally as well as domestically.

This legislation will help the industry to meet its two most important challenges—the need to meet the challenge of foreign competition and to respond to increasing capital demands for investment in research and development and plants and equipment.

These industries face a growing competitive challenge from Japan, which has committed substantial national resources to promotion of its own high technology industries. Japanese protectionism and export drives have already resulted in serious losses for some U.S. semiconductor companies. However, the U.S. computer and semiconductor industries believe that the answer to the Japanese challenge is not market protection, but open markets. These companies do not seek to raise U.S. duties, but to eliminate them.

The U.S. duties on semiconductors, computers, data processing machines, calculators and parts range from 4.2 percent to 5.1 percent. These duties have virtually no effect on import levels or prices—they offer little or no protection to U.S. producers. In semiconductors, for example, rapid cost reductions can cause the price of a device to fall from \$30 to \$5 in little more than a year. Moreover, international currency exchange rates may shift 20 to 40 percent in a very short time. Given such tremendous price variables, a 4 to 5 percent duty is simply irrelevant to the competitive equation. Thus, the lack of support by domestic manufacturers for duties on their products is not surprising.

On the other hand, duties on computers and semiconductors—both United States and foreign—impose costs on U.S. companies. These compa-

nies have subsidiaries around the world, and duties add to the cost of shipping products from one plant location to another. If all duties on these products would be eliminated, U.S. companies would enjoy major savings—funds which could be invested in new research and development and capital investment, and passed on to consumers in the form of lower prices.

In spite of the need by firms in high technology industries for additional investment funds, these firms are among the most heavily taxed businesses. This bill will provide an additional source of funds by suspending duties that are proving to be counterproductive.

Moreover, if the United States were a duty-free zone, computer producers—both United States and foreign—would have an additional incentive to maintain their systems production operations in the United States, where they can ship and assemble their products combining both United States and foreign components. The U.S. benefit from such operations is substantial. In 1980, the United States imported \$1 billion in computers and parts and exported over \$7 billion of such items. This 7 to 1 ratio of exports to imports is the sign of a healthy and growing industry which makes a major contribution to this country's trade balance.

This bill is designed as a first step toward the elimination of all duties on computers and semiconductors. In effect it represents a challenge to Japan, our leading high technology competitor, to suspend its own duties. Japan has frequently proclaimed its commitment to the principle of free trade—while at the same time protecting its own domestic market. This measure throws down the gauntlet to Japan. If it really believes in free trade—and the superior quality of its products—then it will find it difficult to justify maintaining its own duty in the fact of a U.S. suspension. As a safeguard, this legislation provides that it will take effect within a stated period of time if the President determines it is in the national economic interest. This will enable the President to use this legislation as a lever to insure that other countries open their markets to U.S. exports.

Should Japan and the United States, the world's leading high technology nations, suspend their computer and semiconductor duties, other nations are likely to follow suit—recognizing that in these international-in-scope industries, duties serve only to retard the industries they are intended to protect.

The proposal to eliminate the U.S. duties on semiconductors and computers is not new. Authority to negotiate these items to zero was included in S. 144, the International Trade and In-

vestment Act of 1983, which was reported favorably by the Senate Finance Committee and approved by the full Senate. Thus, this approach is consistent with that taken in S. 144.

The American computer and semiconductor industries should be commended for this positive response to the Japanese challenge. These industries seek only a level playing field and open markets. This legislation is an important step in that direction.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

#### S. 1420

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SEC. 1. SUSPENSION OF DUTIES

That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by adding in numerical sequence the following new items:

Transistors and other related electronic crystal components:

913.01	Transistors (provided for in item 687.70, part 5, schedule 6).	Free	Free	35% ad val.
913.02	Diodes and Rectifiers (provided for in item 687.72, part 5, schedule 6).	Free	Free	35% ad val.
913.03	Monolithic integrated circuits (provided for in item 687.74, part 5, schedule 6).	Free	Free	35% ad val.
913.04	Other integrated circuits (provided for in item 687.77, part 5, schedule 6).	Free	Free	35% ad val.
913.05	Other (provided for in item 687.81, part 5, schedule 6). Other, including parts not specifically provided for.	Free	Free	35% ad val.
		xi	xi	
913.06	Parts of semiconductors (provided for in item 687.85, part 5, schedule 6).	Free	Free	35% ad val.

Calculating machines; accounting machines, cash registers, postage-franking machines, and similar machines, all the foregoing incorporating a calculating mechanism.

914.01	Accounting, computing, and other data processing machines (provided for in item 676.15, part 9, schedule 6).	Free	Free	35% ad val.
914.02	Office machines not specifically provided for (provided for in item 676.30, part 4, schedule 6).	Free	Free	35% ad val.
	Parts of the foregoing	xi	xi	
914.03	Other (provided for in item 676.52, part 4, schedule 6).	Free	Free	35% ad val.

SEC. 2. The provisions of section 1 shall become effective by April 1, 1984, or within six months from the date of enactment of this Act, whichever is later, if the President has determined that it is in the national economic interest for such suspensions to become effective. Any such determination shall be made after receiving the advice of the U.S. Trade Representative as Chairman of the Trade Policy Committee. Such suspensions shall remain in effect for a period of four years, subject to the provisions of section 3.

SEC. 3. Any suspension of duties that takes effect under this act be treated as if proclaimed to implement a trade agreement under the Trade Act of 1974 as amended.

#### ADDITIONAL COSPONSORS

##### S. 476

At the request of Mr. LEVIN, the names of the Senator from New York (Mr. D'AMATO), and the Senator from Rhode Island (Mr. PELL) were added as cosponsors of S. 476, a bill to amend title II of the Social Security Act to require a finding of medical improvement when disability benefits are terminated, to provide for a review and right to personal appearance prior to termination of disability benefits, to provide for uniform standards in determining disability, to provide continued payment of disability benefits during the appeals process, and for other purposes.

##### S. 528

At the request of Mr. DOLE, the name of the Senator from Iowa (Mr. JEPSEN) was added as a cosponsor of S. 528, a bill to amend the Internal Revenue Code of 1954 to provide a Federal income tax credit for tuition.

##### S. 555

At the request of Mr. MOYNIHAN, the name of the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 555, a bill to stop the proliferation of "cop-killer" bullets.

##### S. 591

At the request of Mr. INOUE, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 591, a bill to amend the Internal Revenue Code of 1954 to provide a mechanism for taxpayers to designate \$1 of any overpayment of income tax, and to contribute other amounts, for use by the U.S. Olympic Committee.

##### S. 593

At the request of Mr. INOUE, the name of the Senator from Oklahoma (Mr. NICKLES) was added as a cosponsor of S. 593, a bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to permit distribution of certain State-inspected meat and poultry products, and for other purposes.

##### S. 695

At the request of Mr. HEINZ, his name was added as a cosponsor of S. 695, a bill to amend the Bretton Woods Agreements Act to authorize consent to and authorize appropriations for an increase in the U.S. quota in the International Monetary Fund and to authorize appropriations for increased U.S. participation in the IMF's General Arrangements to Borrow.

##### S. 737

At the request of Mr. MATHIAS, the name of the Senator from Maine (Mr. COHEN) was added as a cosponsor of S.

737, a bill to allow business to jointly perform research and development.

##### S. 780

At the request of Mr. SARBANES, the names of the Senator from Connecticut (Mr. DODD), and the Senator from Michigan (Mr. LEVIN) were added as cosponsors of S. 780, a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to require the Administrator of the Environmental Protection Agency to maintain a facility for the biological testing of pesticides under such act.

##### S. 873

At the request of Mr. LUGAR, the names of the Senator from Hawaii (Mr. MATSUNAGA), and the Senator from Virginia (Mr. WARNER) were added as cosponsors of S. 873, a bill to help insure the Nation's independent factual knowledge of the Soviet Union and Eastern European countries, to help maintain the national capability for advanced research and training on which that knowledge depends, and to provide partial financial support for national programs to serve both purposes.

##### S. 915

At the request of Mr. GORTON, the names of the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Ohio (Mr. METZENBAUM) were added as cosponsors of S. 915, a bill entitled the "Taxpayer Antitrust Enforcement Act of 1983".

##### S. 995

At the request of Mr. EXON, the names of the Senator from North Dakota (Mr. BURDICK), the Senator from Iowa (Mr. JEPSEN), the Senator from South Dakota (Mr. ABDNOR), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Oklahoma (Mr. NICKLES), and the Senator from South Dakota (Mr. PRESSLER) were added as cosponsors of S. 995, a bill to amend title 38, United States Code, to modify the rule for the commencement of the period of payment of certain adjustments in compensation in the case of hospitalized veterans.

##### S. 1081

At the request of Mr. FORD, the name of the Senator from Iowa (Mr. JEPSEN) was added as a cosponsor of S. 1081, a bill to authorize the Interstate Commerce Commission to adjust rail rates to reflect cost decreases due to deflation.

##### S. 1082

At the request of Mr. FORD, the name of the Senator from Iowa (Mr. JEPSEN) was added as a cosponsor of S. 1082, a bill amending title 49 of the United States Code with respect to standards for rail rates and determinations of rail carrier market dominance, with respect to railroad accounting principles, and for other purposes.

S. 1176

At the request of Mrs. HAWKINS, the names of the Senator from Hawaii (Mr. MATSUNAGA), the Senator from New York (Mr. MOYNIHAN), and the Senator from California (Mr. CRANSTON) were added as cosponsors of S. 1176, a bill to authorize the appropriation of funds for preventive health service programs for tuberculosis.

S. 1206

At the request of Mr. PRYOR, the name of the Senator from Montana (Mr. MELCHER), was added as a cosponsor of S. 1206, a bill to amend titles II and XVI of the Social Security Act to make it clear that administrative law judges engaged in reviewing disability cases under the OASDI and SSI programs may not be rated or evaluated on the basis of the percentage of such cases which they decide in favor of or against the claimant.

S. 1220

At the request of Mr. MATHIAS, the name of the Senator from Florida (Mr. CHILES) was added as a cosponsor of S. 1220, a bill to amend title VIII of the act commonly called the Civil Rights Act of 1968, to revise the procedures for the enforcement of fair housing, and for other purposes.

S. 1244

At the request of Mr. PACKWOOD, the names of the Senator from Illinois (Mr. PERCY), and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of S. 1244, a bill to amend title XVIII of the Social Security Act to provide for a program of health care for elderly individuals who require long-term care.

S. 1278

At the request of Mr. MELCHER, the name of the Senator from Ohio (Mr. GLENN) was added as a cosponsor of S. 1278, a bill to provide for an accelerated program of research, development, and demonstration with respect to the production of electricity from magnetohydrodynamics, leading to the construction and operation of at least one major proof of concept demonstration project in connection with an existing electric powerplant, and for other purposes.

S. 1301

At the request of Mr. HEINZ, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 1301, a bill to amend the Internal Revenue Code of 1954 to allow a credit against tax for expenses incurred in the care of elderly family members.

S. 1302

At the request of Mr. HEINZ, the name of the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 1302, a bill to amend title XVIII of the Social Security Act with respect to purchase and rentals of durable medical equipment.

S. 1306

At the request of Mr. MATHIAS, the names of the Senator from Delaware (Mr. ROTH), the Senator from Georgia (Mr. NUNN), the Senator from North Carolina (Mr. HELMS), the Senator from Missouri (Mr. DANFORTH), and the Senator from New Jersey (Mr. BRADLEY), were added as cosponsors of S. 1306, a bill to amend the patent law to restore the term of the patent grant for the period of time that nonpatent regulatory requirements prevent the marketing of a patented product.

S. 1376

At the request of Mr. PRYOR, the name of the Senator from Arkansas (Mr. BUMPERS), was added as a cosponsor of S. 1376, a bill to amend the Federal Crop Insurance Act to require the Federal Crop Insurance Corporation to pay promptly claims for indemnity under such act and to report annually to the Congress on the payment of the claims.

SENATE JOINT RESOLUTION 34

At the request of Mr. RIEGLE, the names of the Senator from Georgia (Mr. NUNN), the Senator from North Carolina (Mr. HELMS), the Senator from Florida (Mr. CHILES), the Senator from South Dakota (Mr. ABDNOR), the Senator from New York (Mr. D'AMATO), the Senator from Washington (Mr. GORTON), the Senator from Alabama (Mr. HEFLIN), the Senator from Idaho (Mr. SYMMS), the Senator from South Carolina (Mr. THURMOND), the Senator from Indiana (Mr. LUGAR), were added as cosponsors of Senate Joint Resolution 34, a joint resolution designating "National Reye's Syndrome Week."

SENATE JOINT RESOLUTION 42

At the request of Mr. STEVENS, the name of the Senator from New Mexico (Mr. BINGAMAN), was added as a cosponsor of Senate Joint Resolution 42, a joint resolution designating Alaska Statehood Day, January 3, 1984.

SENATE JOINT RESOLUTION 50

At the request of Mr. LEVIN, the name of the Senator from Louisiana (Mr. JOHNSTON), was added as a cosponsor of Senate Joint Resolution 50, a joint resolution designating the week beginning September 25, 1983, as "National Adult Day Care Center Week."

SENATE JOINT RESOLUTION 54

At the request of Mr. NICKLES, the name of the Senator from Nebraska (Mr. ZORINSKY), was added as a cosponsor of Senate Joint Resolution 54, a joint resolution to authorize and request the President to designate the month of January 1984 as "National Eye Health Care Month."

SENATE JOINT RESOLUTION 77

At the request of Mr. DOLE, the names of the Senator from Arkansas (Mr. BUMPERS), and the Senator from Arkansas (Mr. PRYOR) were added as cosponsors of Senate Joint Resolution

77, joint resolution designating "National Animal Agriculture Week."

SENATE JOINT RESOLUTION 104

At the request of Mr. GARN, the name of the Senator from Arizona (Mr. DECONCINI) was added as a cosponsor of Senate Joint Resolution 104, joint resolution to designate July 20 of each year as "Space Exploration Day."

SENATE CONCURRENT RESOLUTION 6

At the request of Mr. BOSCHWITZ, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of Senate Concurrent Resolution 6, a concurrent resolution expressing the sense of the Congress that the Federal Government should maintain current efforts in Federal nutrition programs to prevent increases in domestic hunger.

SENATE CONCURRENT RESOLUTION 40

At the request of Mr. LEVIN, the names of the Senator from Florida (Mrs. HAWKINS), the Senator from Oklahoma (Mr. BOREN), the Senator from Colorado (Mr. HART), and the Senator from Maryland (Mr. SARBANES) were added as cosponsors of Senate Concurrent Resolution 40, a concurrent resolution expressing the sense of the Congress that a uniform State act should be developed and adopted which provides grandparents with adequate rights to petition State courts for privileges to visit their grandchildren following the dissolution—because of divorce, separation, or death—of the marriage of such grandchildren's parents, and for other purposes.

SENATE RESOLUTION 88

At the request of Mr. SARBANES, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of Senate Resolution 88, a resolution expressing the sense of the Senate opposing cuts in library programs.

## AMENDMENTS SUBMITTED

## INTERNATIONAL MONETARY FUND

GARN (AND OTHERS)  
AMENDMENT NO. 1304

Mr. GARN (for himself, Mr. DOMENICI, Mr. HEINZ, and Mr. MELCHER) proposed an amendment to the bill (S. 695) to amend the Bretton Woods Agreement Act to authorize consent to and authorize appropriations for an increase in the U.S. quota in the International Monetary Fund and to authorize appropriations for increased U.S. participation in the IMF's general arrangement to borrow; as follows:

At the bottom of page 18, add the following:

Section 211. (a) No banking institution shall extend credit, whether by loan, lease,

guarantee, or otherwise, to finance all or any portion of any project, which project:

(1) has as its principal objective the construction, establishment, or major expansion of any mining operation, or any metal or mineral processing or fabricating facility or operation, located outside the United States or its territories or possessions, and

(2) can reasonably be expected to require aggregate development expenditures (including all costs of construction and establishment) in excess of \$25,000,000, unless a written economic feasibility evaluation of such foreign project is prepared by or for such banking institution and approved in writing by a senior official of such banking institution; or if such loan is made as a part of a bank consortium loan, prepared by or for a banking institution managing such consortium and approved in writing by a senior official of such managing banking institution.

(b) Such economic feasibility evaluation shall—

take into account the profit potential of the foreign project, the impact of the project on world markets, the impact on U.S. industry and employment, the inherent competitive advantages and disadvantages of the project, the likely effect of the project upon the overall long-term economic development of the country in which the project would be located, and whether the extension of credit can reasonably be expected to be repaid over the life of the project without regard to any subsidy listed in the Annex of the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade provided by the government of the country in which the project would be located, or by any instrumentality of that government.

#### HUMPHREY AMENDMENT NO. 1305

Mr. HUMPHREY proposed an amendment to the bill S. 695, supra; as follows:

On page 9, between lines 7 and 8, insert the following:

Sec. 103. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"SEC. 45. Notwithstanding section 40 of this Act, the United States Governor of the Fund may not consent to the increase in the United States quota in the Fund which is described in that section unless the United States Governor is satisfied that the Fund has established, and will maintain, a requirement that employees of the Fund (including the Managing Director, Executive Directors, Alternate Executive Directors, and the staff of the Fund) may not be paid at a rate in excess of the rate payable for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code."

#### SOLID WASTE DISPOSAL ACT AUTHORIZATION

#### DANFORTH (AND EAGLETON) AMENDMENT NO. 1306

(Ordered to be referred to the Committee on Environment and Public Works.)

Mr. DANFORTH (for himself and Mr. EAGLETON) submitted an amend-

ment intended to be proposed by them to the bill (S. 757) to amend the Solid Waste Disposal Act to authorize funds for fiscal years 1983, 1984, 1985, 1986, and 1987, and for other purposes; as follows:

On page 28, after line 8, add the following:

#### COMMUNITY RELOCATION

SEC. 15. Paragraph (23) of section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (Public Law 96-510) is amended by striking out the semicolon at the end thereof and inserting in lieu thereof a period and the following: "In those circumstances where temporary relocation or evacuation is the appropriate response and permanent relocation may be an appropriate remedy, the term includes the permanent relocation of residents, businesses and community facilities. In the case of a business located in an area of evacuation or relocation, it may also include the payment of those installments of principal and interest on business debt which accrue between the date of evacuation or temporary relocation and 30 days following the date that permanent relocation is actually accomplished or, if permanent relocation is formally rejected as the appropriate response, the date on which evacuation or temporary relocation ceases. In the case of an individual unemployed as a result of such evacuation or relocation, it may also include the provision of the assistance authorized by sections 407, 408, and 409 of the Disaster Relief Act of 1974."

#### INTERNATIONAL MONETARY FUND

#### MATTINGLY AMENDMENT NO. 1307

Mr. MATTINGLY (for himself, Mr. WILSON and Mr. RANDOLPH) proposed an amendment to the bill S. 695, supra, as follows:

On page 9, between lines 7 and 8, insert the following:

Sec. 103. (a) Not later than 180 days after the date of the enactment of this section, the Secretary of the Treasury shall transmit to the Congress a report containing a thorough review and detailed analysis of the policies of the International Monetary Fund (hereinafter referred to as the "Fund") relating to the Fund's gold reserves. Such report shall include an analysis of—

(1) the feasibility of returning all or part of the Fund's gold reserves to Fund members;

(2) the feasibility of selling the Fund's gold reserves in the private markets in an effort to raise capital; and

(3) the feasibility of establishing a Gold Lending Facility whereby the Fund would lend gold to Fund members who would in turn use such gold as collateral for commercial loans.

(b) In addition to the matters referred to in subsection (a), the report shall analyze—

(1) the effect on the market price of gold as a result of taking any of the actions described in paragraph (1), (2), or (3) of subsection (a);

(2) the effect on countries whose central banks maintain reserves in the form of gold as a result of taking any of the actions described in paragraph (1), (2), or (3) of subsection (a); and

(3) the effect on the credit markets of the United States as a result of taking any of the actions described in paragraph (1), (2), or (3) of subsection (a).

On page 9, between lines 7 and 8, insert the following:

Sec. 103. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"SEC. 45. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the Fund, prior to the extension to any country of financial or technical assistance by the Fund, to work to obtain the agreement of such country to eliminate, in a manner consistent with its balanced payments adjustment program, phase down unfair trade and investment practices, such as those which are inconsistent with the General Agreement on Tariffs and Trade or other international agreements, including the provision of export subsidies such as government subsidized below-market interest rate financing for commodities or manufactured goods, the maintenance of unreasonable import restrictions, or the imposition of trade-related performance requirements on foreign investment, which the Secretary of the Treasury, after consultation with the U.S. Trade Representative, the Secretary of Commerce, and the Secretary of Labor, has determined to have a significant deleterious effect on the international trading system.

"(b) In determining the United States position on requests for periodic drawings under Fund programs, the Secretary of the Treasury shall take full account of the progress countries have made in achieving targets for eliminating or phasing out the unfair trade practices referred to in subsection (a) of this section. In the event that the United States supports a request for drawing by a country that has not achieved the Fund targets relating to such practices specified in its program, the Secretary shall report to the appropriate committees of Congress the reasons for the United States position."

On page 9, between lines 7 and 8, insert the following:

Sec. 103. It is the Sense of the Congress that there should be meetings on a regular basis between representatives of the International Monetary Fund and of the Contracting Parties to the General Agreement on Tariffs and Trade to ensure closer cooperation and more frequent sharing of information on the monetary—trade link.

#### SUPPLEMENTAL APPROPRIATIONS, 1983

#### KENNEDY (AND OTHERS) AMENDMENT NO. 1308

(Ordered to lie on the table.)

Mr. KENNEDY (for himself, Mr. HOLLINGS, Mr. RANDOLPH, Mr. PELL, Mr. PRYOR, and Mr. CHILES) submitted an amendment intended to be proposed by him to the bill (H.R. 3069) making supplemental appropriations for the fiscal year ending September, 30, 1983, and for other purposes; as follows:

On page 38, between lines 3 and 4, insert the following:

## NATIONAL SUMMIT CONFERENCE ON EDUCATION

For conducting a National Summit Conference on Education, \$500,000, which shall be held within 90 days after the date of enactment of this Act, and shall be subject to the following conditions:

(1) The Conference shall consist of not less than 200 individuals and shall be representative of teachers, parents, school administrators, college faculty and administrators, school board members, State education officials, State legislators, Governors, students, and business and labor. The Conference participants, as a whole, shall be racially and politically balanced.

(2) One-fourth of the participants in the Conference shall be appointed by the President, one-fourth of the participants shall be appointed by the President from among recommendations made by the Governors of the States, one-fourth of the participants shall be appointed by the Speaker of the House of Representatives, and one-fourth of the participants shall be appointed by the Majority Leader of the Senate. Each Governor shall recommend no more than two individuals.

(3) The President of the United States, the Speaker of the House of Representatives, the Majority Leader of the Senate and the Governors of the States, as a group, shall each designate two individuals to serve on an Executive Committee. The Committee shall be responsible for selecting a presiding officer for the Conference.

(4) The Conference shall develop specific recommendations for action in response to the findings of the National Commission on Excellence in Education, including recommendations relating to student achievement, student discipline, teacher quality and compensation, curriculum content, the role of the federal, state and local governments and of private institutions in improving the educational system of the United States and the resources needed to implement such recommendations.

(5) The Conference shall prepare and transmit its recommendations to the President, the Congress and the Governors of the States no later than January 15, 1984.

● Mr. KENNEDY. Mr. President, I am today offering, on behalf of myself and Senators HOLLINGS, RANDOLPH, PELL, PRYOR, and CHILES, an amendment which would appropriate \$500,000 to convene a national summit conference on education. I intend to offer this amendment to the Emergency Supplemental Appropriations Act, H.R. 3069, when the Senate turns to consideration of this measure later this week.

This summit conference would be the logical successor to the recently ended National Commission on Excellence in Education. That Commission's report and the reports of other blue ribbon panels included eloquent descriptions of the problems in our public schools and outlined the needs for improvement. These reports have raised the consciousness of America on the state of our schools. However, these reports did not include the specific prescription for implementing their general recommendations. A national conference, drawing broadly on individuals with varied experiences and interests in the field of education,

could develop such a blueprint to respond to the needs in the schools.

To briefly summarize my amendment, it would convene a national summit conference within 90 days of the enactment of the supplemental appropriations bill. The conference would include not less than 200 participants. They would be individuals with diverse backgrounds but sharing a strong interest in the improvement of our educational system. They would include teachers, parents, students, school administrators, college faculty, and administrators, representatives of business and labor, and local, State, and Federal policymakers.

The participants would be selected in the following manner:

One-quarter by the President of the United States;

One-quarter by Speaker O'Neill;

One-quarter by the Senate majority leader, Senator BAKER; and

One-quarter by the President from a list submitted by the Governors of the various States.

It is essential that the participants selected be politically and racially balanced and that all viewpoints are represented. It will be up to the individuals selecting the participants to insure that this occurs. It is particularly important for this conference not to be overburdened with too many participants representing any single interest or level of government. Governors, for example, should consult with other State office-holders and with local education officials in selecting their recommendations.

The President, the Speaker, the Senate Majority leader, and the Governors shall each designate two individuals to serve on an eight-person executive committee. The committee will be responsible for selecting a Chair for the conference. The committee will also select any staff needed to prepare for the conference and to assist the participants.

This amendment has received the endorsement of a number of important organizations with an interest in education, including the American Federation of Teachers, the National Education Association, the National Parent-Teacher Association, the American Association of School Administrators, and the chief State school officers.

The report of the National Commission concluded by noting that:

It is the America of all of us, that is at risk; it is to each of us that this imperative is addressed. It is by our willingness to take up the challenge, and our resolve to see it through, that America's place in the world will be either secured or forfeited. Americans have succeeded before and so we shall again.

These are optimistic sentiments, but I believe that they can be borne out if we are willing to meet together, talk together, and work together to restore

excellence in American education. Our school system attained greatness because it was placed above politics and outside the arena of petty partisan disputes. It attained greatness because Americans universally embraced the concept that a quality education was an imperative. That greatness can be restored and the enactment of this amendment is the next step in that quest.●

## HUMPHREY AMENDMENT NO. 1309

Mr. HUMPHREY proposed an amendment to the bill S. 695, supra; as follows:

On page 9, between lines 7 and 8, insert the following:

SEC. 103. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"Sec. 45. Notwithstanding section 40 of this Act, the United States Governor of the Fund may not consent to the increase in the United States quota in the Fund which is described in that section as long as communist nations remain members of the International Monetary Fund.

## NOTICES OF HEARINGS

## COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. ROTH. Mr. President, the Senate Committee on Governmental Affairs will hold a hearing on operational testing procedures in the Department of Defense on Thursday, June 23, at 9:30 a.m. in room SD 342 of the Dirksen Senate Office Building. For further information, please contact Mr. Lincoln Hoewing at 224-4751.

## COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, as chairman of the Senate Committee on Agriculture, Nutrition, and Forestry, I wish to announce that a hearing has been scheduled to review proposed modifications in the Federal tobacco program. The hearing will be held on Tuesday, June 14, at 9:30 a.m. in room 328-A, Russell Senate Office Building.

Anyone wishing further information should contact Denise Alexander of the Agriculture Committee staff at 224-0014.

## AUTHORITY FOR COMMITTEES TO MEET

## COMMITTEE ON FOREIGN RELATIONS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, June 8, at 10 a.m., to hold a markup of S. 602, radio broadcasting to Cuba.

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

## COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Commit-

tee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, June 7, 1983, in order to consider and act on pending nominations and the following bills:

S. 53—The Justice Assistance Act of 1983 (Subcommittee on Juvenile Justice).

S. 57—To amend the Protection of Children Against Sexual Exploitation Act of 1977 (Subcommittee on Juvenile Justice).

S. 500—Christopher Columbus Quincentenary Jubilee Act (Full Committee).

S. 774—The Freedom of Information Reform Act (Subcommittee on the Constitution).

S. 779—Intelligence Personnel Protection Act (Subcommittee on Criminal Law).

Budget waiver authorization(s) for any bill(s) requiring the same.

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

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, June 8, in order to receive testimony concerning S. 915, the Taxpayer Antitrust Enforcement Act of 1983 (Illinois Brick).

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

SUBCOMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on East Asian and Pacific Affairs, of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, June 8, at 2:30 p.m., to receive a secret level briefing on United States and Taiwan relations.

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

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, June 8, in order to receive testimony concerning the following nominations:

Justice Gene Carter of Maine to be U.S. district judge for the District of Maine;

Mrs. Lois Herrington of California to be Assistant Attorney General;

Francis M. Mullen of Virginia to be Administrator of the Drug Enforcement Administration.

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

SUBCOMMITTEE ON LEGISLATION AND THE RIGHTS OF AMERICANS

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Legislation and the Rights of Americans of the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, June 9, at 10 a.m., to hold a hearing on intelligence matters.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. BAKER. Mr. President, I ask unanimous consent that the Select

Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, June 8, at 10 a.m., to hold a hearing on intelligence matters.

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

SUBCOMMITTEE ON CIVIL SERVICE, POST OFFICE, AND GENERAL SERVICES

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Civil Service, Post Office, and General Services, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Thursday, June 9, at 10 a.m., to hold a hearing on S. 958, the Merit Pay Reform Act, and to continue in a markup session at 11:15 a.m. of S. 958 and S. 1009, a bill reauthorizing Federal physician's comparability allowances.

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

ADDITIONAL STATEMENTS

BUDGET STATUS REPORT

Mr. DOMENICI. Mr. President, I hereby submit to the Senate a status report on the budget for fiscal year 1983 pursuant to section 311 of the Congressional Budget Act. Since my last report the Congress has completed action on Senate Concurrent Resolution 26 approving the obligation and expenditures of funds for the MX missile.

The report follows:

REPORT NO. 83-5; REPORT TO THE PRESIDENT OF THE U.S. SENATE FROM THE COMMITTEE ON THE BUDGET, STATUS OF THE FISCAL YEAR 1983 CONGRESSIONAL BUDGET ADOPTED IN S. CON. RES. 92, REFLECTING COMPLETED ACTION AS OF MAY 31, 1983

[In millions of dollars]

	Budget authority	Outlays	Revenues
2d budget resolution level	822,390	769,818	665,900
Current level	868,492	783,054	665,298
Amount remaining	0	0	0

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and which exceeds \$0 million for fiscal year 1983, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in S. Con. Res. 92 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and which would result in outlays exceeding \$0 million for fiscal year 1983, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in S. Con. Res. 92 to be exceeded.

REVENUES

Any measure that would result in revenue loss exceeding \$0 million for fiscal year

1983, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in S. Con. Res. 92.

THE EXPORT ADMINISTRATION ACT

Mr. GARN. Mr. President, the Committee on Banking, Housing, and Urban Affairs recently ordered reported a bill to amend the Export Administration Act of 1979. Our bill would make significant improvements to the current law. The classic economic solution is one in which all are benefited. That is exactly what would result from enactment of the Banking Committee bill. Our national security would be enhanced, while at the same time incentives for trade would be increased.

Mr. President, this is the result that most have hoped for but that few have thought possible to reach. Allow me to cite one example of the balance in the committee's approach. One of the most significant provisions of the Banking Committee bill would strengthen multilateral cooperation in controlling exports to our potential adversaries, both by upgrading the international cooperation agency—the coordinating committee of Cocom—and by empowering the President to deny access to the U.S. market to those violating Cocom regulations.

Our expectation is that this will result in a much more effective multilateral effort to curb the transfer of sensitive goods and technology to the Soviet bloc. With this increased multilateral cooperation it would be appropriate to decontrol the trade with our allies in nonsensitive items, and in general to facilitate trade with our Cocom partners. Provisions to accomplish these goals are also integral parts of the Banking Committee bill.

Mr. President, I wish that I could report that the other body is taking the same balanced approach, and I am hopeful that they will. In this regard I would recommend, Mr. President, that all interested in this issue read a recent editorial in the Wall Street Journal, entitled "Politics and Trade," and I ask that this editorial of June 2, 1983, be printed in the RECORD.

The editorial follows:

[From the Wall Street Journal, June 2, 1983]

POLITICS AND TRADE

Western leaders have stepped down from the summit far more gracefully than at Versailles last year, when efforts to find unity were tripped up by differences on East-West trade. That's great but if doesn't mean by any stretch of the imagination that the trade issue has been resolved.

President Reagan has lowered the pitch of his arguments against certain kinds of dealings with the Soviets, but he hasn't dropped them. Indeed, he wants Congress to further toughen the Export Administration Act, due to expire Sept. 30, to give him stronger

powers to punish foreign companies that don't abide by U.S. trade strictures, allowing him to close the U.S. market to foreign firms that violate the act. Our summit allies, no fans of the act as it already stands, would hate that. It appears that Congress doesn't like it very well either, judging from committee actions so far. Some have the effect of weakening rather than strengthening the act.

We admit to some ambivalence of our own on this issue. Our fundamental position on trade is that it should be as free as possible so that all the world's citizens can have the benefits of broad and varied commerce. But we know as well that there are special problems in trading with Communist bloc nations, who have no such liberal notions themselves and who are ideologically hostile to Western democracy and capitalism. Most importantly, much of the trade in question itself seems like a politically inspired departure from market principles.

Mr. Reagan has some good arguments and the distinctions he makes about what kinds of trade are acceptable and unacceptable are not merely politically self-serving as the Europeans often claim. The Reagan administration, in essence, makes the following points:

Detente has become a Western policy of making deliberately uneconomic trade deals with the Soviets, really simple appeasement under the guise of trade. It's a failed political strategy, and the U.S. will make no bones about voicing its view of what NATO political strategy should be.

The vast array of European subsidies to the Communist bloc for everything from butter to natural gas compressor stations is not just bad defense policy but bad economics. The heavily subsidized Soviet gas pipeline, for example, will cost European consumers an arm and a leg.

We've got to get serious about keeping strategic high-tech goodies like terrain-mapping guidance systems away from the Soviets. This means toughening up COCOM, the Paris coordinating group, which doesn't even have its own office space yet. Already U.S. Assistant Defense Secretary Richard Perle estimates that 150 Soviet weapons, among them the SS-20s aimed at European capitals, include Western technology.

Indeed, the Europeans, while decrying U.S. "economic warfare" for public consumption, are not totally unsympathetic to any of these complaints. They have even paid lip service to having East-West trade "guided by indications of the market," a promise subject to various interpretations. But there was little serious discussion of these issues until the Reagan administration's pipeline sanctions. And even now several European governments are toying with the awful idea of further expanding the pipeline project.

Given those circumstances, a good case can be made for toughening the Export Administration Act. If ever applied, the sanctions the administration has in mind clearly could raise havoc with trade and markets, but some threat seems to be just about the only way to get serious discussion about how the West behaves towards its military adversary. We say two cheers for the leverage a tough export administration act gives the U.S.—even while we hope its sanctions are never used. ●

#### CHURCH RESOLUTION ON REFUGEES IN CENTRAL AMERICA

● Mr. KENNEDY. Mr. President, the plight of hundreds of thousands of refugees in Central America has evoked a strong and commendable response from many religious leaders in our country. The voluntary agencies associated with them have also taken steps to redouble their efforts in behalf of the growing tide of refugees.

They speak eloquently to both the urgent need to provide humanitarian assistance, as well as the need to address the underlying causes behind the mounting refugee tragedy in Central America.

Recently, the Immigration and Refugee Program Committee of Church World Service, representing 32 denominations associated with the National Council of Churches, unanimously adopted a resolution calling for greater action to respond to the refugee crisis in Central America, stressing also the particular plight of refugees from El Salvador who are in the United States.

Mr. President, I commend these resolutions to the attention of the Senate and ask that they be printed in the RECORD.

The resolutions follow:

#### RESOLUTION ON REFUGEES AND DISPLACED PERSONS IN CENTRAL AMERICA

Whereas there is a crisis of people in Central America with spreading violence, persecution and civil strife;

Whereas the evolving crisis is resulting in a growing toll of deaths, civilian casualties, displaced persons within their homelands, and persons fleeing as refugees over international boundaries into neighboring countries;

Whereas in this regard, the plight of large numbers of people especially Salvadoran and Guatemalan nationals, is particularly grave;

Whereas insufficient attention is being dedicated to these humanitarian problems by members of the international community, including the United States; and

Whereas the Christian community internationally and here in the United States is deeply disturbed by these developments: Therefore, be it

*Resolved*, That the Church World Service Immigration and Refugee Program Committee, entrusted by its member national religious communions to address refugee concerns, and understanding that the solution to these problems will only come through the peaceful resolution of the present conflicts:

Expresses its profound humanitarian concern for the protection and well being of the displaced persons and refugees in Central America;

Commends private voluntary agencies, especially indigenous and ecumenical church organizations, for their extraordinary efforts to protect and aid homeless people;

Commends the International Committee of the Red Cross for its outstanding special services among displaced persons and refugees;

Calls upon the governments of the region to take all appropriate measures to help

assure protection to displaced persons and refugees;

Calls upon the United Nations' Organization and the United Nations' High Commissioner for Refugees to expand and direct its activities to respond more adequately to the humanitarian crisis of the region, and to take appropriate measures to help assure equitable protection for all refugees and to help provide full relief assistance to all in need;

Calls upon the government of the United States to recognize the situation in Central America as a major humanitarian crisis and urges that our Government encourage and facilitate equitable protection for and adequate aid to the displaced persons and refugees of the region and;

Urges greater efforts by the churches in the United States to contribute to bringing peace to the region and relief to the victims of the crisis in Central America.

#### RESOLUTION ON FIRST ASYLUM

Whereas an important historical ideal of the United States is to grant refuge to those fleeing persecution and civil strife;

Whereas the Christian community has traditionally upheld the concept of providing safe haven and sanctuary to such persons in need;

Whereas the United States has become a country of "first asylum" for Salvadorans, Guatemalans, Haitians and others seeking refuge from persecution and/or civil strife in their homelands; and

Whereas the United States is failing to live up to its moral responsibilities and legal obligations to provide protection and due process to those seeking temporary safe haven or political asylum here: Therefore be it

*Resolved*, That the Church World Service Immigration and Refugee Program Committee reaffirms, as an expression of our faith in God seeking justice and love for our neighbors, the concept and practice of providing refuge to persons in this country who have fled persecution and/or civil strife in their homelands, calling on the Government of the United States to:

(1) Recommit itself to the principle of nonrefoulement (no forced return) of those seeking refuge in this country,

(2) Grant temporary safe haven, through extended voluntary departure status, to groups needing such protection, in particular to Salvadoran and Guatemalan nationals who have fled to the U.S. since 1980, until they can return home in safety, and

(3) Insure fair and expeditious consideration, with full due process, for all persons requesting political asylum status; and be it further

*Resolved*, That the Church World Service Immigration and Refugee Program Committee urge the constituent bodies, congregations and individuals of its member communions to engage in advocacy to help bring about the full implementation of these measures, which reflect the humanitarian traditions of this Nation and the concerns of Christian faith and practice.

#### NATIONAL COUNCIL OF CHURCHES LIST OF MEMBER COMMUNIONS

African Methodist Episcopal Church  
African Methodist Episcopal Zion Church  
American Baptist Churches in the U.S.A.  
The Antiochian Orthodox Christian Archdiocese of North America  
Armenian Church of America  
Christian Church (Disciples of Christ)

Christian Methodist Episcopal Church  
 Church of the Brethren  
 Coptic Orthodox Church in North America  
 The Episcopal Church  
 Friends United Meeting  
 General Convention, the Swendenborgian Church  
 Greek Orthodox Archdiocese of North and South America  
 Hungarian Reformed Church in America  
 Lutheran Church in America  
 Moravian Church in America Northern Province Southern Province  
 National Baptist Convention of America  
 National Baptist Convention, U.S.A., Inc.  
 National Council of Community Churches Orthodox Church in America  
 Patriarchal Parishes of the Russian Orthodox Church in the U.S.A.  
 Philadelphia Yearly Meeting of the Religious Society of Friends  
 Polish National Catholic Church of America  
 The Presbyterian Church in the United States  
 Progressive National Baptist Convention, Inc.  
 Reformed Church in America  
 Serbian Eastern Orthodox Church  
 Syrian Orthodox Church of Antioch  
 Ukrainian Orthodox Church in America  
 United Church of Christ  
 The United Methodist Church  
 The United Presbyterian Church in the U.S.A.●

#### AUTOMOTIVE SAFETY

● Mr. DANFORTH. Mr. President, last month I introduced S. 1108, the Highway Safety Act of 1983, on behalf of Senators PELL and PACKWOOD and myself. This omnibus safety bill seeks to promote safety at the Federal level and encourage effective State action to improve highway safety.

Mr. President, title I of S. 1108 addresses various aspects of automotive safety. Earlier this year, the Surface Transportation Subcommittee heard testimony which clearly showed that technologies exist which would reduce deaths and injuries from highway accidents. For the most part, however, these technologies currently are unavailable to the American consumer. Title I provides for specific technology related safety improvements; this title would require the installation of such life- and injury-saving devices in automobiles as airbags, 5-mph bumpers, antilacerative windshields, and high-mounted stoplamps as well as require a rulemaking by NHTSA which would lead to improved side impact protection for automobiles, light trucks, and vans.

Mr. President, I would like to bring to my colleagues' attention a recent article from the New York Times which discusses auto safety from a free market perspective.

I ask that this article be inserted in the RECORD.

The article follows:

[From the New York Times, May 10, 1983]

#### AIRBAGS FOR ADAM SMITH

Is the Reagan Administration about to alter course on auto safety? The dismissal of Raymond Peck, the highway safety administrator who spent the last two years dismantling key regulations, doesn't necessarily signal a change. Apparently it was Mr. Peck's ability to irritate his boss, Transportation Secretary Elizabeth Dole, more than his policies that cost him his job.

Still, there is hope. Mrs. Dole is a smart, practical conservative who knows that free-market principles do not necessarily conflict with sophisticated regulation.

Last year 45,000 Americans died on the road; several hundred thousand suffered severe injury. A pity, say the free marketers in the Reagan Administration, but if crashworthy cars were worth the cost, consumers would want to buy them and Detroit would want to make them. Since safety doesn't sell, they argue, Government has no business overriding consumer preferences. It's just such "respect" for individuals that inspired Raymond Peck to roll back requirements for self-activating passive restraints and tougher bumpers.

The pitch has a nice ring. But any conservative worthy of her Adam Smith necktie understands there is more to economic efficiency than free choice. Consider a few of the logical gaps in the economics of rugged individualism.

Economies of Scale. If you install airbag restraints in a few thousand cars, a la Mercedes-Benz, it costs about \$1,000 per vehicle. Put them in a few million cars and the costs drops to about \$300. A brave auto maker might turn a profit by selling safety in quantity at the more attractive price, but these days no one in Detroit can afford to be brave. Thus if airbags are worth \$300 (but not \$1,000), there is reason to force their installation.

Information Costs. Everybody can guess that 5-mile-per-hour bumpers are better than 2½-m.p.h. bumpers. But few car buyers can tell which sort of bumper is on which car—in Chryslers, the two varieties look identical. And even fewer people are equipped to calculate how much the tougher bumpers are worth in repair savings or reduced injuries. Careful "cost-benefit" estimates show that 5-m.p.h. bumpers pay off; Uncle Sam is justified in requiring them.

Externalities. One might argue that individuals have the right to risk injury. But in the real world, much of the cost of mayhem on the highway is borne by others, in the form of higher insurance premiums and the higher taxes, as long as there is medical and disability insurance, Social Security and welfare, society has a stake in how dangerous it is to drive.

Besides, even in the purest of hypothetical worlds "consumer sovereignty" is a flawed concept. One of those flaws is the right of parents to make spending decisions for their children. It's illegal to deprive kids of food or education. Why let dad alone decide how safe little Jennifer and Max will be in the family station wagon?

Conservatives distrust government, but only simple ones believe it has no constructive role to play in real-world markets.●

#### ADDRESS OF SENATOR PELL AT 85TH ANNUAL COMMENCEMENT DAY LUNCHEON AT COLUMBIA UNIVERSITY

● Mr. STAFFORD. Mr. President, for over a decade, I have had the great pleasure of serving on the Labor and Human Resources Committee with my good friend and distinguished colleague, Senator CLAIBORNE PELL of Rhode Island. His record of achievement in the Senate, on that committee, and on our Subcommittee on Education, Arts, and Humanities, which he chaired throughout the 1970's, is remarkable. Senator PELL has been a passionate advocate for enriching our lives through the arts and humanities and has been a champion of opening the doors of higher education to all, regardless of economic circumstances.

I would like my colleagues to note that on May 17 of this year, Columbia University awarded Senator PELL the degree of doctor of laws, honoris causa, at its 229th commencement exercises and also honored him that day by asking him to deliver Columbia's 85th annual commencement day luncheon address. I am delighted to share Senator PELL's eloquent remarks with my colleagues, and I commend to you his vision for a better world.

The remarks follow:

#### REMARKS OF SENATOR CLAIBORNE PELL AT 85TH ANNUAL COMMENCEMENT DAY LUNCHEON, COLUMBIA UNIVERSITY

It is a huge personal pleasure and honor to be at Columbia today. My father was a lecturer here in the 1920's and I am proud to hold a Columbia degree myself, as did my grandfather. And long before our time, we had an historical connection with this wonderful institution of learning, then called King's College, as evidenced by the fact that our family's coat of arms is one of those on the cupola of St. Paul's chapel over there. I would add that my Tory origins have eroded a bit with the passage of time.

This is a time of cheer and hope, and I would like to ask you to share with me in these next few minutes a bright vision. It is a vision, still within our grasp, of a world somehow freed from the scourge of nuclear armaments. We have lived for so long now with the terrible weight of this burden that it is difficult to envision what life would be like without it. But let us share, for a moment, this vision.

What a springtime of rejuvenation for the human spirit would occur if mankind could witness the curtailment, reduction and ultimate abolition of nuclear armaments as instruments of national power. What a release it would mean from the unspoken grip of fear that weighs on the human race—particularly on our young people.

The world could not only be released from the fear of nuclear annihilation, but from other fears as well; the fear of starvation, the fear of poverty and the fear of catastrophic illness. For the fact is that if expenditures for nuclear weapons were to be reduced 100% and, with a concomitant reduction in tensions, those for conventional armaments reduced by 50%, vast resources of mind and material could be released to



attack the real problems that bedevil the human condition.

We could address with fresh energy the quality of life that would be possible on this planet. In particular, we could renew and intensify the emphasis that should be placed upon education, upon the arts and humanities, and upon the vital role they can play in enhancing the worth and value of life in this world.

I have long believed that the real strength of our Nation is determined not by our weapons of destruction or our machinery of construction, but by the sum total of the education and character of our people. And our true place in history will be determined not by our machinery of construction—or destruction—but by our works of art and literature.

At the end of the last decade I stressed that, here in our own country, we would soon be able to turn from a fulfilled promise of educational opportunity for all Americans to attaining an education of excellence for all. That was more than three years before the National Commission on Excellence in Education even existed, let alone issued its very somber report on the present state of American education.

Ironically, the fact that my vision of excellence as a goal now has been deferred is a direct consequence of the shift in our national priorities away from education toward defense. To my mind, it is an unrightable wrong that we have had to spend the first part of this critical decade, not in the pursuit of excellence, but in keeping the doors of education opportunity from slamming shut on tens of thousands upon tens of thousands of deserving young men and women. I am particularly sad to see Guaranteed Student Loans and my Pell Grants increasingly denied to middle income Americans.

Notwithstanding these setbacks, I want to assure you that there are already forces in motion, of which I am pleased to be a part, to redress the balance. We are starting with a concerted effort to avert the prospective shortfall in technological skills by the end of this century. What is at stake is a virtual retooling of the US workforce to keep pace with the exploding tide of new technology.

Much more needs to be done, of course, and across a broad range. The arts and humanities are necessary, too, as particularly vital ways in which people communicate ideas, feelings, values and identities in an attempt to deal with the problems that burden our lives today. The survival of any social and economic system depends upon the constant infusion and the free exchange of ideas.

When, on the Senate side, Senator Javits and I, together with Congressmen Frank Thompson and Brownie Reid on the House side, well represented here by his wife, established the National Endowment for the Arts and Humanities back in 1965, we declared right at the outset of that landmark legislation that "a high civilization must not limit its efforts to science and technology alone, but must give full value and support to the other great branches of man's scholarly and cultural activity in order to achieve a better understanding of the past, a better analysis of the present, and a better view of the future."

I believe we should remain as deeply committed to that proposition now in 1983 as we were in 1965. I only regret that Jack Javits, my old colleague and friend, is not in the Senate to help in this battle. We must not only preserve and consolidate the gains we

have made, but we must seize every opportunity to promote new qualities of mind and spirit to sustain civilization in the 21st Century.

Complimenting this brief vision of education and the arts is the prospect of innovation and restructuring of the urban environment in which so much of mankind now lives—a realization, as it were, of the ancient prophecy of a "new Jerusalem." I have been particularly impressed by the concept of ekistics, the science of human settlements as developed by Dr. Constantine Doxiadis. The theme of ekistics is to reduce the urban setting to human scale; to make urban development subordinate to human beings, rather than the overwhelming and oppressive instrument of human confinement. Doxiadis would return human pedestrians to streets and walkways, banish vehicles underground, bring greenswards into the very heart of our cities and design housing that would combine privacy with freedom from pollution—atmospheric, audio and visual.

Ekistics thus could provide the physical setting for renaissance of the human spirit—a tranquil environment in which humanity, freed now from an overwhelming sense of fear, and freed by technology from so much of the drudgery of life, could pursue education to the limit of individual capacity, and realize a new order of self fulfillment heretofore undreamt. Think what this realization could mean to New York and New Yorkers.

So much, then, for the vision of a nuclear-free world. What of the present reality?

The reality we must face is of the two super powers hurtling down the treacherous path of threatened mutually assured destruction. We are told that more weapons will encourage our adversaries to exercise restraint, but we know that the possibility of conflagration mounts as proliferation of weapons increases—through a flock of geese or electrical short circuit, misjudgement or mishap, or not by deliberate act.

Our course today reminds me of a sailboat race I saw some time ago when two large vessels were on a collision course and neither would put over the helm. The inevitable result occurred and one of the boats was demasted and the other damaged almost beyond repair. If our ships of state don't put over the helm, the result will be a devastation so awful that, as Nikita Khrushchev once said, "the living will envy the dead."

Hoping for a moment, that the global protagonists may not yet be on a collision course, there is another nautical analogy which could apply to our present circumstances, and that is the scenario of two great ships silently passing each other in the night, the passengers on each oblivious to the fears and frustrations of the other.

This second analogy is instructive because it reminds us that ignorance is one of the great inadvertent forces of history and that the best hope for our survival at this late hour is to strive by every means at our disposal to cut through the clouds of misunderstanding and come to an accurate comprehension of our adversary's needs and aspirations—and they of ours. Here is where you at Columbia are to be congratulated on your marvelous W. Averell Harriman Institute for Advance Study of the Soviet Union and on the excellence of your professors such as John Hazard and Marshall Schulman.

The fact is that the United States and the U.S.S.R. have so entangled their opposing defense policies in outdated rhetoric that it is doubtful that either side has an accurate

understanding of the other's true objectives. It is entirely possible, for example, that the Soviet Union is motivated far more by fear of its adversaries than by a compelling desire for territorial or ideological expansion.

But in the nuclear age, there is no room for false assumptions and no substitute for accurate judgement. Never before has there been such relevance to Tallyrand's axiom that "For every 60 minutes of negotiations one should spend 10 minutes in the skin of one's adversary."

Time may be very short and we may be able to save ourselves only by a wrenching change of course. We know all too clearly what the awful consequences of inaction could be. But, as we have envisioned here today, the future could be far different if we could but come to our senses. Civilization faces an epochal choice.

Here I am reminded that Clemenceau once said "War is too important to leave to generals." Well, we fellow passengers on space ship earth are starting to say "Nuclear war is too important to leave to governments" and seeking to seize more reins of power for ourselves.

In doing this, let's remember Clifford Bax' couplet:

"Turn back, O man, forswear thy foolish ways \* \* \*  
Earth might be fair, and all men glad and wise."

That is the vision of hope we should never let slip from our grasp.

Alfred North Whitehead once said that the five most important qualities of a civilized society are truth, beauty, adventure, art and peace. In the fifty years that have passed since he made that statement, I doubt that anyone has improved on that simple but profound formula. For a world that is facing such a crucial choice between survival and destruction, surely that should be the noble, laudable goal to which we should aspire. ●

#### FAMINE IN AFRICA

● Mr. DANFORTH. Mr. President, freedom from hunger and malnutrition both here at home and abroad is a matter of great concern. Of special concern is the situation in sub-Saharan Africa, the only region in the world where per capita food production has declined over the past two decades. In this region the race between population growth and food production is being lost; moreover, the problem has been made worse by prolonged droughts and the constant mass migration of refugees from one country to another. If nothing is done and the present trend continues, Africans face the prospect of mass starvation by the end of the century.

Over the past few months, articles in the Washington Post and New York Times have described the tragic scope of this food crisis in sub-Saharan Africa—a crisis made worse by a drought that is in its second year. The most recent of these articles, in today's New York Times, describes the current drought in the region as causing the worst famine in a decade. According to this article by Bernard

Weinraub, United States and international relief officials say that the region faces the worst food shortages since the early 1970's when at least 200,000 to 300,000 people starved to death.

Mr. President, these articles underscore the urgent need for increased U.S. food and development aid for this region. I ask that the text of these articles be printed in the RECORD and I urge my colleagues to give these articles their serious consideration.

The articles follow:

[From the New York Times, June 7, 1983]

FAMINE IN AFRICA IS CALLED WORST IN A  
DECADE

(By Bernard Weinraub)

WASHINGTON, June 6—A drought affecting 18 countries in Africa is causing increasing concern among United States and international relief officials, who say that the region faces the worst food shortages since the early 1970's when at least 200,000 to 300,000 people starved to death.

Donald C. Kimmel, director of the Food and Agricultural Organization's office here, said that reports reaching the organization made it clear that "we are coming into something far worse than what we had in 1972-73." The organization itself has termed the situation in Africa "extremely serious."

State Department officials, who are pressing for an increase in the United States' \$244 million food aid program for Africa, said that border and internal unrest in nations such as Ethiopia, Chad, Mozambique and Angola had seriously compounded the food shortages. Roads have been shut, stranding trucks carrying food supplies, and thousands of farmers have fled to urban and border regions, the officials said.

With many African nations suffering their second year of drought—and with an estimated five million refugees within Africa—the food shortages present "a forbidding picture," said a World Bank official. What makes the situation ominous, he said, is that the drought and food shortages are not limited to one area, as in the early 1970's, but are afflicting nations all through the continent south of the Sahara.

In recent days a private F.A.O. report received here has painted an especially bleak portrait of nations such as Chad, where "starvation deaths are reported," Ethiopia, the Central African Republic, Mozambique, Tanzania, Botswana, Lesotho and Swaziland.

Food experts noted that nations outside Africa, such as Cambodia, Indonesia, Nepal and the Philippines, have also been severely affected by drought. But, officials said, the situation in Africa is especially serious because this is the second year in a row that nations there have suffered drought.

Beyond this, officials said, inept bureaucracies and a lack of government machinery to deal with food emergencies have left some African nations almost powerless to deal with the crisis. "Look at Chad," said one United States official. "Every few months you get a new government and a new agricultural minister. There are 50 miles of paved roads in the country. You go to the Agriculture Ministry and they don't even have pens and pencils."

Underlying the overall problem is the crucial issue of Africa's birth rate and food production. In the last few years the birth rate has risen at a rate of about 3 percent annu-

ally, which is double the increase in the continent's food production.

United States, Food and Agriculture Organization and World Bank officials declined to estimate how many Africans have starved to death in recent months. Officials said, essentially, that it was impossible to determine how many children and adults had died of dehydration and illnesses related to hunger.

SIX NATIONS AFFLICTED IN SEVENTIES

Officials recalled that in a belt of six countries south of the Sahara, perhaps 300,000 Africans, and possibly far more, were believed to have died of starvation in the early 1970's, largely because of drought. The countries—some of them affected by the current drought—were Mauritania, Senegal, Mali, Upper Volta, Niger and Chad.

F.A.O. officials said that 18 countries had been especially hard hit by the current drought. They are Botswana, Cameroon, Cape Verde, Chad, Ethiopia, Ghana, Djibouti, Lesotho, Mali, Mauritania, Morocco, Mozambique, South Africa, Swaziland, Tanzania, Togo, Zambia and Zimbabwe. Three of these—Morocco, South Africa and Zimbabwe—are suffering drought but not experiencing serious food shortages, F.A.O. officials said.

In recent weeks, Edouard Saouma, director general of the F.A.O. in Rome, has sent telegrams to 27 nations, including the United States, seeking urgent assistance in "helping African countries bilaterally and multilaterally" in buying food and protecting livestock production.

United States officials indicated that the State Department would probably seek an additional \$18 million in emergency food aid for stricken African nations, bringing the overall total of food assistance to the continent for this year to \$262 million. Last year Africa received \$266.2 million in food aid.

AFRICAN EXPORTS LAGGING

Mr. Kimmel, the F.A.O. representative here, said that the food situation in Africa seemed worse than the situation a decade ago, partly because many African countries had found themselves unable to earn foreign exchange from traditional export products such as cocoa, rubber and coffee, whose prices are depressed on the world market. At the same time, he noted, industrial nations have sought to reduce their imports because of economic restraints.

"In times of bumper harvests, major exporting nations are less willing to step up food aid because of the costs," Mr. Kimmel said. "Someone has to pay for it. Someone has to pay to ship it."

Although World Bank and United States officials emphasized the seriousness of the immediate African situation, their concern also focused on the long-term impact of the drought on Africa's food needs. In southern Africa, for example, river levels are at 50-year lows, leading to "salt water intrusion on the land that kills everything you want to grow," said one State Department official.

Moreover, officials pointed out, a "vicious cycle" exists in many African nations in which population pressures force families to eke out livelihoods on barely arable lands, thus exploiting and exhausting the land and preventing it from recovering fertility. At the same time land is increasingly being used for livestock and many areas are deprived of forest cover because trees are cut for fuel.

[From the Washington Post, Apr. 10, 1983]

DROUGHT PARCHES GROWTH PLANS OF ONCE  
BUOYANT IVORY COAST

(By Leon Dash)

ABIDJAN, IVORY COAST.—A spreading West African drought has exacerbated the deepening domestic woes of the Ivory Coast, for many years the region's paragon of economic development and political harmony.

The lingering global recession already has had a devastating economic impact throughout West Africa, which is dependent on commodity exports, but the drought, coupled with recent brush fires, has endangered even domestic food supplies.

A prolonged harmattan, the dust-carrying, dry Saharan wind that normally blows to the tropical West African coast from November to January, worsened the parched conditions by blowing until the end of March this year and fanning the brush fires.

The Ivory Coast, after two decades of agricultural planning, is expected to weather the drought with a tight food supply if the rainfall returns to normal at the end of the dry season in May.

In Africa as a whole, however, the food supplies of an estimated 50 million people are threatened along the West African tropical coast from the Ivory Coast to Cameroon, the nine-country zone known as the Sahel, running on the southern edge of the Sahara desert through Ethiopia in East Africa.

Because of years of prosperity, the Ivory Coast is in a better position than its neighbors to adjust to the region's climatic vagaries. But the government's belt-tightening measures have rent the tight political fabric woven by Felix Houphouet-Boigny, the Ivorian president since independence from France in 1960.

The drought-caused economic deterioration has triggered a sharp cutback in government largesse, an uncharacteristic crack-down on party officials who were pocketing public funds, and rising unemployment. The trouble has provoked similar consequences in the weaker economies of other West African countries, but the impact is perhaps wider here because Ivoirians had come to expect their "economic miracle" to continue unabated.

That was acknowledged by Houphouet-Boigny in a January public meeting, which led to the sharp cutback in the extraordinary government subsidy for 30,000 civil servants' housing—from a high of \$240 million a year to \$48 million.

"I know that to ask a brother to reduce his style of living to which he is accustomed is painful," said Houphouet-Boigny. "But facing our present situation, what else can one do?"

In March, seven secretaries of the Ivory Coast's sole party, the Democratic Party, were dismissed at public tribunals after being found guilty of embezzling hundreds of thousands of dollars of party members' donations. Their photographs were prominently displayed in the government-controlled *Fraternite Matin*, the only newspaper, over a three-day period. In previous scandals, Houphouet-Boigny had ordered the officials concerned to resign quietly and had issued face-saving bureaucratic excuses on their behalf.

Gnongbo Gouamene, secretary of state for internal security, said in a published interview in April that the new public exposure policy "is necessary to give examples. It is necessary that everyone know if he commits

such malpractices, he will be known to all Ivorians."

The Ivorian economy has been contracting since a plunge in world cocoa and coffee prices, the country's major exports, four years ago. With half of the 8 million population under the age of 20, the government is nervously faced with increasing pressure for jobs as 185,000 primary, high school and college graduates enter the job market each year.

Added to the economic malaise is the political uncertainty of what would follow Houphouet-Boigny, who has not designated a successor.

Since no one has been named to the empty vice presidential slot, if Houphouet-Boigny, 77, were to become incapacitated "there is legally no successor," said a well-informed source who insisted on anonymity. "There is a widespread apprehension in the Ivory Coast that there would be a scramble for power" if something should happen to the man who has been the dominant politician here since 1945.

That source and several Ivorians said, however, that it is understood Houphouet-Boigny does not want to "openly" choose his successor for fear of disrupting the balance among the more than 60 ethnic groups. These sources said it was possible that the vice presidential candidate for the 1985 elections will be chosen next year in an open primary contest among half a dozen candidates.

Given the Ivory Coast's mounting economic difficulties, "there is a good chance a young technocrat will emerge as Houphouet-Boigny's successor," according to this informant, who noted as precedents the recent handovers of power from Leopold Senghor to Abdou Diouf in Senegal and Ahmadou Ahidjo to Paul Biya in Cameroon.

Perhaps a crowning glory for Houphouet-Boigny is a development that has caused some muted popular resentment in these hard times—the National Assembly's vote by "acclamation" in March to move the capital from Abidjan to Yamoussoukro, the president's home village 166 miles northeast of Abidjan.

Houphouet-Boigny already has poured hundreds of millions of dollars of the country's cocoa and coffee revenues into transforming Yamoussoukro from a village of 1,300 in 1955 into a modern city of eight-lane, practically empty boulevards with an estimated metropolitan population of 70,000. Abidjan's population is close to 2 million.

Government planners indicate the government's move to Yamoussoukro is still far off. "The country simply does not have the money," said one African urban planner. "The vote was more of the country saying 'thank you' for what he has done over the past two decades."

While the brush fires in the past weeks have destroyed some cropland, it is estimated that the drought has done far more damage and that the harvest of cocoa this month may drop by a third.

The Ivory Coast has another advantage over its neighbors, though: offshore oil production takes care of domestic petroleum needs, 25,000 barrels a day.

[From the New York Times, March 18, 1983]

TO SOUTHERN AFRICA'S AGONY, ADD TWO ARID YEARS

(By Alan Cowell)

LUSAKA, ZAMBIA.—For the second successive year, drought has parched the lands of

southern Africa, and it has imposed itself capriciously, sparing some and breaking others. It has coincided with other woes, too, that blur the shall imprint of political independence in nations still reliant in others ways on distant and fickle forces in the industrialized world.

Some farmers assert that the dryness is the worst since records were first kept at the turn of the century. And so they are slaughtering cattle in Zimbabwe that should have been kept for stock; rainfall in some parts of southern Mozambique, the authorities there say, is barely a quarter of that in a good year; and crops of the white corn that is the mainstay of the region's diet will be down sharply in a swath of land that runs from South Africa through parts of Botswana, Zimbabwe, Zambia, Lesotho, Swaziland and Mozambique.

In the harsh heat of the Zambezi Valley, the river should be high on its banks now, turbulent with rain. Instead, it is lower than some remember it in the dry and wintry parts of the year that coincide with America's summer. It writhes between exposed shoals, laying bare the rocky architecture and contorted sculpture it has hewn from its bed over the centuries.

The drought has created an unpredictable patchwork of worries. A white commercial farmer near here was contemplating the total failure of his corn crop a few weeks ago, telling friends that without just one inch of rain he had no hope. For the next two nights, the skies opened, rain revived his fields and his fortunes and he was saved. In southern Mozambique, by contrast, an American traveler reported chancing upon two wizened women, aged beyond their years, replanting a meager crop of corn on a plot by a dirt road. They had not been so lucky—it had been two days since they had eaten and no rain had come to provide a promise of succor.

#### THE THREAT OF STARVATION

"There will be starvation in Mozambique," a Western agronomist said, "and scarcities elsewhere."

The drought is part of a tangle of related difficulties in parts of southern Africa. In Mozambique, where some southern rivers have become no more than dry and sandy courses, the authorities say drought will reduce marketed food this year by 105,000 tons, but the total deficit will be 250,000 tons. The difference, according to an official Mozambique report, is created by "bandit actions directly and logistically supported by South Africa."

The activities of guerrillas opposed to the Marxist regime are such, the report says, that "some roads are mined, food stores and commercial enterprises are looted and burned and many people have to leave their homes in search of security." Planting is thus reduced, marketing is difficult and state farms, already inefficient, cannot be supplied with equipment.

In Zambia, as elsewhere in the region, the peasant farmers have suffered most because their response to drought is not as flexible as that of the 280, mainly white, commercial farmers whose estates contribute 60 percent of the landlocked nation's food production.

#### FADING HOPE OF SELF-SUFFICIENCY

The lack of rain in the main corn-growing area in the south is again expected to frustrate a long-held desire for self-sufficiency in production of white corn, which is used to make a kind of porridge, called nshima in Zambia and sadza in Zimbabwe, and which is a staple throughout the region.

The shortage this year, according to Western estimates, will be around 90,000 tons, which will have to be imported from elsewhere and paid for in foreign currency. But Zambia has no cash to spare. Its loan repayments already consume half of its foreign exchange earnings, according to a recent report by a London bank, its foreign debt is in excess of \$3 billion and the Government has suspended all payments of principle and interest. Those who have sold goods to Zambia, a Western banker said, must now, in some cases, wait up to three years to be paid.

The crisis, as in other parts of the region, has been caused to some extent by the vagaries of alien markets.

Zambia earns 95 percent of its foreign exchange from copper, whose price, set in London, reflects demand in industrialized countries. Over the years revenue has fallen steadily with the declining price while the oil import bill has mounted and agriculture has faltered. The irony is that those same powers whose recession has contributed to the crisis also provide the sole hope of salvation.

Although free of foreign political dominance, the economies of many African nations still ebb and flow to foreign rhythms. In the past year, a Western economist said, Botswana, Malawi, Zambia and Zimbabwe have all devalued their currencies to seek favor from the Western-dominated International Monetary Fund, which, in turn, sets loan conditions that have a direct bearing on domestic politics.

Zambia, for instance, has imposed a wage freeze and abolished some price controls in return for a one-year standby agreement with the fund for \$211.5 million in special drawing rights. The danger, Western diplomats said, is that the terms will fan discontent in an election year.

#### CORN CROP SERIOUSLY DAMAGED

"The drought could hardly have come at a worse time," said a Western diplomat in Lusaka, for the recession in the West has been felt harshly in third world nations while domestic mismanagement in some countries, insurgency in others and political confrontation between black-ruled Africa and the white-ruled south have hurt the region too.

"Zimbabwe almost did not have a rainy season this year," accordingly to a Western report. "After good early falls, particularly in Matabeleland in the southwest stricken by drought last year, hardly more than showers were recorded throughout much of the country until mid-January."

"By then, parts of the crop-growing areas had received less than half their normal rainfall," the report says. "Other areas had even less."

As a result, "the corn crop has already been seriously damaged and the irrigated winter wheat crop will be considerably reduced unless substantial rains continue."

Reservoirs needed for irrigation are low or dry and subterranean water reserves have fallen. Even South Africa, the most powerful agricultural force in the region, has fared badly. Western economists said. Its corn crop available for market is expected to be only one-quarter of last year's levels, though nonetheless the region's biggest.

An additional factor is at play: Demand is rising while crops fail. Birth rates of 3 or 4 percent are common in Africa and in Zimbabwe the ending of the war three years ago has brought increased buying power for many people. Zimbabwe's food consump-

tion, by one calculation, will probably have doubled by next year over 1980 while the two successive droughts have reduced production to one-third of that year's record crop.

Several countries in the region are expected to seek food relief supplies from Western donors. Mozambique is expected to receive an American grant of 20,000 tons. And under negotiation is a deal whereby the United States will provide Zimbabwe, still a corn exporter despite the drought, with 20,000 tons of scarce wheat in return for its shipping 30,000 tons of corn from its stocks to neighboring Zambia.

[From the New York Times, March 6, 1983]

#### A FAMINE IS SAID TO THREATEN 300,000 IN CHAD

(By James F. Clarity)

NDJAMENA, CHAD.—Hundreds of relief workers and dozens of medical teams are reported to have fanned out in this drought-stricken country to aid hundreds of thousands of people threatened with famine.

According to a United Nations relief official, at least 300,000 of Chad's four and a half million people are suffering from malnutrition so severe that thousands may die.

The official, Wali-Shah Wali, the coordinator of United Nations relief programs here, said precise figures were not available on the effects of drought, famine, malnutrition and disease in Chad because the Government bureaucracy was still not functioning fully after nine months in office under President Hissen Habré. But the number of people affected by lack of food, the official said, may be as high as 600,000.

Mr. Wali said the relief and medical teams were distributing food and medicine, and trying to determine how many people had died and how many were seriously ill.

"The situation seems to be of a magnitude approaching that of 1973," he said, referring to the last year of widespread drought and famine that led to the deaths of at least 100,000 people in the sub-Saharan region.

Famine in the countries of the region is caused by recurrent drought and the gradual expansion of the Sahara southward. When wells dry up, the largely nomadic, cattle-herding people of the area are forced southward toward places like Ndjamena where there is more fertile land.

In recent weeks, Mr. Wali said, a serious hazard has arisen as the acutely infectious disease rinderpest has spread among cattle. As many as one-third of the five million cattle in Chad are believed to have been affected, and an accelerated program of vaccination for three and a half million animals is reported under way.

Mr. Wali, a native of Afghanistan who has been working in Chad for a year, said "the state of the world economy" was preventing donor nations from providing the aid needed here.

#### A CUT IN U.N. RELIEF AID

He and other relief officials noted that Chad's announced budget for 1983 would require \$110 million in revenues. But, they added, Chad expects to earn only about \$10 million, mostly from taxes on the few foreign companies running profitable textile, sugar and beer businesses.

Because of the shortage of donor funds, Mr. Wali said, the "budget for United Nations aid in Chad was cut to \$31 million from \$50 million."

Among the countries still providing aid is the United States, which is giving \$17 million this year. France, the colonial ruler

here when Chad was part of French Equatorial Africa, has already given \$23 million and may provide more.

At a special conference of donor countries in Geneva in November, Western nations pledged to invest \$185 million here in the next few years. Although Chad needs all the money the rest of the world can give it, the immediate problem is getting delivery of the food and the medicine already ordered, and moving the supplies quickly into the countryside.

Mr. Wali estimated that 192,000 tons of food—wheat, rice, sorghum, cooking oil, millet—would be needed this year. To prevent famine and death from malnutrition, at least 50,000 tons must be delivered before rains turn the roads to mud in June.

One aspect of the relief operation that pleases, and in some cases surprises, relief officials is the Habré Government's readiness to let the foreign agencies run their operations the way they choose, according to relief workers. Every bit of aid that gets here, the foreign officials say, seems to be getting to the Chadians who need it. ●

#### ECONOMIC EQUITY ACT

● Mr. DURENBERGER. Mr. President, on March 23 my distinguished colleagues from Oregon, Senators PACKWOOD and HATFIELD, and I were joined by 21 of our colleagues in introducing the Economic Equity Act of 1983 (S. 888). This bill has been hailed as a legislative milestone by major newspapers, Republicans and Democrats, women and men, and national organizations representing all points on the political spectrum.

The EEA of 1983 and its predecessor introduced in 1981 are the most comprehensive bills ever introduced in Congress to legislatively eliminate economic discrimination against women.

The Economic Equity Act is now cosponsored by 30 Senators, almost evenly divided between the 2 parties. The companion bill in the House of Representatives has more than 100 cosponsors. And more than 30 national organizations representing all points of view have endorsed the EEA, and I ask that the list of those organizations be placed in the RECORD following my comments.

On June 20 and 21 the Senate Committee on Finance will hold hearings on the EEA. With that in mind, this is an appropriate time to review the history of the EEA and to briefly outline the bill's major provisions.

I particularly want to spend some time on what is becoming one of the most controversial issues before this Congress: Eliminating sex discrimination in insurance. One section of the EEA deals with this subject. In addition, Senators HATFIELD and PACKWOOD have introduced a separate bill, S. 372, to accomplish the goal of eliminating sex discrimination in insurance.

First, however, a bit on the history of the EEA:

During the 1960's and 1970's there was a growing recognition by many people that economic discrimination

extends far beyond pay scales. Women who work outside the home are far less likely than men to be covered by pension plans; homemakers have little opportunity to build their own retirement security in the event of a divorce or the premature death of a husband; and, many Federal regulations discriminate against all women, both homemakers and those who work outside the home. These are just a few examples of the economic discrimination against women.

In 1979, I joined Senators PACKWOOD and HATFIELD to begin drafting a comprehensive bill to eliminate these forms of economic discrimination. The drafting process brought together other Members of Congress interested in the issue and representatives of major national organizations. After thousands of hours of meetings, the Economic Equity Act of 1981 was introduced on April 7, 1981. The bill—S. 888—was greeted with widespread enthusiasm that crossed all political and philosophical barriers.

Although the 97th Congress was dominated by budget and tax issues, four major provisions of the first EEA were incorporated into other pieces of legislation and signed into law during the 97th Congress:

Estate tax reform: Estate taxes have long been viewed as a tax on the wealthy. The reality is that the wealthy have found ways to shelter their income. The burden of estate taxes has fallen mainly on family farms and small business owners—especially farm and business widows. The estate tax reforms of 1981 recognize the role of the woman as an equal partner in building a family farm or business and protects her interests from the tax collector after her husband dies.

Day care tax credits: Day care tax credits, especially for low-income families, were increased in 1981. Rather than a flat-rate tax credit that treated all people equally regardless of their income, the 1981 changes raised the credit to 30 percent of child care expenses for taxpayers with incomes of \$10,000 or less, with the credit reduced 1 percent for each \$2,000 of income between \$10,000 and \$28,000. For example, a family with an income of \$10,001 receives a credit of 29 percent while a family with an income of \$28,001 or more would receive a credit of 20 percent.

The Senate made the tax credit refundable; that is, low-income families with little or no tax liability would actually receive a refund from the U.S. Treasury to cover a portion of the family's child care expenses. The House objected to this provision and it was dropped in a Senate-House conference committee—refundability is included in the EEA of 1983.

**Individual Retirement Accounts:** IRA's were expanded in 1981 to make virtually all income-earning workers eligible. In addition, homemakers who do not earn an income can establish IRA's.

**Federal farm credit:** The bias in farm credit that often resulted in women being placed at the bottom of the preference list was eliminated.

#### THE EEA OF 1983

As the 97th Congress drew to a close, the drafting of a new Economic Equity Act became a priority for the original Senate sponsors, members of the Congressional Caucus for Women's Issues and representatives of the major national organizations. The EEA was revised to reflect the successes of 1981-82 and broadened to reflect the goals yet to be accomplished.

On March 23, 1983, the Economic Equity Act of 1983 was introduced, still retaining its Senate bill number of S. 888. In addition to its broad support in Congress, the Leadership Council on Civil Rights—the umbrella organization for the key civil rights groups—has made the EEA one of its top legislative priorities for the 98th Congress.

Both Houses of Congress are moving quickly on the bill. I have noted the days of hearings in the Senate Finance Committee and I am pleased that the House of Representatives is moving on individual provisions in the EEA with equal speed.

#### WHAT DOES THE EEA COVER?

The Economic Equity Act is a comprehensive bill. It is divided into five major sections: Tax and retirement issues; dependent care; eliminating discrimination in insurance; reforming Federal regulations that discriminate; and stricter enforcement of child support payments ordered by courts.

The following is a quick look at what the EEA would do.

#### I. TAX AND RETIREMENT ISSUES

**Private pension reform:** Requires payment of survivor annuity to the spouse of a worker who was fully vested, even if that worker dies before the annuity starting date.

Requires written consent of both participant and spouse to waive survivor annuity option.

Permits assignment of pension benefits by State divorce courts in cases related to alimony, child support, and marital property rights.

Lowers the minimum age for participation in a pension plan from 25 to 21.

Modifies break-in-service rules to give 20 hours per week credit for up to 1 year of employer-approved maternity or paternity leave, provided worker returns to his/her job.

Abolishes ERISA provision allowing plans to deny widow's benefits if an otherwise qualified spouse dies within 2 years of choosing survivor benefits—if death is from natural causes.

**Spousal Individual Retirement Accounts:** Permits a homemaker with no earnings or lesser earnings of her own to contribute to a spousal IRA as much as the earning husband may contribute. The maximum deduction permitted each spouse individually shall be \$2,000 a year.

Allows alimony to be treated as compensation for the purpose of eligibility to open an IRA.

**Displaced homemakers tax credit:** Makes employers who hire displaced homemakers eligible for tax credit of \$3,000 in the first year and \$1,500 in the second year.

**Civil service pension reform:** Entitles the divorced spouse of civil service member or retiree, married 10 years or more, to a pro rata share of the civil service retirement annuity and survivor benefits, subject to court review, modification or rejection.

Requires the written consent of the spouse—or former spouse, if any—before the retiree can waive survivors benefits.

**Head-of-household tax reform:** Revises the Federal income tax rate to allow single heads of household to a zero bracket amount equal to that allowed on joint returns.

#### II. DEPENDENT CARE

**Sliding scale for tax credits:** The 1981 Economic Recovery Tax Act established a sliding scale for tax credits for child care expenses from 20 to 30 percent of work-related expenses. This section would increase the credit to 50 percent for those with annual incomes of \$10,000 or less.

**Tax-exempt status for child care facilities:** Enables nonprofit organizations providing work-related child care to be eligible for tax-exempt status.

**Refundability:** Allows the child care tax credit to be refundable. People who owe no income tax would receive as a refund the amount of credit to which they would be entitled. This section—which passed the Senate in 1981, but was defeated in a House-Senate conference committee—is critical to low-income families.

**Information and referral:** Establishes a Federal grant program to provide seed money to community based clearing houses for child care information and referral.

#### III. NONDISCRIMINATION IN INSURANCE

Prohibits discrimination on the basis of race, color, religion, sex, or national origin in insurance and annuities.

#### IV. REGULATORY REFORM

Requires the head of each Federal administrative and executive agency to conduct a review of agency regulations, to rewrite current regulations with sex-based distinctions sex-neutral and to refrain from promulgating future regulations which contain gender-based distinctions unless the subject matter specifically applies only

to one sex, or the words used do not result in sex-based discrimination.

Codifies Presidential directive of August 26, 1977, requiring all executive departments and agencies to identify rules, regulations, guidelines, programs, and policies of the agency which results in different treatment based on gender.

#### V. CHILD SUPPORT ENFORCEMENT

##### AMENDMENTS TO THE CHILD SUPPORT PROGRAM: UNDER TITLE IV-D, SOCIAL SECURITY ACT

Provides a clear statement of purpose for the title IV-D program where none now exists. It clarifies Congress intent that the program enforces child support payments for non-AFDC cases as well as for AFDC cases.

Allows States to withhold Federal income tax refunds from absent parents who owe past due child support. Currently, States can only use this procedure for absent parents of AFDC children.

Requires that each State, as a condition of an approved State IV-D plan, implement certain progressive administrative procedures.

**Federal mandatory wage assignment:** Creates an automatic assignment of Federal civilian employee's wages when child support is ordered, modified or enforced by States.

#### IS THE EEA REALLY NEEDED?

Reading a section-by-section analysis of a bill as comprehensive and complex as the EEA is sometimes as confusing as it is enlightening. You can read each of the provisions and still end up with the same questions: Is the EEA really needed? Are the changes cosmetic, or do they really get at the heart of the problem?

The answer to both questions is, yes. And here are just a few cases—with the EEA-provided solution—to show why this legislation is long overdue.

Mary was widowed after 30 years of marriage. It was only after the funeral that she discovered that her husband during his working years had opted out of survivor's benefits in his pension plan. He made this decision on his own, without consulting or even informing Mary. Of course, the decision was made with all the best of intentions: By turning down survivor's benefits, the pension benefits would be larger and he and Mary would be more comfortable in their retirement. As it turned out, they received those higher benefits for only a few months before Mary's husband died. Mary, a homemaker who had not worked outside the home since before marriage, was left with no pension income even though she had never even participated in the decision.

The EEA would change that situation to require that both the participant in a pension plan and his or her spouse give their joint consent in writing to waive the survivor annuity option.

A Minnesota woman whose husband worked for a mining company on the Iron Range was widowed when her husband died at age 46. He had worked for the company the required number of years to be eligible for a pension, but he had not reached the minimum age—in this case, 50. Consequently, his wife was denied all survivor benefits.

The EEA would require that survivor benefits be paid in cases where a worker has worked long enough to qualify for a pension, but dies before reaching the minimum age.

More than 3 million women are displaced homemakers—women who spend years raising and caring for a family, then, through separation, divorce, death, or disability, lose their income. All too often, these women are left in the situations of the women in the examples above. No salaries, no pension income and, in most cases, only a small savings account.

Many women in these circumstances find themselves in the job market for the first time in years, maybe decades. Yet, they often have few marketable skills and are competing with younger people in a tight job market.

We have recognized that employers should be encouraged to hire hard-to-employ persons. Tax credits are offered to employers who hire and train economically disadvantaged youths, for example. The idea is that a relatively small tax credit now will pay for itself many times over in increased taxes from a new worker and lower costs for Government income security programs.

The EEA would make employers of displaced homemakers eligible for a tax credit of \$3,000 in the first year of employment and \$1,500 in the second year.

For many families, dependent care for children is an economic necessity. More than one-third, that is, 35 percent of two-income families would have to survive on an annual income of \$15,000 or less—at a time when the country's median income is over \$23,000—if the woman were not working outside the home. Yet, low-income families pay the same amount for dependent care as do middle and upper income families—a cost that all too often is unaffordable.

In addition to increasing the dependent care tax credit for low-income families, the EEA would make it refundable. That is, families with little or no tax liability—the families that get no benefit from a tax credit, even though they are the ones needing it the most—would receive a refund from the U.S. Treasury for a share of their dependent care expenses. For many, this refund could be the difference between paid employment and welfare.

According to a recent study, between a quarter and a third of fathers never make a single court-ordered child sup-

port payment. Yet, most States do not actively enforce child support payments unless the mother is receiving welfare. Of course, it can become a vicious circle. Often, the nonpayment of child support can force a mother and her children into welfare programs.

The EEA would make it easier for States to enforce payment of court-ordered child support in both welfare and nonwelfare cases.

Older women are the fastest growing poverty group in our country. A recent study found that only about 10 percent of all women over age 65 were receiving a private pension and that their average pension was about \$2,400 a year. By comparison, almost three times as many men were receiving private pensions and the amount they received averaged more than \$4,150 a year.

Many reasons account for the disparity. Part of the problem is that current law does not require eligibility for participation in a private pension plan until a person turns 25 years old. Yet, women in the 20-to-24 age bracket have the highest labor force participation rate among women. By age 29 or 30, though, many women have left the paid work force, at least temporarily, to raise a family.

To put it simply, because they cannot participate in a pension plan until age 25 and leave to raise a family before they have worked long enough to earn any pension benefits, many women never qualify for private pensions.

The EEA would change the minimum age for participation in private pension plans from 25 to 21. It also would allow credit toward pension benefits for people who take breaks in service for family raising. Finally, the EEA would allow homemakers to establish their own individual retirement account (a tax-deferred nest egg for retirement) of up to \$2,000 per year.

#### ELIMINATING DISCRIMINATION IN INSURANCE

In recent months some of the country's biggest industries have put their massive resources to work in lobbying campaigns directed at Congress to repeal laws or block legislation from becoming law. Millions of dollars are being spent in advertising and mailings to promote "grassroots" campaigns by their customers.

The bankers were first and now, close on their heels, is the insurance industry. In newspaper advertisements and other media, the insurance industry is telling America that gender-based distinctions in insurance rates are not only fair, but that they benefit women. The insurance industry wants to stop the antisex discrimination provisions in the Economic Equity Act and in two other bills (S. 372 in the Senate and H.R. 100 in the House of Representatives) that prohibit the use

of gender-based distinctions in setting insurance rates.

The issue is complex, to be sure, and good arguments can be made by both sides. The insurance industry is not intentionally trying to mislead anyone, it is only trying to put its case in the best possible light. Certainly, no one in Congress is trying to bankrupt insurance companies or cost them billions of dollars, as some insurance spokespeople claim. Congressional hearings and cooperation on both sides can fairly settle all the thorny and legitimate concerns in this issue.

One thing is clear: by and large, insurance rates discriminate against women. On most types of insurance, women end up paying more or getting less or, in some cases, both. The insurance industry says that while it is true that men and women pay different rates for most types of insurance, those rates are based on statistically verified facts, not intentional discrimination.

In fact, says the industry, prohibiting the use of distinctions by gender would hurt women, not help them. As evidence, the insurance lobbying campaign points to two examples: auto and life insurance. In both cases women (at least during parts of their lives) pay less than men. Why? Because in auto insurance more young men than young women have accidents, therefore, the industry argues, all young male drivers should and do pay higher rates.

In the case of life insurance, women pay less because of the statistically verified difference in life spans between men and women, according to the industry.

Prohibiting the use of these statistically verified facts would increase insurance rates for women and that is not fair, says the industry campaign. One insurance industry advertisement puts it this way:

As a result of these statistically verified facts, women pay less for life and auto insurance than men do. That sounds logical and reasonable, doesn't it? Yet, there is a movement in Congress to axe this common-sense system and replace it with one based on politics and ideology.

Let us look at all the facts. Young women, up to age 25 or 30, do pay less than young men for auto insurance. But keep in mind that both young men and young women, regardless of their driving records, pay 100 to 250 percent more for auto insurance than do older men and women. In other words, the "discount" for young women is really nothing more than a small reduction in a huge surcharge.

Gradually the surcharge for young drivers is reduced and finally eliminated. By age 30, male and female drivers in the same circumstances pay the same rate. Yet men as a group continue to have more accidents than women. In fact, one study shows that

men have 1.43 times as many auto accidents as women. So, women over 29, by paying the same auto insurance rates while having fewer accidents, are actually subsidizing male drivers. According to averages, women should pay less for auto insurance throughout their driving careers, not just during the first few years.

When we look closer, we find an even more serious fault in the way auto insurance rates are calculated. It is not men as a group who have more accidents, it is all people who drive more miles than average. These high-mileage drivers are men and women.

A fair auto insurance rate would disregard sex for both young and old drivers and put more weight on the number of miles driven or, better yet, on accident records, as a determining factor in setting premiums.

North Carolina is one of a handful of States to prohibit the use of sex as a risk classification in automobile insurance. This antidiscrimination provision has been in effect since 1977 and, according to State officials, it has worked very well. Rates for safe young women drivers have not increased.

The North Carolina insurance commissioner recently told a U.S. Senate Committee:

Our legislation was good because no safe driver received a rate increase . . . since the primary purpose of insurance is to share risks across all population groups, it is unfair for insurance companies to place undue financial burdens on any one group for characteristics over which they have no control. In North Carolina, we decided that all drivers had control over their own driving record, but no control over their sex.\*

Those same arguments—sharing risks and basing premiums on controllable factors—apply to all forms of insurance. In the case of life insurance, for example, it may be true that the "average" woman lives longer than the "average" man, but what was true 50 years ago may not be true 50 years in the future. Every day medical experts are discovering new evidence that gender is only one of many factors in determining longevity or the probability of good health. In fact, a pile of evidence suggests that many insurance companies put far too much emphasis on gender distinctions with the result that women are shortchanged on benefits and overcharged for premiums.

More relevant data than gender should be used to set premiums and benefits for men and women: smoking habits, drug and alcohol use, the individual's family health history as well as his or her own health history, the person's job—and related stress—and recreational habits, just to name a few of the proven health-related criteria that can be applied.

Discrimination in insurance takes some subtle forms in addition to the more blatant cases. Term life insurance is an example. Take the case of

the policy offered by one major national company:

A 30-year-old woman pays the same rate as a 27-year-old man. This three-year "setback" is used to give women a lower rate and compensate them for their longer lifespan. Yet, if insurance companies were to rely solely on statistically verified facts, the woman should be given a 6.8-year setback—that is the statistically verified difference in lifespans between the average man and the average woman at age 30.

Maybe even more important is the way life insurance policies—intentionally or unintentionally—are tailored to benefit men more than women. Women generally buy smaller policies. The reason is that most women earn substantially less than men; in fact the average woman who works outside the home earns only 59 cents for every \$1 earned by a man. New life insurance policies issued in 1981 to women were only 44 percent as large as policies issued to men.

Yet the company in the earlier example—as well as most insurance companies—offer a premium discount to larger policies. In this case, a man purchasing a \$100,000 policy would pay \$178 a year or \$1.78 for every \$1,000 worth of coverage. A woman buying a policy 44 percent as large—\$44,000 worth of coverage—would pay \$80.52 a year or \$1.83 for every \$1,000 worth of coverage.

Bit by bit over the last several years our society has moved from judging people as classes to judging them as individuals. In almost every case, the change has been opposed, often with the best of intentions and almost always bitterly, but the results have been positive.

In a recent newspaper article, Senator Packwood wrote that the arguments against sex discrimination in insurance are strikingly similar to the arguments opposing the Equal Credit Opportunity Act when it was first proposed. Many in the business community would not accept that a woman—especially an unmarried woman—could be as solid a credit risk as any man. Women, after all, might get married, have a baby and stop working in paid jobs. All of this, of course, would result in the woman defaulting on her loan.

The Equal Credit Opportunity Act proved what nonsense that kind of thinking was. Credit is no longer approved or denied based on a person's gender. Instead, relevant facts are used: a person's work history, salary, length of time working, and prior credit rating.

The insurance industry will make the same discovery when sex is no longer a rating classification. Certainly, the transition will have some rough spots, and some questions, including retroactivity (should antisex discrimination provisions affect the premiums

and benefits of policies already in force, or be applied only to those issued after the changes?) remain to be answered by the legislative process.

For that legislative process to work the way it was intended it is necessary that everyone with a stake in the outcome is equally well informed and the debate remains fair. The congressional authors of the Economic Equity Act and the many local and national associations of private citizens which support the EEA can never match the financial resources that the affected industries can bring to bear. The supporters of the EEA want the insurance industry to present its side of the case, but we also want the millions of people involved in the outcome of this issue to have both sides of the story on this most significant issue.

This critical issue must be resolved by the people who will be affected—consumers of insurance and their families. The issue is not easy, and legitimate concerns must be addressed.

But the complexity of the issue cannot stop us from implementing what is good and fair social policy. We have recognized that sex discrimination must not be allowed in areas ranging from employment to housing. For all the reasons our society determined that it would not tolerate discrimination in those areas, we must move forward and agree that discrimination in insurance is no longer acceptable.

#### THE EEA'S FUTURE

The Finance Committee hearings on June 20 and 21 will set the wheels in motion for what I hope will be quick passage of the Economic Equity Act.

The Economic Equity Act is a comprehensive piece of legislation. It is complex and, in some provisions, controversial. But most of all, the EEA is necessary and long overdue.

I often am asked if our country can afford the cost of the Economic Equity Act. To those questioners as well as to my colleagues in the Senate my response is this: We cannot afford the cost of not having an Economic Equity Act.

The national organizations endorsing the Economic Equity Act of 1983 are:

- \* American Citizens Concerned for Life, Inc.
- American Association of University Women (AAUW).
- American Nurses' Association.
- Association of Junior Leagues.
- B'nai B'rith Women.
- Displaced Homemakers Network, Inc.
- Federally Employed Women.
- General Federation of Women's Clubs.
- Girl Scouts of America.
- Leadership Council on Civil Rights.
- League of Women Voters.
- National Black Child Development Institute.
- National Council of Catholic Women.
- National Council of Negro Women.
- National Education Association.
- National Federation of Business & Professional Women (BPW).

National Organization of Women (NOW).  
 National Federation of Republican Women.  
 National Woman's Party.  
 National Women's Political Caucus.  
 Organization of Chinese American Women.  
 Older Women's League.  
 Pension Rights Center.  
 Rural American Women.  
 Wider Opportunities for Women.  
 Women's Division of the United Methodist Church.  
 Women's Equity Action League (WEAL).  
 Women in Communication.  
 Women's Legal Defense Fund.  
 Women, U.S.A.  
 International Brotherhood of Teamsters.●

#### THE BALKANS TODAY: YUGOSLAVIA AND THE PROSPECTS FOR FREEING THE ALBANIAN NATION

● Mr. HELMS. Mr. President, I am deeply concerned about the deteriorating situation in the Balkan region and particularly the threat that the Soviet Union poses for the area. It is unfortunate, but true, that the Balkan region for decades has been misunderstood and too little attention has been placed on the consequences arising from potential instability there.

Soviet expansion in the region is posing grave challenges to the West and we must face the prospect that, within coming months, serious instability may arise.

The Balkan region is composed of Greece, Albania, Yugoslavia, and Bulgaria.

Historically, the Balkan situation has not remained static. The old Russian Empire, as the Soviet regime has, always aimed for a land-controlled base on the Mediterranean and in the warm-water ports. With the exception of the Soviet Union's Black Sea ports, all the major ports are iced up for 6 months of the year. The Black Sea ports are, in fact, controlled by the Dardanelles.

It is true that the Soviet Union maintains other bases around the world, but in practically every case, these bases are, to a certain degree, dependent on the goodwill and cooperation of the countries in question. It is, therefore, not surprising that the Soviet Union has continued to carry out laying the groundwork for destabilization of the Balkans. The Soviets' eventual aim is to take actual physical control of the Balkan countries. Thus, the Soviets would achieve control of warm-water ports and would bring back into the fold "heretical" countries such as Albania and Yugoslavia, both of which have proved too independent for the Soviet Union's purposes.

Also, it should be obvious that a full-scale assault by means of propaganda, subversive activity, and all-round destabilization has been mounted on Greece. The Communist Party in

Greece, under orders from the Soviet Union, has continued subversive activities, as in the 1960's, until such time as it forced the reaction by rightwing elements within the Greek Armed Forces. As is often the case, the 1967 coup by the colonels in Greece was an overreaction. Not only did it eliminate the monarchy, with its stabilizing affect, but prepared the ground for leftists abroad, as well as at home, to prepare the counter-coup which brought in Karamanlis.

Throughout this period in Yugoslavia, nationalism began to again gain momentum. The tightly controlled Federation came under assault from the various ethnic groupings. The fact that the Serbs controlled the majority of the Yugoslav economy and the way they disposed of the funds was resented by the Croats, the Albanians, the Macedonians, the Montenegrins, the Slovenes, and other minority groups.

Early in the 1970's, Croatian nationalism became a significant threat to the Yugoslav Federation and it has remained so ever since. Armed clashes were reported in the early 1970's and sabotage continues today. In spite of Yugoslav attempts to contain and crush Croatian nationalism, other national groups within the Yugoslav Federation, such as the Kosovo region, which is ethnically Albanian, and Macedonia, have also started demanding their national rights.

The Kremlin has continuously orchestrated these ethnic frictions to Soviet advantage. The Soviet Union has been actively destabilizing the Yugoslav Federation using these nationalist feelings, often without the knowledge of those involved. In the case of Kosovo, for example, the Soviets established an organization called the Red Front, which is financed by Moscow and is inspired by Tirana. Despite that fact, there are no overt diplomatic links between the Soviet Union and Albania. The Red Front is Marxist-Leninist in orientation, but manipulates anti-Serb feelings which are prevalent among Albanians living in the Kosovo region and in other countries. The Red Front operates within the Albanian communities located in Belgium, West Germany, Switzerland, Turkey, the United States, Canada, and Australia, sometimes under different names. The incidence of Communist agents controlled by the Belgrade regime and the Tirana regime has increased both in number and activity in Albanian communities throughout the world, particularly in the United States and Yugoslavia. Similar organizations operating under similar covers are manipulating nationalist feelings among the other ethnic groups in Yugoslavia and their emigrés abroad.

In recent months, the Soviets have been manipulating nationalist feelings

in Macedonia through their Bulgarian surrogates. A number of reports have pointed out that Bulgaria has recently stated that one-third of Macedonia belongs to Albania and the other two-thirds belongs to Bulgaria. It should be remembered that Macedonia's population contains Bulgarians and Albanians as well as many other ethnic groups. Traditionally, Bulgaria has had its designs on Macedonia in order to create a so-called Greater Bulgaria. There have been reports that the Bulgarians are providing money and weapons to groups inside of Macedonia to foment unrest and a potential uprising.

Some analysts of the Balkan situation have expressed concern over an apparent Soviet design to forge a political link between the Serbs, who control the Yugoslav Federation, the Macedonians, and the Bulgarians. These analysts point out that the Soviets are manipulating certain pan-orthodox religious sentiments as well as certain pan-Slavic ethnic sentiments as a mean of bringing this alignment into being. Apparently the support of the Montenegrins is taken for granted.

Mr. President, I ask that an article, from the journal, Problems of Communism, entitled "Yugoslav's National Question" be printed in the RECORD at the conclusion of my remarks as exhibit 1.

#### THE SITUATION IN KOSOVO

In the early 1960's, when the Military Council—the freedom movement in Albania as represented by H. M. King Leka I of the Albanians—for the Liberation of Ethnic Albania began to create an information network within the Albanian area of Yugoslavia (Kosovo) as a springboard to the penetration of political Albania—present day Albania—two major factors arose. The first was the rising tide of nationalism within the Albanian communities in Yugoslavia, and the second was the fact that an organization parallel to the MCLEA was being formed by the Soviet Union.

Both of these organizations are made up of volunteers whose feelings for Albanian nationalism have grown to the point where they are willing to take enormous risks for the reunification of Kosovo with the fatherland. The activities of the Military Council gave the people of Kosovo an opportunity to vent their nationalistic feelings through the constructive activity of fighting the present regime in Tirana. They fully realized that through the liberation of Albania the chances of reunification with the fatherland would increase considerably and would be achieved through peaceful negotiations with the Yugoslav Federation and the government in Belgrade.

It was not until just before the death of Marshal Tito that the organizations influenced and controlled by



the Soviet Union in Kosovo began their militant activities. Up to that time, they had contented themselves with increasing their numbers and perfecting the underground movement under the cover of nationalism. At the same time, certain members of the government in Tirana had begun to politicize the intellectual class of the Albanians in Kosovo. The ideology was characteristic of Tirana in that they offered a Marxist-Leninist solution with Albanian national reunification as bait. This was, and is, acceptable to some of the more vocal elements within the intellectual classes, but has never been acceptable to the mass of the Albanian people in Kosovo, nor to those living in Albania proper.

On March 11, 1981, the university riots of Prishtina, the capital of Kosovo, were sparked off by an order from the Politburo in Tirana. This order was given, probably without the knowledge of Enver Hoxha, by then Prime Minister Mehmet Shehu. It is now known that even as far back as that, there were clashes of policy between Enver Hoxha and Mehmet Shehu regarding the possibility of Albania going back into the Soviet Union's sphere of influence.

The riots lasted several days and spread to other major centers throughout Kosovo, including Peja, Gjiilan, and Skopja. In particular, armed clashes became very severe in the Drinica and Rugova areas. In the first 5 days the loss of life, not to mention the numerous casualties, was well beyond the figure quoted by the press of 11 killed and some 60 imprisoned. The actual figure at that time was 1,600 killed and about 5,000 imprisoned. From that day onward, the situation in Kosovo became more and more critical until even the most remote villages in the province were affected. As of July 30, 1982, the Albanians have lost over 11,800 people, countless numbers have been wounded and crippled, and between 20,000 and 30,000 people are in detention. The figures quoted by Tanjug, the Yugoslav Press agency, of some 600 people imprisoned, with sentences ranging from 15 to 30 years, are in themselves indicative of the gravity of the situation, particularly in a country which has no freedom of the press.

The Yugoslav Army has moved a total of 40,000 troops, including 200 armored vehicles, some helicopter gunships and some ground-attack fighters into the area to try to contain the insurrection within the borders of Kosovo. Several new factors have come to light. The death of Prime Minister Mehmet Shehu in Albania, reported by the Government as suicide, was in fact a result of a final clash during a restricted meeting of the Politburo between Mehmet Shehu and Enver Hoxha. Fifteen people are reported to have died in the gun battle

which ensued after insults had been exchanged when Hoxha insisted that Albania should not be involved in supplying funds and weapons to the Kosovo rebellion. It has also recently come to my notice, through confirmed reports, that there have subsequently been armed clashes between Hoxha and Shehu supporters in Albania. Additionally, a purge of up to 3,000 officers and NCO's of the armed forces and security police has occurred. Shehu had held the post of Minister of Interior and was, at the time of his death, Prime Minister and was also in charge of the Defense Ministry.

These circumstances would in themselves be dangerous to the Balkan area, but considering the fact of the existence of parallel nationalist-oriented organizations in Macedonia, Croatia, Bosnia, and Slovenia, all of which are strongly influenced by the Soviet Union, often without their being aware of it, and considering that the Soviet Union has a very strong following among the Yugoslav military, particularly in the officer corps, and has historic links with the Montenegrin Republic, the situation assumes potentially catastrophic proportions.

Here, too, under the guise of nationalism, strong pro-Soviet elements have laid the groundwork for a future uprising of the different republics within the federation. There is a two-pronged move by the Bulgarian Government against Yugoslavia. One prong is in the form of political pressure on the ruling clique in Belgrade. The second prong is the movement of arms and funds across the border from Bulgaria into Macedonia. Informed observers have pointed out that funds and weapons are also moving from Montenegro into Croatia and Kosovo. Incidents and odd clashes have been reported in the last few months in Croatia, Bosnia, Slovenia, Vovoydina, Macedonia, and of course, Kosovo. In Macedonia, the situation is becoming almost as bad as in Kosovo, with both Albanian and Bulgarian inhabitants taking part in armed clashes, riots, and countless incidents of sabotage.

It is clear that the Bulgarian Government would never initiate such a move without express instructions from the Soviet Union, nor would Montenegro risk the displeasure of the central government without some assurance from the Soviet Union.

Mr. President, I ask that an article entitled "Crisis in Kosovo" which has recently appeared in the journal, *Problems of Communism*, be printed in the RECORD at the end of my remarks as exhibit 2.

THE DETERIORATING SITUATION IN COMMUNIST ALBANIA

Albania internally has been headed for crisis for a long time. Since the end of the Second World War, over 45,000 people have been executed including the newest purge of the military and

security forces after the shooting of Mehmet Shehu. There are over 90,000 people in political prisons, concentration camps, and labor camps. Since 1968, Albania, by decree, became the only atheist country in the world where freedom of religion has been absolutely proscribed to the point where several religious personalities have been executed and all houses of worship closed. The economy has been for a very long time on a subsistence level and practically everything is rationed.

The events leading up to the shooting of Prime Minister Mehmet Shehu and the after-effects of the purge of the armed forces that immediately followed have created a situation of mistrust, fear, and instability in all levels of Albanian society. The ailing dictator, Enver Hoxha, 73, is primarily preoccupied with his family's survival after his death. Reports from informed observers indicate that pro-Soviet elements among those imprisoned in the labor camps and concentration camps are planning a revolution after Hoxha's death.

There are some 18 concentration camps, 6 major political prisons, and 7 forced labor battalions. The harshest are the political prisons, such as the prison of Burël and the prison of Balsh, the largest with 6,000 inmates. The "closed" concentration camps such as Spacz, a nickel mine, and Fiere, and Ishen are all hard-labor camps devoid of all basic human facilities. In 1975, out of pure desperation, the inmates of Spacz took over the camp after killing their guards and held it for 3 days. They were finally subdued by two armored columns, one sent from Tirana and the other sent from the northern divisional command at Shkodra. All 3,500 inmates were executed. The camp was refilled by Begir Baluku's (Minister of Defense who was also executed in 1975) pro-Soviet supporters in the military forces who had been purged.

The "open" concentration camps, such as the one in Vlona and the one in Mammuras, are mainly agricultural and land reclamation camps where people are forced to report three times a day to their local commissar. The labor battalions go wherever directed to perform heavy construction work.

Despite the political committees and informer system within the security forces and the civilian population, the evidence of rebellious acts against the regime is beginning to manifest itself.

Even though the pro-Yugoslav elements in the country have been completely eliminated, some pro-Soviet underground has been detected. The nationalist underground, though relatively uncoordinated, is extremely silent, but shows their presence through numerous acts of sabotage. There have been certain conciliatory moves by the Soviets, both covert as

well as overt. The most overt move was made by Andropov himself, as reported by Pravda on November 29, 1982.

#### ALBANIA AND SOVIET REGIONAL STRATEGY

The Soviet Union is pressing forward in the Balkans through the method that it has always used in the past, namely, of arranging to be invited in by members of the government or governments of the countries in question who find themselves no longer able to control the aspirations of the people.

It should also be noted that there is a disastrous economic situation in Yugoslavia, Greece, and Albania, as well as in the rest of the Eastern countries. Should Yugoslavia default on its international loans—approximately \$23 billion—this, in itself, could bring about a domino effect throughout the satellite nations and the Soviet Union.

The artificial state of Yugoslavia has had in the past many instances of rebellion against the rule of Serbia. It is therefore becoming apparent that unless appropriate measures are taken, either through intervention on the part of Western powers or through the encouragement of nationalist anti-Communist movements within the different countries, the entire area will be controlled and dominated by the Soviet Union in as short a time as 2 years.

If one brings into this equation the tremendous unrest in Turkey, the dangerous situation in the Middle East, the active support of the Soviet Union by Libya and Algeria, the weakness of the Italian Government, and the strong presence of the large Soviet fleet in the Mediterranean, it is quite probable that in 3 years at the most, the control of the Eastern Mediterranean and the oil-producing countries of the gulf will have passed into Soviet hands.

The Albanian Government headed by Enver Hoxha is at present caught in an impossible situation. Should the Albanian regime permit itself to accept the support of Western nations, its Communist rulers are aware that they will not be able to maintain control of the Albanian people and the regime will, therefore, be destroyed. On the other hand, should Albania swing to the Soviet Union, after the events of 1961 when the Soviet troops were forcibly evacuated from Albania with numerous armed clashes, Albania could be faced with severe Soviet retaliation. Therefore, Albania is in an anomalous position of being totally isolated from both the East and the West, and their respective spheres of influence.

This being the case, it should be obvious that Albania is one of the weakest and most easily subverted of the Communist countries. A revolution in Albania would have the effect of canceling the Soviet strategy in the Balkans. Should a successful anti-Communist

revolution take place in Albania, the people of Kosovo in present day Yugoslavia and the Albanians in Macedonia would cease their insurrections, because they would know that free Albania would negotiate an agreement with the Government of Belgrade in their favor for the eventual reunification of ethnic Albania.

#### SHIFTING ALBANIAN FOREIGN POLICY

In 1948, pro-Titoist elements under Koci Dzxoxha tried to make a coup against the Enver Hoxha regime, but were detected and purged by the security forces (Sigurimi).

In 1960, when Nikita Khrushchev was preaching détente, he made a trip to the Balkans, including Bulgaria, Albania, and Yugoslavia. The primary purpose of this trip was to insure cooperation for his policy of détente. The Albanian Government, however, because of its need to maintain strict control and discipline over its people, was unwilling to go along with the process. Therefore, Khrushchev entered into a secret agreement with Marshal Tito in Yugoslavia which assured Yugoslavia of the Soviet Union's non-interference should a pro-Yugoslav coup take place in Albania.

The reaction by the regime in Tirana was immediate and threefold. At the meeting of world Communists in Moscow in 1961, Enver Hoxha denounced Khrushchev's intrigues, insulted him personally, and marched out of the meeting. He sought sanctuary with the Chinese People's Republic. At the same time, he carried out the further purge of the pro-Yugoslav element in Albania. After some sharp fighting, the Hoxha regime took over the Soviet bases in Albania, giving Soviet diplomats and technicians 12 hours to leave the country.

Albania's tie with the People's Republic of China was of interest to both countries. For the Albanians, it insured security and technical aid. Red China had a need for a mouthpiece in the United Nations, and a country that could irritate the Soviet Union by subverting the Soviet satellite countries such as Romania and Czechoslovakia. Finally, it gave the Chinese intelligence networks a penetration into the Caucasian world and forward training bases in Europe for terrorist activities. This uneasy alliance lasted until 1975, when Chinese need for Albania grew far less.

Tirana's reaction was to break diplomatic relations with China in 1978, to renew them again in 1979, but on a much smaller scale. In effect, Albania has been without any ideological ties other than its own brand of Marxist-Leninist-Stalinism and without any treaties or ties with any other Communist countries since March 1978. This has put Albania into the peculiar situation of not only being nonaligned with the Communist world, but also with the Western world, and, therefore,

makes Albania extremely vulnerable to changes of government.

Mr. President, on December 15 of last year, I expressed my concern to the Senate about the overtures which the Soviet leader Yuri Andropov was making to Communist Albania. I would like to point out that, today, Peking is following suit.

Mr. President, I ask that three recent articles, two from the Wall Street Journal and another from the Washington Post, describing recent Red Chinese overtures to Communist Albania be printed in the RECORD at the conclusion of my remarks as exhibits 3, 4, and 5.

Mr. President, rather than allow the Balkan region to explode owing to Soviet manipulation, the West would be better advised to seek a natural evolution in the area. Such an evolution must be based upon just principles which would insure the integrity and the sovereignty of the various nations within their natural ethnographic frontiers.

An example of such evolution would be insuring that the Albanians of Kosovo be reintegrated with the parent country Albania. This, however, could only be done with a non-Communist and pro-Western Albania. The present situation is unjust, because it denies the right of national self-determination.

Once such readjustments have taken place, a confederation of free Balkan nations could emerge. This natural evolution could insure stability and progress in the region and could form a solid block of free nations against future encroachment into the area by the Soviet Union.

The exhibits referred to follow:

#### EXHIBIT 1

#### YUGOSLAVIA'S NATIONAL QUESTION

(By Viktor Meier)

At the end of March 1981, disturbances broke out in the Yugoslav autonomous province of Kosovo, inhabited primarily by Albanians but part of the Republic of Serbia. Since that time, the Kosovo region has effectively been subject to combined military and police rule under the control of the federal authorities. The cause of the disturbances in Kosovo is alleged to have been "Albanian nationalism." Thus, the nationality question in the multi-national state of Yugoslavia erupted once again a sensitive area, approximately 10 years after the national crisis in the Republic of Croatia. The events in Kosovo in turn stimulated nationalist reactions in Serbia. One gets a strong impression that the situation is turning into a traditional Balkan nationality struggle and that it will be waged in the traditional way. Communists in Yugoslavia have been claiming in their propaganda for years, even decades, that they have solved the nationality problem in Yugoslavia thanks largely to socialism and socialist self-management. Yet, today they are confronted by national

Footnotes at end of article.

problems that are hardly less serious than those of the interwar Yugoslav state.

One may well ask whether a movement like communism can by its very nature arrive at real solutions to the nationality question in a multi-national state. The Yugoslav Communists could find little encouragement in the ideas of their ideological mentors. Multi-national states were an abomination for Lenin. Agreeing with Karl Kautsky, he postulated in 1914 that "both the example of all progressive mankind and the example of the Balkans" demonstrated that the national state is the rule and norm under capitalism. "The state of diverse composition is something backward or an anomaly."<sup>1</sup> For the proletariat, Lenin continued, national demands are generally subordinate to the interests of the class struggle; for the proletariat it is important "to ensure the development of its class."<sup>2</sup>

Communist Yugoslav writers admit now that it was not easy for their party to arrive at adequate solutions for the nationality question, probably due in part to such concepts as Lenin's. Gavro Altman writes that in the Yugoslav as in the other Communist parties the idea had prevailed that "the national question was in substance a peasant question." From this it was tempting to conclude "that this problem was peculiar to capitalist countries and that under socialism it would tend to disappear by itself."<sup>3</sup> Sima Marković, the first leader of the Communists in Yugoslavia, believed that he was doing justice to Lenin's precepts by opposing a federal solution for Yugoslavia and by displaying complete indifference about whether the three peoples making up the state at that time—the Serbs, Croats, and Slovenes—were three nations or three branches of a single nation.<sup>4</sup> Thus, contrary to Tito's remarks at the 8th Congress of the League of the Communists of Yugoslavia in 1964, it is not accurate to say that the party had a correct "Leninist" position toward the nationality question since 1924—when it stipulated the principle of "equal rights up to secession" for every nation.

Such declarations mean little. At the time they were proclaimed, the Comintern found it useful to favor the dissolution of all existing states in the Balkans and their replacement by one or more federations.<sup>5</sup> This position could even be traced to the ideas of the old Serbian socialist, Svetozar Marković.<sup>6</sup> Nevertheless, some Yugoslav observers have claimed that these prewar federative concepts led to the adoption of a federal structure for the postwar Yugoslav state.

On the other hand, there have always been—and continue to be—Yugoslav Communists who cling as a matter of principle to Lenin's original thesis that multinational states are awkward and backward. Their beliefs led them either to try to form separate Communist parties and toy with the idea of dismembering the country, or to advocate an integral Yugoslav nation, such as King Alexander had proclaimed in 1929, and thereby leap over the national contradictions in Yugoslavia. In 1937, independent Communist parties arose in Croatia and Slovenia; for Macedonia, the same was at least contemplated. At the same time, in view of the dangers on the European horizon in the 1930's, other Yugoslav Communists became prey to patriotic impulses in the sense of advocating the integrity of the Yugoslav state.<sup>7</sup> Yet, after the occupation of Yugoslavia by the Germans in April 1941, the Comintern, as well as wide circles of the Yugoslav party itself, leaned toward accepting the dissolution of the state, not only in Mac-

edonia but also in Croatia. In Zagreb in July 1941, an agent of the Comintern named Kopinic was promoting the creation of an independent Communist party for the "Independent State of Croatia."

For a long time there was only vague knowledge of this interlude. Vladimir Dedijer was the first to publish details in his "new contributions" to the biography of Tito that was published in 1981.<sup>8</sup> As a result of these efforts, which could have been interpreted as treason, the agent Kopinic in no way lost Tito's friendship. He extricated himself from the situation by claiming communications problems, and merely had to be content with subordinate posts after the war. Separatism evidently was not a transient phenomenon in Croatia. Even in 1944, Milovan Djilas noted "little prominence for Yugoslavia and an overemphasis on Croatian peculiarities" in the headquarters of the Communists of Croatia.<sup>9</sup> Dedijer claims that his portrayal of the activities of the Croatian party during the war made Vladimir Bakarić and other high Croatian party functionaries hostile toward the publication of his book.<sup>10</sup>

Prewar Yugoslavia did not have autonomous territorial sub-units. There were merely administrative districts in various forms, although the nations—at least the three leading nations—were recognized as constituting the state. This was expressed in the very name of the country adopted in 1918, "Kingdom of the Serbs, Croats and Slovenes." Politically, the nations were represented by parties in prewar Yugoslavia. The more important ones succeeded in becoming "national" parties with leading roles among the nations concerned: the Radicals and their auxiliary and successor organizations among the Serbs; the Croatian Peasant Party among the Croats; and the clerical People's Party among the Slovenes. Even the Bosnian Moslems had a kind of national representation at certain times. These parties received recognition even in public law. For example, the so-called *sporazum* (agreement) of August 1939 that was to resolve the Croatian question was concluded between Yugoslav Prime Minister Dragiša Cvetković and the leader of the Croatian Peasant Party, Vladko Maček.

The new Communist Yugoslavia that was conceived at the second session of AVNOJ—the Anti-Fascist Council for the National Liberation of Yugoslavia—in November 1943 at Jajce was based on the principle of federalism. The territory of the country was to be divided into six republics, according to both historic and ethnic considerations. Within the Republic of Serbia two autonomous regions, Kosovo-Metohija (later called just Kosovo, or in Albanian, Kosova) and Vojvodina, came into being. The relations of the Yugoslav nations and nationalities were put under the slogan "unity-brotherhood"—a description which lends itself well to papering over problems.

The federal constitution of postwar Yugoslavia, following the Soviet pattern, was probably supposed to have a primarily declarative character in the eyes of the Yugoslav Communists. In Article 1 of the constitution of 1946, the member republics even received the formal right to secede from the federation. One of the ideological pillars of the "Croatian Spring" of 1968-71, Zagreb University professor Sima Djodan—later sentenced to a long prison term at Tito's insistence—said with regard to this conception: "For us the federation was first created as a state and assumed exclusive competence over all spheres it deemed impor-

tant for state sovereignty and for socio-economic life. The republics, as a kind of ethnic form, were left with the less important and the local communities with the least important functions."<sup>11</sup>

Djodan is not entirely correct in this definition of Yugoslav federalism. In one sense, and perhaps the most important one, the republics quickly grew into considerable and to a certain extent autonomous power centers, namely in regard to the Communist party and its apparatus.<sup>12</sup> As we shall see, the relative independence of the republic party apparatuses was to prove of great importance for the subsequent development of Yugoslavia. (In the Soviet Union, where similar tendencies were bloodily liquidated by Stalin, matters were different.)

The republics in Yugoslavia, however, are not coterminous with the nations. Of all the republics, only Slovenia is ethnically homogeneous. Croatia has a large Serbian minority. Many Croats live in Bosnia-Herzegovina and Vojvodina. Macedonia too has large ethnic minorities within its boundaries, as does Serbia, above all in the two autonomous regions. Similarly, Serbs live in Bosnia-Herzegovina and in Croatia. Montenegro is not clearly defined from an ethnic standpoint, and Bosnia-Herzegovina is a historically determined unit inhabited by Moslems, Serbs, and Croats. Of the two autonomous regions created in Serbia, Kosovo has an Albanian majority while Vojvodina has a large Hungarian minority, although in Vojvodina the Serbs predominate numerically and politically.

The lack of congruence between the republics and the nations has occasionally led to situations whereby ethnic animosities found outlets within the boundaries of a specific republic and did not affect the state as a whole. Furthermore, despite the federal state, the nations remained an additional category, separate from the republic structure. As nationalist impulses were expressed once again in Yugoslavia, the old irritation of the Communists with this phenomenon that they could not master also returned.

Moreover, from the very inception of Communist rule in Yugoslavia, the category of nation contained politically conditioned ambiguities. There were what might be called "good" and "bad" nations and even "good" and "bad" nationalisms. The newly created Macedonian nation with its ethnic consciousness has been favored; this new nation has been allowed to pursue irredentism abroad, in Bulgaria as well as in Greece. In the same way, the ethnic feelings of the Slovenes have enjoyed understanding and support. The Slovenes are permitted to bring up continuously the issue of their fellow nationals in Carinthia (Austria) and in the area around Trieste (Italy). Serbian and Croatian national aspirations, on the other hand, have long been regarded negatively; the former are equated with "hegemonism" and the latter with "separatism."

Nevertheless, eventually it seemed advisable to accord greater recognition to the nations under constitutional law. In the new "basic principles" preceding the revised constitution of 1963, "the nations of Yugoslavia," without being expressly enumerated, were called the constituent parts of the country; they—and not the republics—were granted the fictitious right to secede. This construction has been retained in all subsequent revisions of the constitution including that of 1974, now in effect. However, the "nations and nationalities" (formerly "national minorities") are neither enumerated nor recognized as legal subjects. Articles

245-247 simply set forth the principle of equal rights for the nations and nationalities, including the right to use their various languages. The difference between nations and nationalities is also not specifically defined. In practice, it seems that the nations of Yugoslavia are those that have their ethnic center within the boundaries of Yugoslavia, while the nationalities have their center outside the borders.<sup>13</sup> Thus, in the census results of 1981, the 577,000 Montenegrins are listed as a "nation," while the over 1.7 million Albanians are considered a "nationality" ("national minority" according to previous usage).<sup>14</sup>

In the second half of the 1950's, nationally related tensions made themselves felt in Yugoslavia, particularly among the individual republics. At first, the tensions were economically conditioned. The separate power centers of the Communist leadership in the individual republics had an impact for the first time. Their economic interests had come to coincide with those of the population, including the non-Communists, within the individual republics. For example, general dissatisfaction prevailed in Slovenia because large funds were channeled from this developed republic via the federal budget to the less developed parts of Yugoslavia. The Slovenes felt threatened by stagnation and feared that their republic might fall behind the neighboring Western countries with which it was compared. At the 7th Congress of the League of Communists of Yugoslavia in 1958, therefore, Slovene politicians called for a compromise that would guarantee further advances for the developed parts of Yugoslavia.<sup>15</sup> The economic discussions arising from this issue led many Yugoslavs, including many Communists, to the conclusion that a new nationalism based exclusively on unresolved economic problems could arise. From this it followed that acceptable economic solutions would dampen ethnic stirrings. Such views were still being voiced when the so-called "Croatian Spring" of 1968-71 was already under way in Zagreb.

This diagnosis proved to be another Communist mistake. While it cannot be denied that economic problems and a sense of economic backwardness played a large role during the onset of the malaise in Croatia, and came up again and again in discussions at that time,<sup>16</sup> it was also apparent that in the final analysis these economic discussions were actually only a starting point for the articulation of a much more general and deeply felt emotional current. In other words, at issue was classical nationalism with all its ramifications. Furthermore, the polemics which broke out among the historians of the individual republics and regions coincided with, rather than followed, the discussions about the distribution of the national income.<sup>17</sup>

The uncertainty of the Communists in the face of the revival of national movements and conflicts caused the party to look for theoretical concepts that might resolve these contradictions in the multi-national state of Yugoslavia. Somehow, it was felt, a "Yugoslav consciousness" must be created that could appeal to both patriotic and ethnic feelings. In 1957, Edvard Kardelj attempted to direct this search into politically acceptable channels. In the foreword to the second edition of his work on the Slovenian national question, written before World War II, he spoke in favor of a socialistically determined "Yugoslavness" (Jugoslovenstvo) that should form a "consciousness" above national feelings among the different peoples of Yugoslavia. According to Kardelj,

national conflicts could arise only if a "nationalistic" position was adopted, if "Yugoslavness" was understood as national integralism (as King Alexander had understood it in 1929), or if a "bureaucratic" standpoint was taken.<sup>18</sup>

This was a very complicated definition. It is no wonder that some party members simply took Kardelj's "Yugoslavness" to mean overcoming particular nationalisms by cultivating a new Yugoslav national feeling, that is, precisely by promoting Yugoslav national integralism. This interpretation corresponded also with Lenin's view on how to overcome the "backward" multi-national state. The Zagreb sociologist Dušan Bilandžić recalled in a 1982 interview with the Zagreb Vjesnik that at the 7th Congress of the League of Communists in 1958, some delegates had spoken out "for the formation of a Yugoslav nation and the abolition of the republics."<sup>19</sup> Tito, too, was apparently influenced by such views. In 1963, out of the blue, he advocated Yugoslav integralism, at least in the cultural sense: "If we want to create a socialist culture," he said in an address to the Yugoslav journalist's association, "we must also have a common program. It must be Yugoslav. Not every republic or every nationality can create its own socialist culture, for this would again mean separation."<sup>20</sup> Such theses were soon dropped since they encountered resistance. In 1967, Tito stated before the Communists of Belgrade that the term "Yugoslav" meant "membership in our socialist community but not a nationality."<sup>21</sup>

Nevertheless, it is probable that the attempts to stimulate a renewed Yugoslav integralism played a large role in the rise of the national movement in Croatia during 1968-71. In part, this movement consisted of a very emotional reaction against "unitarism" and "centralism" in any form. It stressed the independence and equal rights of the nations within the federal structure to the point of reviving the "right to secede," which the constitution had granted first to the republics and later to the nations. There were proposals to transform the federation into a confederation.<sup>22</sup> In this connection, the principle of statehood for the individual republics was also advocated. This demand was important because it basically involved, at least for Croatia, the revival of the idea of national sovereignty within Yugoslavia and its linkage to the republic. The Croatian crisis was a crucial turning point in the evolution of the nationality question in Yugoslavia. It spelled the end of propagandistic slogans and Leninist flourishes, as well as of notions that socialism made nationalism inconceivable.

Although Tito ordered a thorough crackdown on nationalist manifestations in 1971, national aspirations were accorded more consideration in the ensuing years. The principle of statehood for the individual republics became accepted and adopted first in the constitutional amendments of 1971 and then in the constitution of 1974. Even the autonomous provinces within Serbia were recognized as constituent elements of Yugoslavia and were granted autonomous rights, recognized in the constitution. The difference in comparison to the republics lay in the fact that the statehood of the regions was not recognized. Article 4 characterizes the regions simply as "autonomous, socialist, self-managed, democratic, socio-political communities"—in which, to be sure, "the nations and nationalities realize their sovereign rights." This is the point on which the authorities of Kosovo and Vojvodina

base their claims in the struggle against centralizing tendencies in the Republic of Serbia.

It is often asked why federalism in Yugoslavia came to be especially emphasized and anchored in the constitution in a veritably "bourgeois" manner after the crisis in Croatia. The explanation can only lie in Tito's belief at the time that he had discovered a new political concept for Yugoslavia. He apparently thought it possible to accommodate the new realities on the state level through a federalism solidly anchored in the constitution and the legal system, while a more disciplined and centralized party would buttress both the state and the regime. In two speeches in Split and Zadar as early as the summer of 1970, Tito characterized as an error the attempt (at the 6th Congress of the Yugoslav League of Communists in 1952) to obliterate the centralist organizational principle of a Leninist Communist party.<sup>23</sup> The 10th party congress in 1974 emphasized, as had not been done for a long time, the centralist and Leninist nature of the party; it took an explicit stance against the party's "federalization."<sup>24</sup>

This concept of Tito's—which, like Kardelj's sought to mix "socialist internationalism" with an unclearly defined "Yugoslavness"—failed, since it aggravated national and federal problems in the post-Tito period. Because the Communist party apparatuses in the individual republics constitute relatively independent power centers, a centralist conception of the party could not prevail over them. While Tito did succeed, in conjunction with the purge in Croatia, in ousting from their posts in the Serbian, Slovenian, and Macedonian republics proponents of policies that he disliked, he was forced to rely even in the Croatian case on alliances with the various republic leaderships. Aside from the fact that these purges caused the Yugoslav party to lose many outstanding personalities, whose absence is still felt today, Tito's actions precipitated a general decline in the authority and prestige of the party as an institution.

These developments, the further strengthening of the republics and the decline of the party's importance in the spectrum of Yugoslav institutions, continued at an accelerated pace after Tito's death. They reached their high point thus far at the 12th Congress of the League of Communists of Yugoslavia in 1982.<sup>25</sup> Both developments were closely linked to growing economic difficulties, which could not be overcome by party resolutions alone. It also became clear that all the problems, including the Kosovo problem, did not lead to strong solidarity within the Yugoslav party but rather to an intensification of conflicts. In September 1982, the new party chairman, Mitja Ribičić, spoke openly about the lamentable state of cohesion within the party and threatened his listeners with "democratic centralism."<sup>26</sup>

As far as the Republic of Croatia is concerned, Tito's crackdown in the early 1970's left it in an unsatisfactory state, indicative of Communist inability to cope with the phenomenon of nation. The new leadership was of second-rate quality. While they did defend the economic interests of the republic,<sup>27</sup> the new leaders in Zagreb could not bring about an identification between republic and nation. This left the mounting Croatian national consciousness without an outlet. The situation was not improved by the fact that the roughly 15 percent Serbian minority within the republic has been accorded preferential treatment. These Serbs

live in the economically more backward areas and favored strong Yugoslav centralism as far back as the pre-war period. They were afraid—as it turns out justifiably—of Croatian nationalism. In 1941, these Serbs were driven into the arms of the Communist partisans by the operations of the Croatian Ustaše, and it is probably no exaggeration to say that after 1945 and again after 1971, the Serbs behaved like conquerors. The share of Serbs in the membership of the Croatian Communist party was around 28 percent in 1958 and was still 24 percent in 1978.<sup>28</sup> This is far more than their proportion of the population. One also gets the impression that the Serbs are overrepresented in the political police of Croatia.

The Catholic church was able to fill the national vacuum in Croatia. It succeeded in making itself the guardian of the historical traditions of the Croats. The massive gathering of about 200,000 participants in Nin (Dalmatia) on September 1 and 2, 1979, to celebrate the Croats' 1,100 year-old affiliation with Roman Christianity constituted the high point of this effort.<sup>29</sup> The success of this celebration and of other activities by the Church made the regime nervous and led to an anti-clerical campaign in 1980 and 1981, including police harassment of the clergy extending even into Bosnia-Herzegovina. Jakov Blažević, then president of the Presidium of the Croatian Republic and the chief procurator in the 1946 trial of the Archbishop of Zagreb, Aloys Stepinač, reopened old wounds by publishing his memoirs in January 1981.<sup>30</sup> At the same time, nationalistically inclined Croatian intellectuals such as Franjo Tujman, Vlado Gotovac, Zlatko Tomićić, Dobroslav Paraga, and Marko Veselica were put on trial. To this day, many expressions of national feeling that have long been a matter of course in the other republics of Yugoslavia are apparently taboo in Croatia.

The percentage of party members among the individual nations or nationalities seems to have become more and more the measure of the tolerance and understanding that the Communist regime is ready to display in specific instances, including on the issue of nationality. The percentages of party membership were long secret, but in June 1982, official statistics were published.<sup>31</sup> With a "Communist density" of only 4.62 percent, the Albanians are the black sheep among the Yugoslav nations, even if one takes into account that the proportion of minors among this nation is especially high. The Croats, with 7 percent, are not much better off. As for the Slovenes, only 6.4 percent belong to the party. However, in addition to the strength of Catholicism there, low party membership is probably due to higher living standard and relatively tranquil conditions, which make political involvement seem rather superfluous. Among the Montenegrins, on the other hand, almost 20 percent are Communists, and among the Serbs over 12 percent. Of the Macedonians, 10.5 percent are Communists. Of those who designate themselves ethnically as "Yugoslavs," more than 11 percent belong to the party.

This last-named ethnic designation gave rise to many comments and discussions in the spring of 1982, and brought the dilemma of the Yugoslav Communists vis-a-vis the nationality question back to its starting point. When the results of the 1981 census were published, it turned out that a surprisingly large number of Yugoslav citizens—around 1.22 million or 5.42 percent of the total population—designated themselves as

"Yugoslavs" by national affiliation. This was 4.3 times as many as in 1971. It is interesting to note how this phenomenon manifested itself in different parts of the country. In Bosnia-Herzegovina, the number of "national Yugoslavs" rose in comparison to the 1971 census from around 44,000 to 326,000; one can assume that the figure was for the most part made up of Moslems who do not care for the formal identification of religion and nationality. In the autonomous region of Vojvodina, the "Yugoslavs" increased from 47,000 to 167,000; on the other hand, the number of Hungarians declined by 40,000, and that of Croats fell also. In the Republic of Croatia, the percentage of Serbs sank from 14.2 to 11.5 percent, while there were suddenly 8.2 percent "Yugoslavs," a figure more than four times as great as in 1971. In Kosovo, the share of "national Yugoslavs," 0.2 percent, was the lowest percentage in all of Yugoslavia.<sup>32</sup>

Did the tremendous increase in the number of national Yugoslavs come about because the party carried out direct or indirect propaganda to the effect that "Yugoslav" as a national category was "more progressive" in the socialist sense than Croat, Slovene, or Serb? Obviously, this must have played a role. Dusan Bilandžić met with excited denials when he tried to explore this question. The fear of conflict that many citizens might have harbored so soon after Tito's death, the wish to resolve personal dilemmas such as mixed marriages, or a preference for unity and centralism undoubtedly influenced the choice of some respondents. In addition, some groups who are minorities in their area might have sought to protect themselves by "national Yugoslavness." In any event, in Bilandžić's opinion, the huge increase in "national Yugoslavs" shows that "something is wrong in our society."<sup>33</sup> Bilandžić also suggested that the striving for a Yugoslav nation was an "illusion."

The ugly way in which some party activists, notably Serbs from Croatia, conducted polemics against Bilandžić<sup>34</sup> supports the assumption that, now as before, there are many Yugoslav Communists—and perhaps non-Communist Yugoslav patriots as well—who seek to overcome Yugoslavia's national diversity and occasional discord through a supranational "Yugoslavism." The unease over this declarative Yugoslavism so evident in the Bilandžić interview, however, indicates that the traditional nations of Yugoslavia still constitute the basic components of that country, and cannot be pushed into the background or bypassed. Bilandžić is probably correct in saying that "national Yugoslavism" is primarily a product of specific regional or personal idiosyncracies and thus a limited phenomenon. Indeed, developments since Tito's death seem to have strengthened rather than weakened the assertiveness of individual nations, nationalities, and republics.

Nowhere has this assertiveness been expressed more conspicuously than in Kosovo. The events in Kosovo clearly show the limits of national integralism in contemporary Yugoslavia. At the same time, they could also signify an unequivocal and perhaps irrevocable dashing of hopes that national contradictions in the Balkans might be overcome by means of "supranational" socialist doctrine. The very name "Yugoslavia" signifies the land of the Southern Slavs. The Albanians—of whom more than 2.5 million live in the Albanian Socialist People's Republic and another 1.73 million, according to the 1981 census, live in Yugo-

slavia—are not Slavs. According to modern scholarship, they are the descendants of the ancient Illyrians. This hypothesis is accepted today by all Albanian scholars and by a large number of non-Albanian Balkan specialists.<sup>35</sup> The Albanians were the last Balkan nation to acquire a modern national consciousness in the 19th century and form a national state. In Tirana, the visitor is always told that the religious diversity of the Albanians (Moslem, Orthodox, and Catholic) hindered the process of becoming a nation. This is given, among other reasons, as the explanation for the massive anti-religious campaign of 1967-68 and the designation of Albania as the world's "first atheistic state." It is probably also true that the late coalescence of the Albanians into a modern nation led them at first to prefer the continued existence of the 19th-century Ottoman Empire, which at least tried to protect the Albanian settlement areas against the territorial claims of the new Balkan Christian states of Serbia, Greece, and Montenegro. The "League of Prizren," the first united political association of the Albanians which sought to make the Berlin Congress of 1878 understand their interests, certainly contained this tendency along with an emancipatory one.<sup>36</sup>

The first Balkan War then brought precisely what the Albanians had feared: the victorious young Balkan states appropriated large parts of the Albanian settlement area, with Serbia and Montenegro dividing between them Kosovo and today's western Macedonia. The Albanians of Kosovo fought against this annexation but were unable to prevent it. Of the 1.73 million Albanians in Yugoslavia today, 1.23 million live in Kosovo where, according to the 1981 census, they make up 77.7 percent of the population. In Macedonia, there are 374,000 Albanians making up 19 percent of the population; not quite 38,000 live in Montenegro.

Kosovo is dear not only to the Albanians; it was also the heart of the medieval Serbian kingdom. Many important Serbian cultural monuments are located here, and the landmark battle of 1389 against the Turks was fought on Kosovo Field. This Serbian defeat forms the subject of the national epic literature. In Prizren, the great memorials of both Albanians and Serbs are found only a short distance apart: in the city is the villa in which the "League of Prizren" met in 1878; two miles up the valley is the monastery on the site where Tsar Dusan, the greatest ruler of medieval Serbia, was buried. It is also beyond doubt that in this early period Kosovo was settled primarily by Serbs. In the western part of Kosovo, that is, along the border with contemporary Albania, Metohija and its cities Peć and Prizren may have always been partly settled by Albanians; but in eastern Kosovo, where Pristina is located, the Albanians came to settle only toward the end of the 18th century and later.<sup>37</sup>

These historical points are important because the Kosovo conflict has increasingly become a purely national dispute between Serbs and Albanians, as well as between the authorities of the Republic of Serbia and those of the autonomous region of Kosovo. The rest of Yugoslavia seems to play the role of an irritated and concerned spectator. The authorities of the Republic of Serbia and the Serbian press concentrate their attention to an ever greater extent on the problem of the emigration of the Serbs out of Kosovo. At the request of Serbia, the Federal Parliament has also taken up this

problem but obviously has difficulty finding solutions.<sup>38</sup>

Even a casual visitor to Kosovo can easily see that relations between the two groups of inhabitants are quite tense.<sup>39</sup> Outmigration of Serbs has been a persistent phenomenon there since 1966, when the authorities and police in Kosovo were "Albanianized" after the fall of the internal affairs minister, Aleksandar Ranković. As a result of the Serbian outmigration and the higher birthrate of the Albanians, the population ratio has changed since World War II. In 1953, the Albanians made up not quite 65 percent of the population of Kosovo, while Serbs and Montenegrins together accounted for over 26 percent. Today, the corresponding figures are 77.7 and not quite 15 percent.<sup>40</sup> Thus, Albanian nationalists are tangibly realizing the goal of an "ethnically pure Kosovo," despite federal intervention and massive police pressure. There is little doubt that the outmigration of many Serbs, especially from the villages, is hastened by the behavior of segments of the Albanian population. Although only incomplete statistics on the exact number of Serbs and Montenegrins that have left are available, the Belgrade newspaper *Politika* estimates the migration losses of these two groups in Kosovo between 1971 and 1981 to be about 102,000 persons.<sup>41</sup> The absolute number of Serbs in Kosovo declined during this period from 228,000 to just under 210,000, while the number of Albanians grew from 916,000 to 1.23 million.

The present situation is just a phase in a long process. The governments of Serbia and interwar Yugoslavia—both dominated by Serbs—viewed the annexation of Kosovo after the first Balkan War and World War I as a return of places sacred to the Serbian national past; they attempted to bring Serbs into Kosovo again and to push back the Albanians through colonization. Most Albanians in Kosovo therefore welcomed the breakup of Yugoslavia by fascist Italy and the uniting of Kosovo and western Macedonia to Albania proper, even if they presumably would have preferred to see this "liberation" take place in different circumstances.

In this connection, a former high official of the Yugoslav Communist party, Vukmanovic-Tempo, vividly described the precarious conditions in which the Communists had to try to build their resistance movement during World War II.<sup>42</sup> There was always the risk that the few Albanians who found their way to the Communists would begin to discuss unification plans with the Communists of Albania. Quite possibly, it was the substantial dependence of Enver Hoxha's Albanian partisan movement on Tito's Yugoslav partisans that prevented greater complications in this sphere. The scant joy of the Albanians over the reestablishment of Yugoslavia was again expressed in armed resistance after 1944, prompting Tito's government to introduce a brutal police regime in Kosovo that oppressed the Albanian population, despite the formal autonomy of the region. This regime was supported by many of the Serbs and Montenegrins living in Kosovo, some of whom avenged grievances accumulated during the Albanian domination in World War II.

When repression eased after 1966, the feeling of liberation on the part of the Albanians was expressed in the demonstrations of 1968. Subsequently, the Albanians succeeded in creating a national intellectual center for Kosovo in the University of Pristina. In addition, a generation of young, na-

tionally conscious teachers for all school levels reached maturity. These people were the instigators of the nationalist revolts of 1981, and they firmly maintain their national positions. The police and military repression, as well as the arrests and convictions of so many young Albanians—often out of all proportion to their transgressions—contribute to hostility toward the Serbian and Montenegrin population. The situation appears insoluble today since all suggested measures can ultimately be undermined by the Albanian population of Kosovo, which reacts to repression with solidarity and a conspiracy of silence.

What do the young Albanian rebels of Kosovo want? One can get some idea of their goals only through personal impressions: the conspiracy of silence also applies to their objectives. They feel themselves to be Albanians, for whom the unification process of the Albanian nation is the determining national experience. A corollary of this is a feeling of indifference to the problems of Yugoslavia. Just as 19th-century Serbs thought about national unity first culturally and then politically, today the Albanians of Kosovo, above all the younger generation, are doing the same. This, however, does not necessarily imply an unconditional desire for union with present-day Albania.

Immediately after the events, Stane Dolanc, a member of the Presidium of the League of Communists of Yugoslavia and minister of internal affairs, dismissed the notion that the unrest was instigated by Tirana.<sup>43</sup> Subsequently, Albania generally, and Enver Hoxha personally, were accused of "agitating" the young Albanians in Kosovo with irredentist sentiments. Yet, from visits and conversations in Tirana, one gains the impression that this has not been the case. On the contrary, there is unease in Tirana about the developments in Kosovo. The Albanians in Kosovo are perceived to be national "purists" whose intensifying nationalism is unsettling to authorities in Tirana because it is not subject to their control. There is also fear that the Kosovars—who have a freer life, practice their religion, and can travel abroad—might cause unrest in Albania by stimulating desires for similar conditions there. Furthermore, Tirana appreciates the importance of Yugoslavia as one of the few countries with which Albania has contacts, as its most important trading partner, and as a rampart against the Soviets. In principle, so a visitor is always told, Albania wants good relations with Yugoslavia, but naturally cannot remain silent when the "brothers on the other side of the border" are oppressed by Serbian or Macedonian nationalism.<sup>44</sup>

It would seem that the time for true Albanian irredentism in Kosovo, in the sense of a movement for unification with Albania, has not yet come. Rather, one has the impression that the young Kosovars feel that their mission includes lighting the torch of national unity on a "realistic" basis in Albania proper. Enver Hoxha is respected as a national leader, a sort of "anti-Tito," but hardly as anything more. As long as the current regime and the current system exist in Albania, the Kosovo problem will remain a domestic problem for Yugoslavia. The young Kosovars in no way dispute the fact that they have more freedom and a higher standard of living in Yugoslavia than do their brothers in Albania. They think, however, that they owe it to their Albanian national consciousness to place these advantages in the service of eventual Albanian unification.

The Communist authorities in Kosovo who are Albanian are in danger of falling between two stools. Under the former party secretary Mahmud Bakali, a kind of state-socialist regime was in effect in Kosovo, with capital investments coming from the central government. Today, the much weaker political leadership of Kosovo is under pressure from the authorities of Serbia, who would like to reduce the constitutional prerogatives of the province and who threaten "personnel changes."<sup>45</sup> The Serbian leadership, especially Dragoslav Marković, can and does capitalize on Serbian frustrations unleashed by the Kosovo question. Statements expressive of low esteem for the national achievements of the Albanians are pouring out of Serbia;<sup>46</sup> even the Illyrian ancestry of the Albanians is presented as a political problem (and thus denied) in the Serbian Central Committee.<sup>47</sup> This overt anti-Albanian bias also found its way into the platform on Kosovo adopted at the 12th Congress of the League of Communists.<sup>48</sup>

Thus, the nationality question has become again a rivalry between nationalisms in socialist Yugoslavia, as it had been in prewar Yugoslavia. This development is regarded with concern by many people in Yugoslavia, in and out of the party. In the wake of the 12th party congress in the summer of 1982, there were some criticisms of the political leadership in Serbia on this point.<sup>49</sup> The question remains whether Serbia, which is strong in both population and power, can be circumvented or induced to change its policies. According to some views, the Yugoslav federation, including the party, is not sufficiently strong to bring this about. With regard to Kosovo, the policy of the federation at the present time amounts simply to keeping the situation under some degree of physical control through a massive show of force. A political solution, however, would have to include recognition that the Albanians are the majority in Kosovo, and perhaps even a change of the present constitutional arrangements. Because of the specter of separatism, there is reluctance to give Kosovo republic status. Yet, postponement of a political solution might necessitate greater concessions in the future. Meanwhile, the Kosovo problem reveals the limited room for maneuver at the disposal of the post-Tito leadership of Yugoslavia.

#### FOOTNOTES

<sup>1</sup> V. I. Lenin, "Concerning the Right of Nations to Self-determination," *Ausgewählte Werke* (Selected Works), Vol. 1, Berlin, Dietz, 1953, p. 676.

<sup>2</sup> *Ibid.*, p. 685.

<sup>3</sup> Gavro Altman, *Yugoslavia, a Multinational Community*, Belgrade, Jugoslovenska Stvarnost, 1978, p. 8.

<sup>4</sup> Paul Shoup, *Communism and the Yugoslav National Question*, New York, NY, Columbia University Press, 1968, p. 25.

<sup>5</sup> *Ibid.*, pp. 30 ff.

<sup>6</sup> See Svetozar Marković, "Serbia in the East," in *Sabrani Spisi* (Collected Works), Vol. III, Belgrade, Kultura, 1965.

<sup>7</sup> Shoup, *op. cit.*, p. 47.

<sup>8</sup> Vladimir Dedijer, *Novi Prilozi za Biografiju Josipa Broza Tita* (New Contributions for a Biography of Josip Broz Tito), Vol. 2, Rijeka, Liburnija, 1981, pp. 425 ff.

<sup>9</sup> Milovan Djilas, *Der Krieg der Partisanen, Memoiren 1941-1945* (The Partisan War, Memoirs 1941-1945), Vienna and Munich, Molden, 1978, p. 413.

<sup>10</sup> Interview with Gustav Chalupa in *Europaische Rundschau* (Vienna), No. 3, 1982, pp. 123 ff.

<sup>11</sup> *Kolo* (Zagreb), No. 11, 1968.

<sup>12</sup> Ernst Halperin, *Der Siegreiche Ketzler* (The Victorious Heretic), Cologne, Verlag für Politik und Wirtschaft, 1957, p. 45.

<sup>13</sup> Altman, *op. cit.*, p. 15.

<sup>14</sup> All of the data on census results in Yugoslavia, unless otherwise noted, are derived from the offi-

cial publication *Facts about Yugoslavia*, published by the Federal Secretariat for information, Belgrade. The editions of these publications before 1982 contain the census results of 1971, and the new 1982 edition contains the results for 1981.

<sup>15</sup> Shoup, op. cit., p. 235.

<sup>16</sup> See Hrvoje Sosis, *Za ciste racune* (For a Clean Accounting), Zagreb, Matica Hrvatska, 1970.

<sup>17</sup> Shoup, op. cit., p. 195.

<sup>18</sup> Edvard Kardelj (Sperans), *Razvoj slovenskog nacionalnog pitanja* (The Evolution of the Slovene National Question), Foreword to 2nd ed., Belgrade, Kultura, 1957, p. 53.

<sup>19</sup> Dusan Bilandzic, "High Tide of Declared Yugoslavs," Interview in *Vjesnik* (Zagreb), May 8, 1982.

<sup>20</sup> *Politika* (Belgrade), Feb. 14, 1963.

<sup>21</sup> Bilandzic, op. cit.

<sup>22</sup> Ivan Peric gives a summary of the concepts that came to light in the so-called "Croatian Spring" with numerous quotations in *Ideje Masovnog Pokreta u Hrvatskoj* (The Ideas of the Mass Movement in Croatia), Zagreb, Narodna Sveuciliste Grada Zagreba, 1974. (The document is written from the standpoint of the leadership that was newly installed in 1971.)

<sup>23</sup> *Politika*, Aug. 23 and 30, 1970.

<sup>24</sup> Dennison Rusinov, *The Yugoslav Experiment 1948-1974*, London, C. Hurst, 1977, pp. 332 ff.

<sup>25</sup> For example, the main speaker on the Yugoslav economy had to rely on data prepared by a commission under the authority of the State Presidium. Materials from the 12th Congress of the League of the Communists of Yugoslavia, Belgrade, June 1982.

<sup>26</sup> *Borba* (Belgrade), Sept. 15, 1982.

<sup>27</sup> See Frankfurter Allgemeine Zeitung, Nov. 11, 1981.

<sup>28</sup> NIN (Belgrade), Dec. 16, 1979.

<sup>29</sup> In the year 879, Prince Branimir had received from the Pope the recognition of the independence of the Croatian church. See Frankfurter Allgemeine Zeitung, Sept. 9, 1979.

<sup>30</sup> *Politika*, Jan. 29, 1981.

<sup>31</sup> *Ibid.*, June 24, 1982, p. 7.

<sup>32</sup> Bilandzic, op. cit.

<sup>33</sup> *Ibid.*

<sup>34</sup> For example Jovan Miric in *Danas* (Zagreb), May 25, 1982.

<sup>35</sup> See the report of Professor Aleks Buda at the National Conference on the Formation of the Albanian People, their Language and Culture, "The Ethnogenesis of the Albanian People in the Light of History," Tirana, Albanian Telegraphic Agency, July 3, 1982.

<sup>36</sup> With regard to these developments see Stavro Skendi, *The Albanian National Awakening 1878-1912*, Princeton, NJ, Princeton University Press, 1967.

<sup>37</sup> See Atanasije Urosevic, *Toponomia Kosova* (Toponymy of Kosovo), Belgrade, Serbian Academy of Sciences and Arts, 1975.

<sup>38</sup> *Politika*, Sept. 30, 1982.

<sup>39</sup> For reports on a visit to Kosovo in June 1982 see Frankfurter Allgemeine Zeitung, July 12, 18, 19, and 27, 1982.

<sup>40</sup> *Politika*, Sept. 30, 1982, p. 4.

<sup>41</sup> *Ibid.*

<sup>42</sup> Svetozar Vukmanovic-Tempo, *Revolucija Kojja Tece*, Memoari (The Continuing Revolution, Memoirs), Vol. 1, Belgrade, Komunist, 1971, pp. 332 ff.

<sup>43</sup> *Tanjug Domestic Service*, Apr. 6, 1981, trans. in Foreign Broadcast Information Service, Daily Report: Eastern Europe (Washington, DC), Apr. 7, 1981, pp. 1/5-9.

<sup>44</sup> Viktor Meier, "Impressions from a Visit to Albania," Frankfurter Allgemeine Zeitung, June 8, 1982.

<sup>45</sup> Visit of General Nikola Ljudicic, President of the Presidium of Serbia, to Kosovo at the end of June 1982, *Politika*, June 22-25, 1982.

<sup>46</sup> See the publication of Tanjug, *Enver Hodzina Albanija* (Enver Hoxha's Albania), Belgrade, July 1981. In this publication, the "League of Prizren" is portrayed as useless and the Albanian national hero Skenderbeg as a figure of minor historical significance.

<sup>47</sup> See "Illyrian-Albanian Enigma," NIN, June 6, 1986.

<sup>48</sup> "Political Platform for Action by the League of Communists of Yugoslavia in Developing Socialist Self-Management, Brotherhood, Unity and Fellowship in Kosovo," Materials of the 12th Congress of the League of Communists of Yugoslavia, Belgrade, June 1982.

<sup>49</sup> In this regard, see Ribicic's allusions in *Kumrovec* (Borba, Sept. 15, 1982) and before the Central Committee (*Politika*, Sept. 25, 1982).

#### EXHIBIT 2 CRISIS IN KOSOVO (By Mark Baskin)

The recent upheaval in Yugoslavia's predominantly Albanian province of Kosovo and the vicissitudes of Belgrade's efforts to restore political order there provide an interesting opportunity to address the issue of ethnicity in that multinational country. The literature on postwar Yugoslav politics has generally proceeded from the assumption that this issue and related regional particularisms comprise the central, underlying dilemmas of Yugoslavia's politics and society. Pessimistic assessments question the country's very viability and argue that zero-sum, primordial ethnic struggles for power will prevent the firm establishment of legitimacy of the "national" (i.e., federal) government among strategic elites and public.<sup>1</sup> Optimists see central decision-makers managing conflicts in ways that may ultimately break down the patterns of ethnic identification, and perhaps even result in a broader "Yugoslav" identification.<sup>2</sup> Thus, the ways in which the "crisis in Kosovo" continues to be a major issue on the agenda of Yugoslavia's leadership command great interest.

Within the Socialist Federal Republic of Yugoslavia, Kosovo has the status of an autonomous province in the Republic of Serbia. As of 1981, Albanians constituted 78 percent of its population of 1,584,588; Serbs, 13 percent; and Montenegrins, 2 percent.<sup>3</sup> Politically dominated by the Serbs and Montenegrins until 1966, the province's Albanians staged major nationalist demonstrations shortly thereafter—in November 1968—demanding republic status for the province within the federation.<sup>4</sup> In the 1970's, there occurred an "Albanianization" of the province's administration; explosive growth of the university in the provincial capital, Pristina, as a magnet for all Albanians in Yugoslavia; an increase in direct contacts between the province and the People's Socialist Republic of Albania; and a widening of economic disparity between the province and the rest of Yugoslavia in terms of per capita income.<sup>5</sup> In short, the demonstrations that took place in early 1981 should not have come as much of a surprise.

#### THE DISTURBANCES OF 1981

The "crisis in Kosovo" began on March 11, 1981, with demonstrations at the student center of Pristina University that soon turned into a march to the center of the provincial capital with demands for better food and improvement of other conditions facing the large student body. Police used tear gas to restore order.<sup>6</sup> Things grew more tense on March 26, when "hundreds" of students and youths again marched toward the city center to break up the local leg of a Yugoslav youth relay race, then smashed shop windows, overturned automobiles, clashed with the police, and—more important—propounded openly nationalist slogans: "Kosovo—Republic," "we are Albanians, not Yugoslavs," "We are the children of Skenderbeg, the army of Enver Hoxha," "Union with Albania," "Long Live Marxism—Down with Revisionism," and "Trepca does the work, and the Serbs profit."<sup>7</sup> Even more alarming to authorities were the demonstrations at the beginning of April. Tear gas and tanks had to be used to disperse thousands of nationalist demonstrators in Pristina. Smaller scale demonstrations—complete with marches, slogans, attacks on non-Albanian residents, broken store win-

dows, boycotted schools, and clashes between demonstrators and police—occurred in the Kosovo municipalities of Vucitrn, Kosovska Mitrovica, Glogolac, Djakovica, Prizren, Podujevo, and Gnjilane, as well as Tetovo, Gostivar, Debar, Kicevo, Struga, Ohrid, Kumanovo, and Skopje in the Republic of Macedonia. In intensity and duration, this activity surpassed all prior such disruptions in postwar Yugoslavia.<sup>8</sup> The regime acted authoritatively on April 2, closing the university, denying foreign journalists entry to the province, imposing a curfew, and declaring a state of emergency (*vanredno stanje*).

Having quelled the outward manifestations of trouble in Kosovo, Yugoslavia's rulers faced the more difficult task of sorting out the causes and restoring socialist order in the province. The April 2, 1981, joint communique of the Federal Presidency and of the Presidency of the Central Committee of the League of Communists of Yugoslavia confidently asserted that Albanian nationalism has "nothing in common with the demands of most in Kosovo."<sup>9</sup> In this interpretation, the problems of Kosovo were not linked to ethnic inequality, but to the perfidy of neighboring Albania, enemies within Kosovo, and the laxness of the local political organization.

On this last point, Djavid Nimani, a local party leader, openly discussed the provincial party organization's inability to cope with the "tempestuous development" of the province, which had "created many difficulties and contradictions."<sup>10</sup> Consistent with this diagnosis, the regime has maintained that an increasingly vigilant party organization was the key to political and economic stabilization and further development of self-management in Kosovo.<sup>11</sup>

To the extent that the optimists are correct, one would have anticipated a successful normalization of Kosovo, based on: (1) a settlement of accounts with Albanian nationalists and with "opportunists" in the provincial party organization; (2) a reevaluation of past developmental strategies and adoption of ameliorative policies; and (3) some sort of policy of reconciliation designed to achieve the political acquiescence of the people of Kosovo or even increase the legitimacy of the regime.<sup>12</sup>

Actual events have not matched this optimistic scenario, whether in the matter of settling accounts with nationalists and "differentiating" (i.e., purging) the provincial party organization, in dealing with the deeper economic and social problems, or in coming to terms with the less tangible problems of ethnic identification. Below, I shall explore developments in each of these areas, providing some of the context in which current problems have arisen.

#### POLITICS OF NORMALIZATION

There can be no doubt that since April 1981, the Yugoslav regime has engaged in a policy of political differentiation in Kosovo aimed at rooting out Albanian nationalism and at purging and placing under firmer control the local League of Communists organization. One can cite high levels of rhetorical conflict with Albania; invocations that the party is "engaged in multifaceted and dynamic ideopolitical action"; almost weekly uncovering of new enemy groups administrative punishment of over 1,000 persons; criticism of past formalism and bureaucratism in the administration of Kosovo; resignation of many high-level functionaries; and the disbanding of weak

Footnotes at the end of article.

basic party organizations and revitalization of others.<sup>13</sup>

Yet, as late as March 1982, the Yugoslav party's official newspaper could only state that "subjective forces [read "socio-political organizations"] in the province should begin to take the offensive."<sup>14</sup> This admonition, a year after the initial demonstrations, suggests an "enemy" far more intransigent than the optimists perceived and indicates that political restoration in the province has presented problems not foreseen by a party seemingly concerned with outward appearances alone.

Indeed, the press is rife with reports of continued dissidence despite the ritual of "differentiation and renewal." For example, we learn that "over a thousand workers" from the Ramiz Sadiku enterprise had participated in the April 1981 demonstrations; that in Albanian-inhabited regions in Kosovo, Montenegro, and Macedonia nationalist slogans continue to appear, pamphlets are still distributed, and rumors continue to spread; that large demonstrations occurred in Pristina in February, March, and April 1982, with smaller ones continuing to occur throughout the province; that incidents of student discontent and rowdiness continue; that attacks on and threats to Serbs and Montenegrins throughout Kosovo have hastened their emigration; that some organizations in Kosovo and Western Macedonia conduct business solely in the Albanian language; and that Pristina citizens are refusing to pay taxes and bills.<sup>15</sup>

Nor did the 13th Conference of the Provincial Committee of the Kosovo League of Communists, in April 1982, give optimists much encouragement concerning political stabilization. In his report, the committee president, Veli Deva, gave a bleak account of party accomplishments since March 1981—one dotted with "formalism" in democratic life, weakening of the party's militancy, and strengthening of opportunism within party ranks. In short, Deva reported, "the League of Communists has not been at the center of political life . . . the link with the grass roots has been continuously weakening."<sup>16</sup>

Moreover, the process of "differentiation" has not penetrated much beyond the very top leadership of the Kosovo party organization. As of September 1981, only 365 of some 4,000 members of the key party organization at Pristina University has been purged; and by June 1982, only some 1,200-1,500 of a total of 92,000 party members in the province has been expelled.<sup>17</sup> In short, one does not see in Kosovo the reassertion of firm political control generally characteristic of the early stages of a successful restoration process.

#### ECONOMICS OF STABILIZATION

Political stabilization hardly occurs in a vacuum. As an article in *Komunist* of September 18, 1981, suggests, "in the otherwise very complex political situation, the struggle for economic stabilization is as significant as the struggle against political enemies." Thus, while the party leadership may prefer to cope with the crisis through the reassertion of Leninist norms within the provincial party organization and adoption by the party of a unitary, monolithic stance vis-a-vis the society, a variant of the optimistic image holds that the advent of economic abundance will lead Kosovo's citizens to evaluate regime performance less on the basis of shared norms and values and more on the basis of well-stocked stores and full stomachs. Such a "consumerist" strategy might elicit the political quiescence of the

population in the short term, and perhaps even provide a basis for support of the regime in the long term.<sup>18</sup>

In evaluating the possibilities of this option, it is important first to bear in mind some structural parameters within which the entire country currently operates. Yugoslavia suffers from recurrent negative trade balances and high foreign debt (estimated at US\$20 billion at the beginning of 1983), which precludes the wholesale importation of consumer goods (and, in many cases, raw materials); embarrassingly high inflation (over 40 percent in 1981, and 29.5 percent in 1982); and high unemployment (12 percent in 1981).<sup>19</sup> Even those republics of Yugoslavia not burdened with "nationalist excesses" have had great difficulty in implementing a program of economic stabilization. Such negative trends are bound to affect Kosovo—the least developed region in Yugoslavia—even more severely.

One should also look at Kosovo's past achievements in economic development. Even the most depressing reports about the political situation will nevertheless paint Kosovo as "a unique example of socio-economic development."<sup>20</sup> There has unquestionably been rapid growth of national income, development of a skilled labor force, and increasing urbanization in the province, and optimists point to abundance of coal and other raw materials there. Yet, the gap separating Kosovo from the rest of Yugoslavia has continued to widen. For example, in 1954, per capita income in Kosovo was 48 percent of that in Yugoslavia as a whole; by 1975, this percentage had dropped to 33. (In the same period, Slovenia's gross material product rose from 188 percent to 201 percent of the national average.<sup>21</sup> At the end of 1980, Kosovo had slipped further in relative terms—to 27.8 percent of the national level.<sup>22</sup>

Have central policies since 1957—when, as the Communist party admits, "the country was unable to commit itself sufficiently to stimulating Kosovo's development"<sup>23</sup>—prepared the province for an economic "breakthrough"? Since then, significant amounts of capital have been transferred from the developed to the less developed regions (i.e., Bosnia-Herzegovina, Macedonia, Montenegro, and Kosovo). Initially, these transfers were in the form of compulsory plan allocations, but the "reform" of 1965 (sponsored largely by the developed republics) abolished the central investment fund and replaced it with the Federal Fund for the Accelerated Development of the Underdeveloped Regions. This fund received 1.85 percent of each republic's gross social product for exclusive redistribution to the less developed regions. Kosovo received more than 40 percent of these resources; this federal contribution amounted to more than 70 percent of the province's investment capital and approximately 70 percent of the province's budget in 1971-75.<sup>24</sup>

Despite this federal largesse, in December 1980 (three months before the demonstrations in Kosovo), Mahmut Bakali, then provincial party president, publicly complained that "the resources set aside in the last medium-term plan [for the 1976-80] obviously were not sufficient to ensure . . . developing Kosovo as rapidly as possible."<sup>25</sup> In the same month, the Central Committee of the League of Communists of Yugoslavia approved a measure allowing one-half of northern assistance to be in the form of direct investment by northern enterprises in the less developed regions or of joint ventures ("direct association of resources") of northern enterprises and those in Kosovo.<sup>26</sup>

Realization of these provisions has been termed "an essential precondition" for achievement of the 7.2 percent annual growth rate of social product targeted in Kosovo's 1981-85 economic plan.<sup>27</sup> But one suspects that the decentralizing principles behind these various reforms continue to provide northern elites with incentives to keep their investment capital where it returns the greatest profit, i.e., in their own republics. A full year after the demonstrations, Uros Seslija, president of the Kosovo Chamber of Commerce (*privredne komore*), lamented that although over 100 proposals for joint ventures had been made in the previous 14 months, only 15 agreements had been signed and 31 programs approved. As a result of such foot-dragging, "the entire means set aside or pooling resources are not utilized, [so] Kosovo will not be able to count on reaching its planned development in this plan period."<sup>28</sup>

The last two years have provided little good economic news for Kosovo. Uncovered losses of 2.6 billion dinars for 1981 in the provincial economy were 82.4 percent higher than in 1980. Moreover, although aggregate industrial production grew more quickly than expected (at 6.7 percent), half the industrial branches produced less than in the previous year. Similarly, in 1981 investment declined 40 percent, inflation continued at 43 percent, and personal incomes grew by 40.2 percent.<sup>29</sup> Downward trends accelerated in 1982: while total industrial production fell by 3.3 percent, losses grew to 10 billion dinars, and the number of unemployed grew by 12.5 percent (from 72,000 to 82,000).<sup>30</sup>

Kosovo's developmental problems are manifold. Its exceptionally high birthrate of 32 per 1,000 impedes efforts to improve per capita income and has also created a very young population structure.<sup>31</sup> Agriculture grew at only 1 percent a year in 1976-80, with the larger, but neglected, private sector growing even more slowly than the socialized agricultural sector. Able-bodied rural labor has consequently left the land, mostly for cities in Kosovo.<sup>32</sup> Yet, the province's industry has not been able to absorb the surplus of rural manpower.

Several factors explain this inability. In the first place, investment has been heavily skewed toward capital-intensive basic industry—largely mining and power generation. The province's industry is only a little more than half as profitable—and its industrial labor, 30 percent less productive—than the national average. Wages in the social sector are artificially high, which offsets Kosovo's comparative advantage with respect to labor and discourages investment by northern enterprises. As a result, Kosovo's rate of capital accumulation is less than one-half the national average.<sup>33</sup>

These factors have contributed to a dangerously high level of unemployment—the highest in Yugoslavia. Between 1971 and 1981, Kosovo's unemployment level rose from 18.6 to 27.5 percent.<sup>34</sup> The means heretofore used to expand employment in the province neither address the problem squarely, nor provide a sound basis for further advances.

One strategy has been to expand the number of administrators relative to production workers. Thus, whereas only one in seven of Slovenia's labor force is employed in administrative jobs, Kosovo's has one in four employed in such activities.<sup>35</sup> This palliative only aggravates the province's low labor productivity and low level of capital accumulation.



Another way of absorbing the province's surplus labor in the past decade has been to expand Pristina University. Thus, 35,000 students currently attend a university founded only in the early 1960's. However, in conception, the University of Pristina (in mid-1981 renamed "Kosovo University") represented far more than a means to absorb surplus labor. It has served as "proof" of Albanian equality within Yugoslavia—an institution where Albanian has become the de facto language of instruction (at the expense of the formally equal Serbo-Croatian). Moreover, the university can be viewed as an institution training cadres for productive employment in the economy and one that implants the norms and values of Yugoslav self-management into its students. In all, then the investment in the province's university might be considered an investment in Kosovo's future productive development.

Unfortunately, it would be difficult to maintain that the university has fulfilled its appointed tasks. First, one cannot ignore the generally low living standard experienced by the majority of the students—the initial catalyst of the 1981 demonstrations. Moreover, the quality of instruction is generally considered quite low. Less than half of the professors possess doctorates, and those who do have generally published little and are not considered serious scholars by others in Yugoslavia. One also wonders—in light of the high ratio of students in the social sciences relative to those in engineering and other technical fields—whether students really receive training for productive employment.<sup>36</sup> Those who do receive technical training often cannot find work in the province because of the unemployment noted above, and those who wish to migrate with their degrees to other parts of Yugoslavia often have difficulty finding work because they are not fluent in Serbo-Croatian.<sup>37</sup> In addition, and perhaps more serious in official eyes, was the neglect of education in the regime's ideology of self-management.<sup>38</sup>

If it has been difficult to link the university's Albanian students to other parts of Yugoslavia, there seems to have been a warm working relationship with Albania. Indeed, before the demonstrations, the now-deposed administration of Pristina University considered cooperation with the University of Tirana—in effect since the early 1970's—mutually beneficial and fruitful.<sup>39</sup> Hindsight tells us, of course, that much about the relationship was nonreciprocal and problematic. For example, because of the poor publication record of the Pristina University faculty, more than half of the textbooks used at the university were imported from Albania. Many of the texts—particularly those for language and history—allegedly portrayed the Yugoslav national liberation struggle "insufficiently," presented maps of Albania that included Yugoslav territory, and were permeated with "dogmatic, statist ideology" that ignored the accomplishments of Yugoslav self-management. Then there were the professors from Tirana who taught in Pristina. Although the behavior of most seemed generally correct, some reportedly exceeded the limits of Yugoslav hospitality by criticizing high levels of unemployment in Kosovo or by encouraging students to express their demand for republic status.<sup>40</sup> Finally, some in Yugoslavia now complain that while Tirana was always prepared to send professors to Pristina, Titograd, and Skopje, Albania only accepted Yugoslav Albanians of the most dubious political reliability in return.<sup>41</sup>

By itself, easy access to texts and professors from Albania was probably inoffensive to Yugoslavia. However, when combined with poor student conditions and a low educational level at Pristina University, this arrangement contributed to making the university a "hotbed of nationalism," according to the regime. Needless to say, the current university administration has discontinued direct links between Pristina and Tirana universities, and prefers that future relations be regulated by conventions on cultural and educational cooperation negotiated by the two central governments.<sup>42</sup>

As for the immediate future of the Kosovo economy, Yugoslav elites ostensibly seek the development of the manufacturing industry and agriculture. However, the 1981-85 plan for Kosovo still projects a more rapid growth of output for energy (11.8 percent a year) than for agriculture (5.7 percent) or industry (8.5 percent).<sup>43</sup> As Laura Tyson points out, this hardly suggests deep concern for increasing productive employment; rather, it implies that Kosovo will remain a supplier of raw materials and semi-finished products, activity too capital-intensive to increase employment much.<sup>44</sup> If the failure of northern enterprises to invest significantly in Kosovo's manufacturing capacity does little to increase employment, the large number of unfinished projects, or the luxury hotels and large university library being constructed in Pristina, will also not add measurably to productive capacity in the province.<sup>45</sup>

Kosovo's underdeveloped status within Yugoslavia will not be easily changed. The economic "rationality" demanded by northern elites has been sorely absent in their own republics. In Kosovo, this would also require the deferment of prestigious public consumption in the name of productive investment, i.e., it would preclude a consumerist strategy aimed at placating feelings of national disadvantage.

#### THE POLITICS OF ETHNIC SYMBOLS

There is, of course, no priori reason why Kosovo's economic difficulties should lead to nationalist discontent. Yugoslavs are quick to point out that the Albanians in Kosovo have more freedom and a higher living standard than their more dogmatic brethren across the border, and one might add that the province's Serbs share some common grievances with its Albanians—particularly regarding regional inequality. Indeed, one might expect—perhaps naively—to find in Kosovo a nonethnic, class-based movement that reacted to a high unemployment level, managerial inefficiency, corruption, low productivity, and the relative economic backwardness of the province. Yet, most Yugoslav and Western observers, whether optimists or pessimists, end up posing essentially the same old question: can the Yugoslav state successfully resolve problems based on national conflicts?

Both Serbs and Albanians have a deep emotional and historical attachment to Kosovo. It was the seat of Tsar Dusan's medieval empire and figures strongly in Serbian epic poetry. Albanians claim to have lived there as Illyrians long before the Slavs invaded the Balkans in the 6th and 7th centuries. The founding of the Prizren League there in 1878 made Kosovo "the cradle of Albanian rebirth."<sup>46</sup> Moreover, the Albanians significantly outnumber the Serbs and Montenegrins (a disparity that continues to grow). Thus a constant of Belgrade's policy—whether royalist or Communist—has been to insure that Serbs remain in the province.

The interwar royalist government considered Kosovo part of "South Serbia," sponsored Serbian colonization of the region, and tried to prevent public expressions of Albanian culture. It was therefore not surprising that at the outset of World War II, Kosovo's Albanian population welcomed inclusion of the region in Italy's puppet state of Greater Albania. Toward the end of the war, as many as 30,000 Albanians in Urosevac, Gnjilane, and Trepca staged an uprising against the Communist-led Partisans, who seemed naturally linked with the Serbs and Montenegrins who had repressed the Albanians before the war. Hostility toward the idea of Yugoslavia was even evident among those Albanians that were active in the Partisan movement. Indeed, some Albanian brigades refuse to participate in repression of the uprising.<sup>47</sup> Moreover, when the National Liberation Committee for Kosovo and Metohija met in Albania on New Year's Day 1944, the 49 delegates present adopted a resolution stating that "Kosovo and Metohija form a region in which Albanian inhabitants preponderate; they, as always, still wish to be united with Albania. Consequently, our duty is to the true way which the Albanian people should take in order to achieve their aspirations." Only after strong criticism by some central party leaders, such as Milovan Djilas and Svetozar Vukmanovic-Tempo, did the local leadership amend such claims and emphasize a more lasting union with the Yugoslav federation.<sup>48</sup>

After the war, the Yugoslav solution for the heavily Albanian, underdeveloped Kosovo region was to include it as an "autonomous province" within the Republic of Serbia. This constitutionally inferior status, akin to that of the autonomous republics within the union republics in the Soviet model, was aggravated by Serbian domination of the region's political life until 1966. For example, in 1945, the Serbian party organization attempted to dissolve the district-level party organization in Kosovo and deal directly with Kosovo town committees, with communications in Serbo-Croatian. Not surprisingly, this dominance by the Serbs also reflected itself in party membership. For example, in 1958, Serbs and Montenegrins jointly comprised 27.4 percent of the population of Kosovo but made up 49.7 percent of local party membership.<sup>49</sup>

The Cominform split in 1948 raised fears in Belgrade that anti-Yugoslav propaganda emanating from Tirana might have appeal among Kosovo's Albanians. Under Aleksandar Rankovic, the Serbian-dominated secret police imposed a harsh and unjust rule in Kosovo that, according to a subsequent account, "led to the visible breakdown of national relations, to crude deformations in relation to the Albanian minority, to the breakdown of the [party's] policy on the national question."<sup>50</sup> In the 1950's, the situation was so bad that many Albanians declared themselves Turks and emigrated to Turkey.<sup>51</sup>

The Brioni plenum of the party's Central Committee in 1966 ended Rankovic's personal rule over Kosovo and claimed to have adopted measures that "eliminated the causes and consequences of the earlier deformations and created new conditions for the many-faceted affirmation of the Albanian nationality [nacionalnost]."<sup>52</sup> At Brioni, the political principles of decentralization, republican/provincial parity in federal-level decisionmaking bodies, and ethnic affirmation within the republics and provinces were accompanied by the increasing dispersion of economic decisionmaking power to the re-

publics and provinces. Consequently, Titoist strategies in Kosovo during the 1970's permitted the de facto Albanianization of the provinces' administration, of its political and security police, as well as of its cultural life.<sup>53</sup>

This was part of a broad strategy designed to include representatives of each unit of the federation in collective decisionmaking bodies. It was evidently hoped that routinization of inter-republic bargaining would serve to reduce the likelihood of interethnic conflict.<sup>54</sup> As I have suggested elsewhere,<sup>55</sup> such "consociationalism," by institutionally legitimizing the notion of subcultures as the key component of Yugoslav society, may actually have reinforced and strengthened the partial, subcultural interests to the detriment of the general interest. This is more striking in Kosovo than elsewhere. Not only does the province continue to lag behind other regions economically, but it also finds itself with a smaller representation in federal bodies because it is only an autonomous province within a republic. Unlike the republics, which possess sovereignty (including the right to secede from Yugoslavia) autonomous provinces are only referred to as "self-managing communities."<sup>56</sup> In this context, the consociational legitimization of subcultures can help create—rather than resolve—ethnic conflicts.

Indeed, many Albanians in Kosovo may have felt that they really had no place in the federation. Already in November 1968, several hundred Albanian students gathered at Pristina University's Department of Philosophy and "threatened public order" with speeches, slogans, and Albanian flags. This was followed by a march on the town, smashing of store windows, and police use of tear gas to suppress rioting. The students' fundamental demand? Republic status for Kosovo.<sup>57</sup>

One might argue that, as individuals, Kosovo's Albanians are granted full equality as members of a recognized minority nationality. Yet, constitution and ideology notwithstanding, one must note the casual racism with which the "Siptari" are regarded in Yugoslavia. However much Montenegrins are chided for their laziness and Bosnian Moslems are berated for their stupidity, the "average Yugoslav" sees these negative traits combined with a good measure of cruelty and barbarity when it comes to the Albanians. Indeed, if one were to plot a status hierarchy of Yugoslav ethnic groups, only the gypsies might score lower than the Albanians.<sup>58</sup> When Albanians travel to other republics to find employment, they suffer social ostracism and ghettoization in addition to being offered only low-status, low-paying jobs. The demonstrations in 1981 probably only exacerbated such tensions. For example, Albanian bakers long resident in Croatia and Serbia proper experienced "quiet boycotts" after the demonstrations.<sup>59</sup>

Even migration to Western Europe and North America has its problems. Some Albanian emigrants from Kosovo have come into contact with anti-Yugoslav Albanian and Croatian emigré circles and have engaged in activities ranging from demonstrating against "Yugoslav ethnic festivals" to bombing noncooperative countrymen and official representatives of the Yugoslav government.<sup>60</sup> Indeed, the Yugoslav government does not exaggerate when it claims that some groups seek to create an enlarged Albania that includes not only Kosovo, but also parts of Serbia and Macedonia.<sup>61</sup>

This, of course, raises the issue of the Albanians in Macedonia. Although they make

up only 20 percent of that republic's population, they constitute majorities and pluralities in communities bordering on Albania and Kosovo. In World War II, Albanian-populated regions of both Macedonia and Montenegro were included in Greater Albania—thus providing Albanian nationalists with a historical precedent to invoke. It has been reported with pride that the Albanians and Turks in Macedonia enjoy full equality with other ethnic groups in terms of the thousands of children attending schools with instruction in their native language.<sup>62</sup> However, in political representation through the delegate system in Albanian-dominated communes in Macedonia—perhaps important only for its symbolic content—Albanians are seriously underrepresented.<sup>63</sup> Thus, if one reflects on the ease with which those Albanians could matriculate in that "hotbed of Albanian nationalism"—the University of Pristina—such linguistic equality may well have contributed to the Albanian nationalism observable in the border communities of Macedonia since March 1981.<sup>64</sup>

While concentrating on the sense of alienation from the Yugoslav community felt by the Albanians of Kosovo and other regions, one should not overlook the sense of persecution and oppression experienced by the Serbs and Montenegrins of Kosovo. The events of 1966-68 that increase mass self-confidence among Kosovar Albanians also led to increased Serbian and Montenegrin emigration from the province. If before 1981 much of this flow appeared to comprise members of the intelligentsia who sought higher living standards elsewhere in Yugoslavia,<sup>65</sup> since then "emigration has taken the form of fleeing."<sup>66</sup> This flight has reportedly been encouraged by letters, threats, contrived firings, beatings and murders, and vandalism of Serbian monasteries and monuments in Kosovo.<sup>67</sup> The Serbs move to places like Smederevo, Kragujevac, Nis, Kraljevo, and Svetozarevo, as well as Belgrade, where they are referred to as "Vrcani" and are rumored to suffer new social ostracism for having lived for years with the Siptari (and perhaps also for being productive farmers and workers).<sup>68</sup>

Beyond the personal disruptions involved, this displacement of Kosovo's non-Albanians has caused some questioning of the Yugoslav system itself. According to one account, "loss of faith in legal institutions because of persecution . . . is one of the decisive factors contributing to the people's decision to move. Ineffectiveness is often the cause of that loss of faith."<sup>69</sup> The larger Serbian community in Yugoslavia may perceive the "forced" emigration of Serbs from Kosovo as further proof of a national decline under socialism in Yugoslavia, of a loss of Serbian patrimony. For example, members of several Kosovo veterans' associations now living in Belgrade have called for "more rigorous measures against the enemy. . . ." These veterans, who "struggled under terribly difficult circumstances for the autonomy and equality of the Albanian people [narod]" in the "federal community," must feel an acute sense of rejection by those they ostensibly helped.<sup>70</sup> Needless to say, the Serbian veterans argue more vociferously than most for further "differentiation" of Kosovo's leadership—particularly the purging of those Albanians who have remained politically active throughout the entire crisis. It is no wonder that Serbian nationalism seems to be enjoying a revival in Yugoslavia.

## BALANCE SHEET

If one looks at the major categories of socialist restoration—political and economic stabilization and the development of some acceptable ethnic symbolism—the "crisis in Kosovo" would seem to provide little grounds for optimism. The political differentiation has barely scraped the surface, and although a few nationalists received long jail terms, most have been sentenced for 30-60 days and have returned to warm welcomes not only by neighbors but by local party and state functionaries as well.<sup>71</sup> There seem to be no quick answers to Kosovo's economic problems. And in light of the continuing presence of "the enemy"—i.e., Albanian nationalism—the idea of granting to Kosovo status within the federation as an "Albanian" republic (with the implicit right of the Albanian nation to secede) is not a very palatable constitutional solution.

Moreover, one constitutional crisis seems to beget another. The discussion over the constitutional status of Vojvodina (also an autonomous region in Serbia) that started behind closed doors in 1977 has been conducted quite openly since June 1981. Leaders of the Vojvodina party organization have propounded conceptions concerning the rights of the autonomous provinces quite similar to those of the fallen leaders of Kosovo, who—ironically—are routinely condemned by spokesmen from Vojvodina.<sup>72</sup>

One might even link the "crisis in Kosovo" to the tendency to define other difficult issues in ethnic and constitutional terms. For example, the international loans floated while Tito was still alive are now coming due. This has engendered a foreign-currency crisis that evokes memories of the rising tide of nationalism in the late 1960's, in which Croatian elites sought to retain foreign currency earnings in Croatia. Many fear this issue may again become linked to the politics of ethnic symbols. In fact, one hears of the specter of nationalism throughout Yugoslavia. According to the party's Central Committee, it is "the most dangerous counterrevolutionary tendency today. . . . All nationalisms are operating more or less through legal institutions—most of all in education, culture, and the press. . . ."<sup>73</sup>

In sum, the "crisis in Kosovo" and the "inability" of the regime to resolve the constitutional definition of Yugoslavia might seem a dramatic refutation of arguments such as Stephen Burg's that Yugoslavia's federal center, through its near monopoly of information and control of the federal issue agenda, increased its powers vis-à-vis the regional centers between 1974 and 1980.<sup>74</sup> One might even see the Kosovo events as signifying the disintegration of the federation into a collection of fiefdoms, each ripe for the entreaties of nonbenevolent actors from East and West.

There is, however, much that is exaggerated in such a pessimistic perspective. Despite the official rhetoric of external threat, it seems to be business as usual between Yugoslavia and major foreign powers. While Western countries seek repayment of loans, they have shown no interest in a drastic reorganization of Yugoslavia. Despite post-Afghanistan polemics between Moscow and Belgrade, total trade between the USSR and Yugoslavia continues to rise.<sup>75</sup>

Even with regard to Albania, the rhetoric emanating from Belgrade seems more an attempt to manipulate domestic support than a reflection of real apprehension. While it may increase support for the Yugoslav regime by galvanizing Serbian, Montene-

grin, and Macedonian feelings against Albania (and perhaps against Kosovar Albanians, too), it has not prevented the signing of trade protocols with that country, the maintenance of the Belgrade-Tirana air route, or the establishment of rail links between the Albanian town of Shkoder and the Yugoslav port of Bar.<sup>76</sup> It is, moreover, questionable whether Albania maintains any territorial pretensions against Yugoslavia. However much Tirana may have condemned Yugoslavia's "un-Leninist approach to the national question" in Kosovo, Enver Hoxha at the 8th Congress of the Albanian Worker's Party in November 1981 did not claim Kosovo for Albania but rather argued for a Kosovo republic within Yugoslavia.<sup>77</sup> Indeed, the Yugoslav Albanians would seem to be hard for Tirana to digest. Hence, Albanian rhetoric denouncing Yugoslav revisionism and Serbian chauvinism seems designed mostly to bolster the spirits of Albanian domestic audiences, even while warning Yugoslav elites not to repress Kosovar Albanians. It would appear that Belgrade and Tirana have tacitly agreed on the range and limits of rhetoric to be employed.

Internally, the demands from some of Kosovo's Albanians for republic status raise an issue that no one else in the Yugoslav body politic really wants to face. In many respects, the Yugoslav national question has found an equitable, albeit inefficient, solution in consociational federal institutions. With respect to the Albanians of Kosovo, however, the group demanding recognition has never been viewed as loyal to the socialist Yugoslav state. Moreover, when the issue of Kosovo is framed in terms of ethnicity and the constitutional definition of Yugoslavia, the stakes of the conflict are raised to such a level that any patriotic citizen of Yugoslavia would demand nothing less than maintenance of the status quo. The specter of Kosovo's possible secession from the federation makes a "just" resolution of the problems in the province inconceivable. Thus, much of the elite's political rhetoric decrying nationalism in Kosovo and elsewhere can be seen as a means to legitimize the power of the elite as a class, as well as the sacrifices ordinary citizens make in their daily lives. In the end, then, a leadership unable to address a major problem efficaciously might be lauded as valiant and beleaguered by a majority of the population.

Although the discontent festers on, the disparity in levels of resources between the central government and the Albanian nationalists is sufficiently great that no real threat of insurrection exists.<sup>78</sup> The ritualized invocation of "continued enemy activity" and calls for "more vigilant differentiation" serve to inform the Yugoslav political community that "political resolution in Kosovo" remains an active agenda item. Recalcitrants in Kosovo receive notice that business is not "as usual" and that their jobs may be on the line. Elites in other republics are put on notice that in order to insure the integrity of the Yugoslav regime, they may have to sacrifice still more investment capital and hard-currency earnings to support Kosovo's long-term development. To an extent, the "crisis" atmosphere may actually strengthen the province's hand in federation-wide bargaining!

What this suggests is not a situation where matters completely elude the manipulation of a central leadership that approaches them with few resources. Rather, events in Kosovo seem to provide an opportunity for different coalitions of actors to express their preferences on a variety of

issues—from problems with foreign currency balances to economic reform, corruption, the role of the press, redressing of regional inequality, and the revival of various nationalisms. By confirming and/or discrediting particular policy strategies followed in the past, the Kosovo events provide a basis for public discussion.

The Kosovo crisis also suggests that the "national question" does not present itself on the agenda in a void, independent of decisions by Yugoslavia's governing elites. Previous federal-level agreements concerning nationalism have unquestionably shaped the way in which the issue has most recently resurfaced. Specifically, the principle of equal distribution of the symbol of national equality through the form of eight little party-states (the six republics and the two less prestigious autonomous provinces) has brought unintended results. It has been very inefficient economically, with each republic building its own capacities and resisting interrepublic projects.<sup>79</sup> When the overall parameters of economic life began to narrow, discontent in Kosovo was expressed in terms of ethnic nationalism because ethnic organizations were those most familiar and comfortable to its citizens. There is now a pressing need to "unify the Yugoslav market," but it remains to be seen whether the crisis in Kosovo can help focus attention on the real problems that Yugoslavia faces, rather than on narrower issues defined by loaded terms like "nationalism" and "enemies."

## FOOTNOTES

<sup>1</sup> See, for example, A. Ross Hohnson, "Yugoslavia: In the twilight of Tito," *The Washington Papers* (Beverly Hills, CA), No. 16, 1974, also Pedro Ramet, "Problems of Albanian Nationalism in Yugoslavia," *Orbis* (Philadelphia, PA), Summer 1981, pp. 369-88. Finally, see the anti-Yugoslav emigre press.

<sup>2</sup> See, for example, Bogdan Denitch, *The Legitimation of a Revolution*, New Haven, CT, Yale University Press, 1975, and Gary Bertsch, "Ethnicity and Politics in Socialist Yugoslavia," *Annals of the American Academy of Political and Social Sciences* (Philadelphia, PA), September 1977, pp. 88-89.

<sup>3</sup> "The National Composition of the Population by Communes, Final Results," *Statisticki Biltten* (Belgrade), No. 595, May 1982.

<sup>4</sup> See below, pp. 70-71.

<sup>5</sup> See below, p. 65.

<sup>6</sup> The account herein is taken largely from *NIN* (Belgrade), Apr. 12, 1981, pp. 8-12; and *Sta se Dogadjalo na Kosovu* (What Happened in Kosovo), Belgrade, Mala Biblioteka Politike, 1981, pp. 1-24. For confirmation of the validity of the students' complaints, see the comments of former provincial party leader Mahmut Bakali in *Tanjug*, Apr. 6, 1981, trans. in Foreign Broadcast Information Service, *Daily Report: Eastern Europe* (Washington, DC—hereafter *FBIS-EEU*), Apr. 7, 1981, pp. 1/10-14, esp. p. 1/12.

<sup>7</sup> Bakali, loc. cit. Trepca is a large lead and zinc smelting combine located in Kosovska Mitrovica.

<sup>8</sup> To my knowledge, no monetary estimate was attached to the damage. The then secretary for internal affairs, Franjo Herljevic, reported to the Federal Assembly on June 9, 1981, that a total of 16 mass demonstrations in 11 municipalities resulted in 100 autos damaged or destroyed, 400 store windows broken, numerous buildings and apartments broken into, and 9 dead and 257 wounded. See *Tanjug*, June 9, 1981, trans. in *FBIS-EEU*, June 10, 1981, pp. 1/1-8; also *NIN*, Apr. 10 and July 19, 1981.

<sup>9</sup> Cited in *Sta Se Dogadjalo na Kosovu*, p. 21.

<sup>10</sup> *Ibid.*, p. 22. See also *Komunist* (Belgrade), Apr. 24, 1981, p. 8.

<sup>11</sup> See the "Political Platform for LCY Action in the Development of Socialist Self-Management, Brotherhood, Unity and Community in Kosovo," *Tanjug Domestic Service*, Nov. 24, 1981, trans. in *FBIS-EEU*, Nov. 27, 1981, pp. 1/1-35.

<sup>12</sup> For a discussion of normalization in East European socialist states, see Zvi Gitelman, "The Politics of Socialist Restoration in Hungary and Czechoslovakia," *Comparative Politics* (New York, NY), January 1981, pp. 187-210.

<sup>13</sup> *Komunist*, Aug. 13, 1981, p. 8; *NIN*, Apr. 4, 1982, p. 4, and Apr. 7, 1982, p. 15; *Tanjug Domestic Service*, June 6, 1981, trans. in *FBIS-EEU*, June 8, 1981, pp. 1/10-14.

<sup>14</sup> *Borba* (Belgrade), Mar. 17, 1982, p. 3 (emphasis added).

<sup>15</sup> *NIN*, June 21, 1981, p. 13, Feb. 28, 1982, pp. 10-11, and March 7, 1982, pp. 8-12; *Borba*, Mar. 13, 1982, p. 3, and Dec. 13, 1981, p. 4; *Komunist*, Nov. 20, 1981, p. 10; *Tanjug Domestic Service*, Dec. 8, 1981, trans. in *FBIS-EEU*, Dec. 9, 1981, p. 1/7; *NIN*, Jan. 17, 1982, p. 11; and *Borba*, Mar. 15, 1983, p. 6.

<sup>16</sup> *Tanjug Domestic Service*, Apr. 24, 1982, trans. in *FBIS-EEU*, Apr. 26, 1982, p. 1/6.

<sup>17</sup> *NIN*, Sept. 6, 1981, pp. 8-11; and *Belgrade Domestic Service*, June 16, 1982, trans. in *FBIS-EEU*, June 17, 1982, pp. 1/14-15. According to a delegate from Gnjilane at the April 1982 provincial League of Communists Conference, "the question of differentiation of Communists . . . is still not being implemented evenly in all basic League of Communists organizations." The municipality party organization in Gnjilane had since March 1981 apparently expelled only 82 members, taken action against 20 others, and admitted 325 new members, many of them young. *Tanjug Domestic Service*, Apr. 26, 1982, trans. in *FBIS-EEU*, Apr. 27, 1982, p. 1/7. (One wonders how many of the new members had participated in the Kosovo demonstrations.)

<sup>18</sup> See Zvi Gitelman, "Power and Authority in Eastern Europe," in Chalmers Johnson, Ed., *Change in Communist Systems*, Stanford, CA, Stanford University Press, 1970; and Kenneth Jowitt, "Inclusion and Mobilization in European Leninist Regimes," *World Politics* (Princeton, NJ), October 1975, pp. 69-96.

<sup>19</sup> On the Yugoslav foreign debt, see, e.g., *The Wall Street Journal* (New York, NY), Jan. 18, 1983; also *Danas* (Zagreb), Feb. 8, 1983, p. 4.

<sup>20</sup> "Political Platform for LCY Action," loc. cit.

<sup>21</sup> Martin Schrenk, Cyrus Ardalan, and Nawal A. El Tatawy, *Yugoslavia, Self-Management Socialism and the Challenges of Development*, Baltimore, MD, Johns Hopkins University Press, 1979, p. 287.

<sup>22</sup> *Tanjug Domestic Service*, Dec. 4, 1980, trans. in *FBIS-EEU*, Dec. 10, 1980, p. 1/11.

<sup>23</sup> "Political Platform for LCY Action," loc. cit.

<sup>24</sup> *The Policy and Results of the Development of Economically Underdeveloped Republics and the Autonomous Province of Kosovo*, Belgrade, Secretariat of Information, n.d., pp. 34-35; also Schrenk, et al., op. cit.

<sup>25</sup> Cited by *Tanjug Domestic Service*, Dec. 4, 1980, trans. in *FBIS-EEU*, Dec. 10, 1980, p. 1/11.

<sup>26</sup> See the conclusions of the Central Committee meeting, *Tanjug Domestic Service*, Dec. 5, 1980, trans. in *FBIS-EEU*, Dec. 11, 1980, pp. 1/1-11.

<sup>27</sup> *Komunist*, Nov. 13, 1981, p. 3.

<sup>28</sup> *Borba*, Mar. 12, 1982, p. 3.

<sup>29</sup> *NIN*, Apr. 4, 1982, p. 12; and *Komunist*, Apr. 16, 1982, p. 4.

<sup>30</sup> *Borba*, Jan. 25, 1983, p. 4; *Politika* (Belgrade), Dec. 13, 1982, p. 4.

<sup>31</sup> Schrenk, et al., op. cit., esp. the chapter on regional inequality.

<sup>32</sup> "Political Platform for LCY Action," loc. cit.

<sup>33</sup> See *Komunist*, Nov. 6, 1981, p. 13; Laura Tyson, *The Yugoslav Economic System and Its Performance in the 1970s*, Berkeley, CA, Institute of International Studies, University of California Press, 1980; Martin Schrenk, et al., op. cit., pp. 172, 298-99. The last source notes that the gap between per capita household income in Kosovo and that for Yugoslavia as a whole is far smaller than the one between agricultural per capita income in Kosovo and that for Yugoslavia. See also Veli Deva's Report to the Kosovo League of Communists Conference, loc. cit.

<sup>34</sup> Schrenk, et al., op. cit., p. 248; and *NIN*, Feb. 28, 1982, p. 15. Only the Republic of Macedonia comes close to these figures, which might partially be explained by that republic's own large Albanian population.

<sup>35</sup> *Indeks* (Belgrade), No. 2, 1981, cited in Radio Free Europe Research, *RAD Background Report* (Munich), No. 108, Apr. 23, 1981. This is quite typical of developing countries. See Elliott Berg, "Some Problems in the Analysis of Urban Proletarian Politics in the Third World," Center for Research on Economic Development, Discussion Paper No. 48, Ann Arbor, MI, University of Michigan.

<sup>36</sup> *NIN*, Dec. 21, 1980, pp. 15-16; *Komunist*, July 3, 1981, p. 10; Dennison Rusinov, "The Other Albania: Kosovo, 1979. Part I, Problems and Prospects," *American University Field Staff Reports* (Hanover, NH), No. 5, 1980; and *Politika*, Aug. 10, 1981, p. 6.

<sup>37</sup> See Dobroslov Culafic's report to the Central Committee of the League of Communists of Yugoslavia (SKJ CC), cited by Tanjung, Nov. 17, 1981, trans. in *FBIS-EEU*, Nov. 18, 1981, pp. 1/1-17.

<sup>38</sup> *NIN*, Sept. 6, 1981, pp. 8-11.

<sup>39</sup> *Ibid.*, Dec. 21, 1980, pp. 15-16.

<sup>40</sup> *Politika*, Aug. 10, 1981, p. 6, and May 25, 1981, p. 5; also *Komunist*, June 5, 1981.

<sup>41</sup> Tanjug, Sept. 29, 1981, trans. in *FBIS-EEU*, Oct. 6, 1981, pp. 1/19-20.

<sup>42</sup> Tanjug, July 23, 1982, trans. in *FBIS-EEU*, July 24, 1982, p. 1/8.

<sup>43</sup> *Komunist*, Nov. 13, 1981, pp. 12-13.

<sup>44</sup> Tyson, op. cit., p. 66. See also the complaints of Nazim Mikulovic, Director of the Trepcia combine, that his enterprise continued to be "exploited . . . because we undervalued the primary industries and raw materials and left them to fend for themselves." *Danas*, May 11, 1982, p. 10.

<sup>45</sup> *Komunist*, Nov. 13, 1981, p. 10.

<sup>46</sup> Peter Prifti, *Socialist Albania Since 1944: Domestic and Foreign Developments*, Cambridge, MA, MIT Press, 1978, p. 325.

<sup>47</sup> Ivo Banac, *The Cominformists*, unpublished manuscript; also, Paul Shoup, *Communism and the Yugoslav National Question*, New York, NY, Columbia University Press, 1968, pp. 75-76, 104-05.

<sup>48</sup> See Ramadan Marmullaku, *Albania and the Albanians*, London, D. Hurst & Co., 1975, pp. 143-44; also Dusan Bilandzic, *Historija Socijalisticke Federativne Republike Jugoslavije, Glavni Procesi (History of the Socialist Republic of Yugoslavia—Highlights)*, Zagreb, Skolske Knjige, p. 71.

<sup>49</sup> Shoup, op. cit., and Banac, op. cit.

<sup>50</sup> Hajredin Hodza, "A Self-Management Affirmation of the Albanian Nationality in Yugoslavia," in *Udruzeni Rad i Medjunacionalni Odnosi (Associated Labor and Inter-Nationality Relations)*, Belgrade, Marksisticki Centar CK SK Srbije, 1979, p. 219.

<sup>51</sup> Nusi Pajazit, "The Character and Particularities of the Approaches to the Study of the Emigration of Nations and Nationalities from the Province of Kosovo," *Isejlenjstvo Naroda i Narodnosti Jugoslavije (Emigration of the Nations and Nationalities of Yugoslavia)*, Zagreb, Zavod za migracije i narodnosti, p. 586.

<sup>52</sup> Hodza, loc. cit.

<sup>53</sup> See Rusinow, loc. cit. For example, Albanians now constitute 71 percent of the elected delegates in the Kosovo commune parliaments. Opstine u SAP Kosovo (Communes in the Socialist Autonomous Province of Kosovo), Pristina, Pokrajinski Zavod za Statistiku, p. 15. This is also seen in the changing composition of employment in Kosovo (in percent):

	Albanians	Serbs	Montenegrins
1968	52.2	35.4	8.1
1974	59.7	31.0	5.7
1980	65.0	25.6	4.2

Source: Statisticki Godisnjak SAP Kosovo, 1981 (Statistical Yearbook of the Socialist Autonomous Province of Kosovo), Pristina, Pokrajinski Zavod za Statistiku, 1981, p. 65.

<sup>54</sup> See Denitch, op. cit.; and Susan Bridge, "Some Causes of Political Change in Modern Yugoslavia," in Milton Esman, Ed., *Ethnic Conflict in the Western World*, Ithaca, NY, Cornell University Press, 1977, pp. 343-468.

<sup>55</sup> "The Secular State as Ethnic Entrepreneur: Macedonians and Moslems in Socialist Yugoslavia," *Michigan Discussions on Anthropology* (1983, forthcoming). See also John de Lamater, "Commitment to the Political System in a Multi-Nation State," unpublished Ph.D. dissertation, University of Michigan, Ann Arbor, MI, 1969.

<sup>56</sup> According to the current chief judge of the Federal constitutional court, Alexander Fira, "unlike the socialist republics, whose links to working people and citizens assume the legal form of republican statehood, residence in an autonomous province does not assume such a character . . . an autonomous province is not a state community." *Ustavno Pravo (Constitutional Law)*, Belgrade, Privredni Pregled, 1981, 447-48.

<sup>57</sup> Ramet, loc. cit., pp. 374-75; also Stephen E. Palmer and Robert R. King, *Yugoslav Communism and the Macedonian National Question*, Hamden, CT, Archon Books, 1971.

<sup>58</sup> Based on the author's personal observations and discussions with numerous persons in Yugoslavia.

<sup>59</sup> *NIN*, June 7, 1981, p. 20; and *Komunist*, June 20, 1981, p. 3.

<sup>60</sup> The author witnessed such demonstrations in Detroit, Michigan, in July 1981. See also *Vjesnik (Zagreb)*, Dec. 16, 1982, p. 12.

<sup>61</sup> See Ranko Petkovic, "The Fascist Emigration from Yugoslavia and its Protectors," *Pregled (Sarajevo)*, March 1980, pp. 439-50; and Banac, op. cit.

<sup>62</sup> Spirko Spirovski and Danco Kolozegovkis, "The equality of the Albanian and Turkish Nationalities According to the Constitution of the Socialist Republic of Macedonia and in Practice," in *Udruzeni Rad i Medjunacionalni Odnosi*, pp. 235-240; and *Komunist*, June 12, 1981, p. 18.

<sup>63</sup> The following breakdown is given (in percent) for selected communes in Macedonia in the year 1978 (data for population is for 1981):

	Macedonians		Albanians	
	Population	Delegates	Population	Delegates
Gostivar	18.2	43.6	62.5	44.3
Kicevo	41.2	69.2	45.4	25.8
Tetovo	23.5	48.1	69.8	43.7

Source: Statisticki Godisnjak SR Makedonija (Statistical Yearbook of the Socialist Republic of Macedonia), Skopje, Republički Zavod za Statistiku, 1981, pp. 350-52.

<sup>64</sup> *Komunist*, Mar. 26, 1982, p. 9; and *NIN*, July 19, 1981, p. 17. Albanian nationalism was also observed in these communities in 1968. See Palmer and King, op. cit., pp. 175-83.

<sup>65</sup> Ramet, loc. cit., p. 15.

<sup>66</sup> *NIN*, Nov. 22, 1981, p. 21. Estimates of emigration from Kosovo in the first year since the demonstrations range from 40,000 to 100,000. See *Komunist*, Mar. 19, 1982, p. 3.

<sup>67</sup> *Komunist*, Mar. 19, 1982, p. 3; *NIN*, June 21, 1981, p. 37, Nov. 8, 1981, pp. 33-35, and Nov. 22, 1981, p. 10; and *Borba*, June 6, 1982, p. 4, trans. in *FBIS-EEU*, June 9, 1982, p. 1/1.

<sup>68</sup> *NIN*, June 21, 1981, p. 37.

<sup>69</sup> *Ibid.*, Jan. 17, 1982, p. 10.

<sup>70</sup> *Ibid.*, Apr. 11, 1982, p. 15, and Apr. 25, 1982, p. 19.

<sup>71</sup> *Rilindija (Pristina)*, June 25, 1982, cited in Radio Free Europe, *RAD Background Report*, No. 148, July 12, 1982. The most extensive punishments seem to have just been meted out. A Reuters dispatch of Feb. 15, 1983, from Belgrade reported the sentencing of some 23 ethnic Albanians for terms ranging from one to 14 years for advocating formation of a separate republic of Albania (*The New York Times*, Feb. 16, 1983).

<sup>72</sup> *NIN*, May 17, 1981, p. 18-20; June 21, 1981, pp. 10-13, Jan. 3, 1982, pp. 24-32, and Apr. 25, 1982, pp. 10-11.

<sup>73</sup> Cited in *Danas*, Feb. 15, 1983, p. 8.

<sup>74</sup> Stephen Burg, "Decision-Making in Yugoslavia," *Problems of Communism* (Washington, DC), March-April 1980, pp. 1-20. Also suggestive of increased strength of the center is the effort to re-centralize the League of Communists of Yugoslavia, described in William Zimmerman, "The Tito Succession and the Evolution of Yugoslav Politics," *Studies in Comparative Communism* (Los Angeles, CA), Spring/Summer 1976, pp. 62-79.

<sup>75</sup> Trade with the Soviet Union as a percent of total Yugoslav and exports from 1977 through 1981 was:

	1977	1978	1979	1980	1981
Imports	13.5	13.8	14.0	17.9	18.8
Exports	21.7	24.6	20.6	27.7	33.3

Source: Direction of Trade Statistics—Yearbook, Washington, DC, International Monetary Fund, 1982, pp. 401-02.

<sup>76</sup> See Zdenko Antic, "Yugoslav-Albanian Economic Relations Broaden Despite Tension," *RAD Background Report*, No. 102, Apr. 29, 1982.

<sup>77</sup> See *Zeri i Popullit (Tirana)*, Nov. 2, 1981, trans. in *FBIS-EEU*, Nov. 20, 1981, Supplement.

<sup>78</sup> Apparently, an unusually large number of security forces from other republics remain stationed in Kosovo. See A. Ross Johnson, *Impressions of Post-Tito Yugoslavia: A Trip Report*, Santa Monica, CA, Rand Corporation, January 1982, p. 9.

<sup>79</sup> This has been strongly argued by the distinguished economist Branko Horvat. See "Republican Economics and Republican Sovereignty," *Nase Teme (Zagreb)*, No. 12, 1981, pp. 1925-29; and idem,

"The Economic System and Stabilization," *Gledista (Belgrade)*, Nos. 7-8, 1981, pp. 130-45.

[From the Wall Street Journal, May 18, 1983]

### EXHIBIT 3

## ALBANIA FORGES TRADE TIES WITH PEKING, BUT KEEPS ITS DISTANCE FROM U.S., SOVIETS

(By David Brand)

TIRANA, ALBANIA.—In the national library at the Palace of Culture, the foreign reading room doesn't have a single U.S. publication, and when the librarian is asked for a copy of the Soviet newspaper *Pravda* she replies with an angry "nyet." But a quick look under her desk when her back is turned reveals a pile of China's *People's Daily*.

That little drama speaks much of Albania's relations with the outside world. The U.S. and the Soviet Union are officially despised as superpowers and imperialists. The Chinese, however, after a period of equal revilement, appear to be tiptoeing back into favor.

According to diplomats in Tirana, the capital of this isolated European country, a Chinese trade delegation slipped into Albania a few weeks ago. It was the first official contact between Tirana and Peking since Communist Party leader Enver Hoxha (pronounced HOD-jah) turned on his former benefactors in 1978.

It's believed that the Chinese have agreed to renew economic ties with Tirana, which Mr. Hoxha severed when Peking altered political course following the death of Mao Tse-tung in 1976. Renewed trade would enable the Albanians to pay off—by barter trade through the end of the century—debts to China thought to total the equivalent of \$5 billion. It would also mean that Albania will be getting spare parts for the huge amount of military and civilian equipment supplied by the Chinese before the break.

### NEW ALLIANCES?

But what's in it for the Chinese, other than getting repaid and getting supplies of Albanian chrome ore? Diplomats believe that the Chinese are becoming increasingly anxious about Albania's future alliances after ailing party boss Hoxha passes from the scene. Peking may also be acting in the interests of Albania's neighbors, Yugoslavia and Greece, who are fearful that the Soviets could step in to fill the vacuum that would be left by Mr. Hoxha's death.

Western analysts point out that this tiny country of 2.8 million people is in a strategic location on the Adriatic, with excellent deep-water ports. At its closest, it is a mere 50 miles from the Italian coast. "After Hoxha it's quite possible that Albania could become either pro-Soviet or pro-Chinese," says one Western diplomat with long experience in Albania.

Renewed Soviet friendship would seem unlikely given the steady stream of abuse that Mr. Hoxha has directed at Moscow since 1961 when the Albanians broke with their former Stalinist friends who by then were being viewed as Khrushchev "revisionists." For years the Soviets simply ignored the name-calling. But after the Albanians fell out with the Chinese (because they considered that Peking, too, had abandoned the road of true Marxism), Moscow began calling for the normalization or relations with Tirana.

In November, Moscow again sent a "let's be friends" message on Albania's national liberation and independence anniversaries. Within days the Albanian party newspaper,

Zerii Popullit, published a stinging editorial—possibly written by Mr. Hoxha himself—dismissing Soviet Communist Party leader Yuri Andropov as a "policeman" and calling him incompetent. "As far as our country is concerned, it has had no links with Khrushchev, it will not have any now with Andropov, nor will it with whoever eventually heads the revisionist Soviet Union," fumed the editorial.

The Soviet Union doesn't give up easily on a former ally. The Czechoslovak diplomatic mission in Tirana has long acted as the Soviet representative in Albania. But in recent months the Bulgarians have beefed up their representation in Tirana, apparently in the Soviet cause. Western diplomats say that a top Bulgarian, the man in charge of Balkan affairs on the Central Committee of the Bulgarian Communist Party, is now Bulgaria's acting charge d'affaires in Tirana.

#### INVECTIVE FOR THE U.S.

The U.S., however, hasn't any such intimate eyes and ears at its command in Albania. Some Western diplomats complain that Washington, in fact, takes little or no interest in Albania. Occasionally the U.S. State Department considers making a new approach to Albania, but it appears to be quickly dissuaded by Mr. Hoxha's invective, which views the U.S. as "a ferocious enemy of freedom."

The anti-U.S. stance is partly for ideological reasons—"being antisuperpower has turned into a dogma," says Louis Zanga, Albanian analyst for Radio Free Europe in Munich. But there are also wounds from the past, particularly from Washington's support of an abortive invasion of Albania by anticommunist exiles in 1949. The U.S. also earns Albanian resentment because it supervises, along with Britain and France, the holding of \$36 million of Albanian gold, plundered by Italian forces in World War II and recovered by the Allies after the war.

The gold hasn't been returned largely because of Britain's claim that Albania owes it \$1.3 million in damages from a 1946 incident in which two British destroyers hit mines off the coast of Albania, killing 44 men. The British blamed the Albanians.

Thus, with its back turned on the U.S., the Soviets and the Chinese, the Albanians have tried to pursue a policy of self-reliance. The result, analysts say, is that today Albania is the poorest country in Europe with a per-capita income of only \$840 a year.

At the same time, Albania has the highest population growth rate in Europe, five births to every death. Providing for these people is becoming increasingly difficult, and the Hoxha regime has been forced to hold down the standard of living to put scarce funds into heavy industry. Clearly the party realizes that development is impossible without outside help, and it has started a policy of gradually improving economic relations with a select number of small and medium-sized countries in the West.

Yugoslavia, Italy and Greece are the leading customers for Albania's oil, chemicals, mineral ores and agricultural products with Yugoslavia alone accounting for 19 percent of trade, valued at \$115 million in 1980, compared with only \$20 million in 1979. Recently trade agreements also have been signed with the Netherlands, and West Germany has agreed to supply a nickel-processing plant.

And yet, diplomats note, these changes in foreign trade haven't been accompanied by similar changes in Albanian foreign policy.

Yugoslavians still aren't allowed into the country and the border with Greece is believed to be mined. In the case of the new agreement with China, "I think it is strictly trade and nothing else will come from it while Hoxha is alive," say Radio Free Europe's Mr. Zanga.

#### EXHIBIT 4

[From the Wall Street Journal]

**LAND OF FEAR: IN STALINIST ALBANIA, RULE IS SO STRICT IT BARS EVEN SINGING IN PUBLIC—REGIME BANS ANY "DECADENCE" AS IT HARPS ON THE THREAT THAT ALL OUTSIDERS POSE—SIGNS OF THE SLIGHTEST THAW**

(By David Brand)

**GJIROKASTER, ALBANIA.**—Perched on the battlements of a medieval fortress overlooking this ancient town in southern Albania is an incongruous sight: a U.S. Air Force Shooting Star aircraft, guarded by a soldier, rifle at the ready.

The airplane, captured after making an emergency landing in 1957, stands as a symbol of eternal Albanian vigilance against unseen enemies. In the narrow, winding streets below, there are less-conspicuous guards—the Sigurimi, the country's secret police. Unsmiling and dour, sometimes leaning on umbrellas, sometimes mounted on bicycles, the Sigurimi seemingly miss nothing.

This tiny European country, one of the world's most closed societies, is cocooned in paranoia. Bomb shelters cover the countryside, gun turrets poke up behind distant hills, and all young people are trained in weaponry. The authoritarian regime's aim is to convince its citizens that most outsiders must be viewed with fear, particularly the U.S., considered decadent, and the Soviet Union, considered a betrayer of Marxism-Leninism.

Touring Albania recently on a British passport (few Americans are allowed in), this reporter found a nation where private cars, religion and even singing in public are forbidden. Dominating the landscape are slogans and portraits of Communist Party boss Enver Hoxha, who has been in power since 1944 and worships Stalin. An occasional purge reportedly still sends a party member to the firing squad or to a labor camp.

#### SIGNS OF THAW

A pugnacious refusal to have much trade or other dealings with the outside world has left Albania as Europe's poorest and least-developed country. But there are signs that the Hoxha (pronounced HOD-jah) dictatorship is beginning to raise its tattered curtain. It is believed that Albania recently completed a trade agreement with the once-vilified Chinese (also considered traitors to Marxism-Leninism). It plans a ferry service to Italy for the first time since World War II and a link, through Yugoslavia, to Europe's rail network, for the first time ever.

There are also less obvious signs of a slight thaw. A few months ago, Albania relaxed a ban on Western journalists and tourists with beards or long hair. Neil Taylor, a part-owner of an English travel firm that arranges tours here, sees other signs that Albania is becoming less zealous. "This time our guides actually identified for us some of the government buildings in Tirana (the nation's capital) which is quite amazing," he says of his latest tour.

But a nine-day journey through Albania, a country of two and three-quarters million people about the size of Maryland, still leaves the impression of a bucolic version of

Stalin's dictatorship of the 1930s and 1940s, transported through space and time to the Balkans.

"This is the most controlled country I've ever been in," complains a Western diplomat in Tirana. Indeed, Albania is a land of "no's"—most people aren't allowed to own cars, or their homes, or farmland, or, except in a few mountainous areas, livestock.

#### EVERYDAY "NO'S"

Albanians can grow vegetables for their own use, but they aren't permitted to sell them. Western diplomats in Tirana doubt that any black market in food exists, but it is not uncommon to see women sitting on the sidewalk, stealthily proffering an egg to passersby.

The list of "no's" extends into family life. Because the party wants to build the population as quickly as possible, no contraception or abortion is allowed, except on doctors' orders. Nor can families own a washing machine, a refrigerator and a television set at the same time. They must choose just one.

Card playing in public places, such as bars, is banned, as is the sale of playing cards. Says a Western businessman: "I'll tell you how I do business here. I bring everyone gifts of condoms, Playboy magazine and playing cards."

Although the Albanian constitution provides for freedom of speech, the average Albanian clearly takes great risks in discussing either religion or politics. An Albanian tour guide is blunt about it: "All religious services are banned, and family services are criticized."

That is no problem for Albanians, she says, because "religion has been forgotten." However, tourists report seeing women fingering crosses, and this reporter saw several old men crouching on the sidewalk, running Moslem prayer beads through their fingers.

#### SILENT CHURCHES

The state has obsessively tried to wipe out the memory of religion. In 1967, the Communist Party closed all mosques (the country was 70% Moslem) and Russian Orthodox and Roman Catholic churches. Today, many churches have been turned into sports centers or movie theaters, and the locked church door is a silent symbol of the party's preoccupation with atheism.

No sign of religious activity is overlooked. Crosses have been scratched from grave-stones, people are required to refer to the time before Christ as "before our era."

As for politics, that is a subject safely discussed only by Tirana's small foreign community, which gathers most nights in the bars at the Dajti and Tirana hotels. "Albanians just don't discuss politics openly there are no political jokes here," says one Western diplomat.

The most sensitive political subject at the moment is former Premier Mehmet Shehu, who was reported a suicide in late 1981. Sometime later, party boss Hoxha announced to the world that his former wartime compatriot had actually been a triple agent, spying for the CIA, the KGB and the Yugoslavs.

There is speculation that Mr. Shehu was executed, another victim of Mr. Hoxha's sporadic purges. He now is officially a non-person, which has involved a painstaking re-writing of the country's postwar history and removal of all evidence of his past from Tirana's National Museum. He remains, however, in the many photographs of the party faithful as a barely visible, vaporous presence, blacked out by the censor.

Another sensitive subject is the once close relationship with the Soviets (cold shouldered since 1961) and the Chinese (blacklisted since 1978). Both governments are attacked as "revisionists" by Albania's true believers in Marxism.

It has been harder to make non-people out of the Soviets and the Chinese because of the large numbers of trucks and other machinery left behind and the Mao suits still sported by the Albanian militia. The Chinese have continued to keep up diplomatic relations, the ambassador and his staff of 15 living in a large mansion surrounded by overgrown vegetation. Reportedly, the Albanian refuse to make any deliveries, so the embassy receives supplies by air from Peking.

[From the Wall Street Journal, June 6, 1983]

**LAND OF FEAR: ALBANIA STILL IS GUIDED BY XENOPHOBIA, BUT SOME SIGNS POINT TO SLIGHT EASING OF ITS ISOLATION**

Fostering a fear of foreigners is one of the Hoxha regime's main methods of keeping total control over the populace. A constant stream of slogans and speeches on radio, television and in the newspapers makes it clear that the country expects tanks to start rolling across its borders at any moment. A tiny northern border station of Han i Hotit, where Western tourists must make the crossing on foot from Yugoslavia, this greeting from Enver Hoxha is emblazoned on a wall: "Even if we have to go without bread, we Albanians do not violate principles, we do not betray Marxism-Leninism."

**CONCRETE BEEHIVES**

Along the road from the border can be seen the first of thousands of tiny shelters, strung out across Albania like so many concrete beehives with rectangular gun windows. Indeed, the gun is seen as a symbol of the national will to hold off unnamed hordes. At an exhibition of Albanian-made toys, there is a child's plastic rabbit—holding a machine gun. And in an opera performed at Tirana's Palace of Culture, the heroine—all jutting chin and squared-off shoulders—reaches for a high note and guns down the evil Turk of the piece.

Albanians are required to spend several days a year on weapons training, beginning as teen-agers. It is a common sight in towns to see schoolgirls in military uniform, sporting red ribbons in their hair, chattering and laughing on their way to military training.

Foreigners remain objects of intense suspicion by the secret police and intense curiosity among young children, who gather round to gape in wonder and to practice the two English words they all seem to know—"pens" and "gum"—with outstretched hands. But the constant surveillance by the secret police makes contact with foreigners difficult, if not impossible.

"I've been here for two years and I still don't know a single Albanian," says one Western diplomat.

**STRANGE CUSTOMS**

After four decades of isolation, Albanians retain some of their odder customs, such as nodding the head to say "no" and shaking it for "yes." Then there is the curiosity of telephone books that print given names first. Looking up the number for Anastas Zoto requires a search through many Anastases before reaching the name Zoto. Very few people have telephones, and even finding a public telephone is difficult.

Most conversations, it would seem, are carried out on the street, usually in the

evening when the central squares in every town, with their stern busts of Stalin looking down, are filled with the muted buzz of conversation. Tirana's Skanderbeg Square, a large Venetian-style piazza, is a favorite place for promenading, with only slight diversions required to avoid cyclists, buses and the occasional official black Mercedes pushing its way through the crowd, curtains drawn to conceal the high-ranking Albanian inside. Traffic policemen blow their whistles at people incessantly, one suspects out of frustration at not having a real traffic jam to control.

The lack of private cars gives the entire country an almost pastoral air. Towns and cities are strikingly quiet and free of traffic fumes. A few buses and trucks struggle along Albania's narrow, poorly surfaced roads, but traffic consists mainly of horse-drawn carts and peasant women on their way to work the fields by hand. Sheep, cows, chickens and pigs are fellow travelers. In the entire country, there exists only one set of traffic lights, which this reporter was taken to see in the coastal town of Durres. They weren't working that day.

The economy doesn't work very well, either. Although everyone is guaranteed a job, idleness seems to be a way of life for large numbers of peasant women lazing in the fields, or for men who hang about the streets from early in the morning. Perhaps this is because the average monthly salary is 550 leks (about \$80 at the tourist rate of exchange of seven leks to a dollar), and the highest wage allowed in the country is 1,100 leks (about \$157).

The few consumer goods on sale at the state-run Ma-Po stores are expensive: a television set costs 4,000 leks; a radio, 1,000 leks; a woman's sweater, 150 leks and a man's suit, 675 leks. Meat is inexpensive, but hard to get, although there is a good assortment of bread and vegetables. Albanians pay no taxes, and apartment rents are only 45 leks a month.

No one really knows how well the government-run economy is doing, because of a lack of reliable official statistics. At a permanent industrial exhibition in Tirana, with its products from the Enver Hoxha Tractor Factory and light-festooned displays of power generation, all of the latest production figures are compared with a base year of 1938.

Although Albanian officials boast of steady growth in economic measures such as national income, Western diplomats here have no doubt that the country is in serious trouble. The Albanian constitution is partly to blame for this, because it prohibits any foreign credits, which severely restricts imports of foreign technology.

Says one diplomat: "We always assume that all economic figures here are totally false. They're like the party history—every year the version is different from the previous year."

[From the Washington Post, June 2, 1983]

**EXHIBIT 5**

**ALBANIANS PEEPING OUT OF BUNKER**

(By Greg Chamberlain)

Tirana, Albania.—Hundreds of thousands of dome-shaped concrete bunkers—along beaches, atop hills, in fields, by roadsides, in front gardens—suggest an instant history of Europe's most isolated country.

They are there to fight a "people's war" against any new attack by the foreigners who have trampled for more than 2,000 years on Albanian nationhood, currently

under the strict personal supervision of Enver Hoxha, whose guerrillas drove out the Italians and the Germans nearly 40 years ago.

As Hoxha, 74, enters the twilight of his life, the enemies he has kept at bay—the Russians, the Americans, the Yugoslavs and the Chinese—are perceived to be closing in again, each hungry for a foothold in the mountainous, strategically located Balkan state hemmed in by Yugoslavia, Greece and Italy.

Driven by hatred for "superpowers," Hoxha has rebuffed recurrent offers by Washington to establish diplomatic ties and from Moscow, which has its eye on the naval base it built at Vlore just before Hoxha sent the Soviets packing 22 years ago.

He has also picked a quarrel with "revisionist" Yugoslavia by backing the undeclared revolt against the Belgrade government by 2 million ethnic Albanians in neighboring Kosovo. Each accuses the other of annexationist aims across an illogical common border decreed by major powers of another era.

But the Yugoslav leaders, frightened about the effects of a post-Hoxha upheaval of the fragile geopolitical patchwork of the region and, without Tito, feeling ever more under pressure from Moscow, are reportedly relieved by Hoxha's recent decision to resume ties with China. They hope the Chinese will be a hedge against future Balkan instability.

Albania has been encouraged by worsening relations among Moscow, Washington and Peking and has dropped its charges of "social imperialism" against China. The Chinese seem glad to have another card to play and to gain a step on the other superpowers.

Peking, as Albania's only friend in the world between 1961 and 1978, says it provided \$5 billion worth of aid before storming out of the country in response to Hoxha's bitter charge that post-Mao China was ideologically unclean.

A Chinese trade delegation arrived here a few weeks ago to talk about new purchases of Albanian chrome in exchange for industrial spares, cotton, and such staples as rice and cooking oil. Five years have taken their toll on the capital equipment, arms and unfinished projects the Chinese left behind, despite brave Albanian efforts to maintain them.

According to diplomatic sources here, Tirana also is stepping up overtures it has been making in recent years to half a dozen western countries in a quest for help to restore Albania's antiquated economy.

A weekly ferry service from Trieste to Albania's main port, Durres, will provide the first passenger sea link into Albania for decades. West Germany has agreed to build a nickel-processing plant.

Even relations with Greece have become a shade more chummy, although the border is still mined by the Albanians and the two states are still officially at war in a hangover from World War II and because of Greece's claim to southern Albania.

Eastern Europe's links with Tirana are low-key in deference to the Soviet Union. Only Romania has an ambassador here.

The last party congress, in November 1981, drew only one major foreign delegation, from Vietnam, because of Hoxha's ideological standards. As an unreconstructed Stalinist, he has no time for such notions as the Third World or the new world economic order.

Albanian officials insist that their country is not isolated, that it has formal relations with 96 countries. But it is hard to find more spectacular examples of isolation.

The 1976 constitution forbids the government to contract foreign debts. Yet Albania is one of the world's most indebted countries for its size. International aid was refused after a bad earthquake in 1980. There are no resident foreign journalists in Tirana and no Albanian correspondents abroad. Slogans everywhere urge greater production to "beat the imperialist, revisionist blockade." But Hoxha helped put it in place.

Americans, Yugoslavs, Soviets and other eastern Europeans are banned from entry and few of Albania's 3 million people are allowed out, mostly students. "We do not travel abroad or need foreign newspapers here," said one guide. "We are too busy building socialism."

Contraception is effectively forbidden in an effort to increase the population (already the fastest growing in Europe) for defense reasons.

The government relays to the capital Italian television, shorn of any scenes of luxury, sex or the pope. It is watched covertly as a perk by party loyalists with special antennas.

Albania has fared reasonably well since the Chinese pulled out in 1978. But can it avoid being overrun, economically if not politically, by the West after Hoxha has gone?

Perhaps Hoxha is reminded of George Skanderbeg, whose 60-year resistance of the Turks five centuries ago is commemorated in a magnificent museum—designed by Hoxha's architect daughter, Pranvera, and scattered with quotations from her father's works.●

#### U.S. SUBMARINE FORCES

● Mr. INOUE. Mr. President, it is difficult for most Americans to appreciate the heavy physical and mental burdens demanded of the members of our Nation's submarine forces. They remain submerged in unbelievably small quarters for months at a time, isolated from family and friends ashore.

Yet our submariners perform with high morale and much professional skill, as they vigilantly patrol our oceans on the constant alert, realizing—as we do—their vital role as a basic element of our nuclear deterrent system. Despite all the technological advances in machinery and weaponry, the effectiveness of our military continues to depend on the abilities and dedication of our personnel.

The Wall Street Journal recently published an article by Walter Mossberg, describing the heroic contributions of the unheralded members of our submarine forces.

A substantial segment of our submarine force—that of the Pacific Fleet—is stationed in my home State of Hawaii at the Pearl Harbor Submarine Base. There are about 20,000 naval personnel and 3,000 civilians assigned to the Pacific Fleet submarine force.

Therefore, it is with special pride that I commend our Nation's submariners for their outstanding service.

Mr. President, I ask that the Wall Street Journal article be reprinted in the RECORD.

The article follows:

[From the Wall Street Journal, May 19, 1983]

#### QUIET DEFENDER: A NUCLEAR ATTACK SUB SHOWS ITS CAPABILITIES IN LONG, SILENT PATROLS

IN A NAVAL WAR, THE GROTON WOULD GET CRUCIAL JOBS; HIGH MORALE AND COSTS—SONAR AND SOVIET 'SIGNATURES'

(By Walter S. Mossberg)

THE TONGUE OF THE OCEAN.—As the U.S.S. Groton prepares to submerge into the mile-deep waters of this oddly named sea-floor trench off the Bahamas, the scene in her control room looks like something out of an old war movie.

A high-pitched klaxon sounds twice, and loudspeakers bark the warning "Dive! Dive! Dive!" as the Groton's sleek black form disappears beneath the inky blue Atlantic.

Inside the nuclear-powered vessel—at 360 feet much longer than a jumbo jet—the dive from the surface to the ocean depths produces no sensation of change. The view through the periscope, showing waves swiftly closing over the boat, is the only certain sign that the Groton has slipped out of sight of a nearby British destroyer.

Once below the surface, the Groton shows off some of the capabilities that make such new nuclear attack subs the most stealthy and versatile war machines in the Pentagon's arsenal and a centerpiece of President Reagan's \$1.6 trillion military buildup.

#### Fast plunge

Crewmen at the submarine's airplane-style controls send her plunging hundreds of feet in a minute or so. Silently, she gains a forward speed that takes her miles away from the destroyer a few minutes later. And the Groton could keep going like this, without surfacing, for months. "If I had to, I could go to Australia right now," says Capt. Gary Crahan, a sandy-haired, 38-year-old New Yorker.

This tremendous power to dive, hide and run has made the Navy's 91 nuclear attack submarines the principal U.S. weapons in a world-wide secret contest with the Soviet Union for control of the ocean depths. This shadowy competition has recently taken on even more urgency in the West as Soviet submarine forays in Sweden and Norway have demonstrated Moscow's readiness to boldly challenge potential enemies under the seas.

The nuclear attack subs, though much less well known than the bigger Trident and Poseidon ballistic-missile-firing submarines, "would be the No. 1 determinant of victory in any protracted war at sea," according to Adm. James Watkins, the chief of naval operations. "The Soviets are paranoid about our attack-submarine capability," he contends.

U.S. war plans are secret, but the war-time mission of the attack subs in the Atlantic would probably be to speed to the Arctic waters frequented by most of Moscow's huge nuclear missile submarines and destroy them before they could obliterate the U.S. After that, the American subs would try to sink the Soviet surface and attack-submarine fleet to protect Western convoys to Europe.

#### War-games range

To practice such missions, the Groton has traveled here from her home base in Connecticut to the Tongue of the Ocean, Near,

Desolate Andros Island in the Bahamas. The Navy has seeded the bottom of this deep sea-floor canyon with listening devices and uses it as an elaborate war-games range. Giant computers in a building on shore digest the sensor readings and track the Groton, another submarine, and two frigates as they prowling local waters trying to "kill" each other with practice torpedoes.

This is one of many deployments that keep the Groton's crew of 134 away from their New London, Conn., home base six months each year, and keep the crew under water for periods of 60 to 80 days at a time.

To serve aboard the Groton, a man must be willing to give up for long stretches seeing not only his family but even the sky. He must live and work in cramped conditions next to a nuclear reactor, unable to stretch his legs, read a current newspaper or send a letter. He may not even be assigned his own bunk; there are not too few aboard. His family may send him only four 25-word messages per deployment; family crises may be kept from him for months. For this demanding duty, the pay is none too generous.

#### Morale high

Yet morale aboard the boat is high. From cook to captain, most crew members express pride at being one of the Navy's elite—a nuclear submariner.

Aboard the Groton, it isn't long before a visitor hears the saying: "There are only two kinds of ships—submarines and targets."

The sub has backed up that boast in this series of war games. In one afternoon's "mini-war," she managed to elude two frigates and two antisubmarine helicopters pitted against her and then, using unarmed torpedoes, to "sink" one of the two surface ships.

In a real war, the Groton would rely on other weapons. She can carry wire-guided torpedoes, short-range cruise missiles and rocket-powered nuclear depth charges. Later this year, the Navy is due to provide the Groton and the 20 other Los Angeles-class attack subs with nonnuclear Tomahawk antiship cruise missiles able to fly 300 miles. Next year, they are scheduled to be armed with longer-range Tomahawks, designed to deliver nuclear warheads to Soviet land targets up to 1,500 miles away.

In addition, the Groton carries some of the world's most sophisticated sonars, computerized so that the sound of a Soviet submarine can be plucked from the cacophony of ocean noises.

At the same time, the boat is designed to give off as little telltale sound as possible. She maintains constant radio silence and is loaded with clever sound-deadening features; the working and living quarters are isolated from the hull by padding and other devices.

#### Capabilities secret

The Navy won't disclose the Groton's exact operating capabilities; it says only that her speed tops 20 knots and that she can dive more than 400 feet. But the Groton is far exceeding both figures during the war games here, and the markings on her speed and depth gauges indicate that her real capabilities make the official claims laughable. Private military analysts generally credit the subs with a top submerged speed of about 35 knots, roughly 40 miles an hour, and a maximum depth exceeding 1,500 feet.

Such capabilities don't come cheap. The Navy estimates that it will cost nearly \$30 billion to build the entire planned fleet of 62 Los Angeles-class subs, such as the

Groton, by the mid-1990s. The price comes to nearly \$500 million per boat.

What's more, attack subs are only one element of the Navy's intensive antisubmarine effort, which also includes surface ships, aircraft, legions of researchers and computers and secret undersea microphones and sonars along routes frequented by Soviet submarines.

This year, antisubmarine warfare programs will cost the Navy about \$12 billion, including \$2 billion to build three more Los Angeles-class subs. That's 15% of the total Navy budget, the largest single share for any military mission. And the antisubmarine budget has soared 64% in just three years—even faster than military spending as a whole—because of Soviet advances that the Navy wants to counter.

#### *Soviet fleet huge*

Moscow has the world's largest submarine fleet—a total of 367 boats, compared with 130 of the U.S., and 115 nuclear attack subs, compared with 91 in the U.S. fleet. Yet the Kremlin is believed to be spending billions to expand and improve this huge force. Five Soviet shipyards, including a vast new complex at Severodvinsk on the White Sea, are turning out five classes of attack submarines, three of them nuclear-powered.

Among these are the titanium-hulled Alfa, which outruns and outdives any U.S. sub, and the gargantuan Oscar, which sports 24 missile tubes to the Groton's four and is nearly three times as large.

What keeps the U.S. Navy from being hopelessly outclassed by the Kremlin's fleet is acoustic technology. To put it simply, Soviet subs give off far more noise than do U.S. subs undersea and have much cruder sonar and computer gear with which to sweep the seas. Details about the sonar are classified, but some experts contend that when the Alfa hits its top speed of 42 knots it can be heard for 100 miles or more. The Navy believes that its own subs are rarely detected by the Russians.

For all this sophistication, the Navy doesn't underestimate the task of locating submarines. Sweden's recent difficulties in finding Soviet subs in its waters show that antisubmarine forces must have billions of dollars worth of gear, which Sweden lacked, to be assured of success, Navy officials say. What's more, even the U.S. has a tough time when small submarines operate close to the coastline as the Soviets did with "midget" submarines off Sweden.

New challenges arise all the time. For instance, Admiral Watkins has disclosed that the Navy is modifying some of the 688s to make them better able to operate under the polar ice cap, because Soviet missile subs have begun hiding under the ice.

On this day, according to Navy officials, U.S. antisubmarine sensors have detected more than a dozen Soviet submarines operating in the North Atlantic and adjacent waters. Several Soviet nuclear missile subs of the Yankee class have been discovered off the U.S. East Coast a fairly typical pattern. With their 1,600-mile range SS-N-6 nuclear missiles, the Yankees could wipe out Washington, New York or major East Coast military bases with just 10 minutes of warning.

#### *Constantly in mind*

For the Groton's crewmen, guiding their big boat through the Tongue of the Ocean, their Soviet counterparts are never far from mind. "When we go to sea, we know damned well what we're going to sea for," says Lt.

Cmdr. Bruce Lenkin, the Groton's executive officer, or second in command. "When you're out on a deployment, you don't know if it's a drill or what. It might be the Russians," Petty Officer Walter Cooke adds.

If it is the Russians, the American submariners who will know it first are in the Groton's cramped, blue-lit sonar area, where several sailors wearing headphones hunch over computer screens filled with squiggly green lines and flashing orange numbers representing the frequencies of sounds in the sub's vicinity.

In many ways, the Groton's sonar system is the boat's heart. The entire nose of the submarine is actually a huge structure housing a large sonar. This main sonar, like another than the sub can trail behind it on a cable, takes readings of a large swath of surrounding ocean and feeds them back to the sonar operators.

Navy computers sift through the sonar readings and select any sounds in the general frequency ranges characteristic of machinery or other man-made causes. Sensitive analytical devices swiftly define the reading and match it against Soviet subs' known "signatures," which are stored in computer memory banks.

#### *"Biological" sounds*

This day, the headphones and computer screens are reporting the squiggles and scratchy noises normally associated with the ocean; occasionally, there are the squeaks and clicks of fish and shrimp—"biologicals," as the Navy calls them.

With no "mini-war" scheduled for a while and no real or mock enemies in sonar range, the men of the Groton are relaxing a bit. But the boat offers few amenities for whiling away off-duty hours. Crew members can watch movies on videotape or listen to several stereos. A so-called library—actually a locker—has some books. Some crewmen don sweatshirts and go jogging in place in the sub's engine room, where the temperature is about 85 degrees. Others do chin-ups in the passageways.

But the Navy, fearing too much idleness, keeps each crew member busy with training while he isn't standing watch. Each man must "qualify" annually on various aspects of the boat's operation, and that takes time.

This day, some men linger in the enlisted men's mess area, where ice cream and juices are always available. This room, one of the Groton's few good-sized open spaces, features loud music, videotapes on TV, and red vinyl booths that give it the atmosphere of a diner.

Other crew members are trying to catch some sleep, in quarters that seem depressingly cramped to a civilian but are familiar to sailors. Low, narrow bunks are stacked three high, with only a curtain for privacy. Clothing and other personal effects must be stowed in a single drawer for each man.

Food and sleeping arrangements are perennial problems for nuclear-submarine commanders. Over a breakfast of steak and eggs in the officers' ward room, at a table set with linen, china and silver, Capt. Crahan says, "The only thing that limits me at any time is my food supply. We keep about 90 days' worth on board when we start."

That 90-day food supply, measured in terms of four meals daily (the normal three plus "midnight rations"), overtaxes Groton's food-storage lockers and freezers. So, the captain says, "we pile it up everywhere—in the passageways, ladderways, everywhere, at first. For a while, we sort of walk on food. Then we eat our way down."

The cooks must be certain that food is stacked in a sensible order; otherwise, the men would have to eat corned beef hash at meal after meal.

Although food storage limits the sub's time at sea, the biggest drag on morale, the captain says, is "that we don't have enough bunks for our people." The Groton carries only 94 bunks for the crew of 134. So, the captain says, "we have to use hot-bunking—assigning three men to every two bunks. That means a man may come off duty and have to climb into a bed someone else just left."

#### *Avoiding the bunks*

To avoid "hot bunking," the men bed down in unexpected places. Peering into a room full of electrical equipment, a visitor notices the feet of a sleeping man, covered with a blanket, between rows of gray metal cabinets. An even more popular sleeping spot is the large torpedo room.

Most crew members insist that they don't feel claustrophobia or terminal boredom while confined in their metal tube, next to a nuclear reactor, under hundreds of feet of water, for months at a time. "You don't think about it, after a while. You're too busy to think about it," says Chief Petty Officer Leonard Stanfield, a 16-year veteran.

Crew members say a strong sense of community and group rituals help keep morale high. Aboard the Groton, a popular activity is the Saturday-night pizza dinner, at which crew members get to take over the kitchen and concoct their own toppings.

"I've only seen one fistfight in 15 years," says Chief Petty Officer James Scaly. "There's a lot of pride. You've got to want to do this to be here." ●

#### MRS. DOROTHY BUSH—A BORN DEMOCRAT

● Mr. PRYOR. Mr. President, today I pay tribute to a lady whose name is synonymous with the Democratic Party. To quote her, "I was born a Democrat like most people were born into a religion."

On June 11, 1983, she will visit Little Rock, Ark., to key-note the 50th anniversary convention of the Arkansas Democratic Women.

Knowing how important women are in every aspect of the political process of this Nation, I shall mention only a few of her singular accomplishments and honors.

Continuously involved in Democratic politics since 1941 when she became National Committeewoman for the Young Democrats of Alabama, she also became the only woman to hold the position of acting president of Young Democrats of America.

In February 1981, Mrs. Dorothy Bush was elected to her 11th 4-year term of office as secretary of the Democratic National Committee. In March 1944, she was appointed secretary of the Democratic National Committee and elected to a 4-year term in July of that year. She was the first woman to ever hold that position. The March 5, 1944 edition of the Washington Post noted that she was the



youngest person to serve as secretary of either party.

She has served as permanent secretary for the past 10 national conventions. In July 1984, she will again call the roll of the States at the Democratic National Convention in San Francisco. This convention will mark 44 years of continuous service and dedication to the Democratic Party—an enviable record which speaks for itself.

In behalf of the Democratic Women and the Democratic Party of Arkansas, I welcome this distinguished lady to our State and thank her for her contributions and years of service to the Democratic Party. ●

#### ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I have a few matters in my folder that appear to be cleared for action by unanimous consent. I have two requests to hold measures at the desk.

#### ORDER TO HOLD H.R. 2293 and H.R. 2592 AT THE DESK

Mr. BAKER. Mr. President, I ask unanimous consent that H.R. 2293, the Office of Federal Procurement Policy Act amendments of 1983, be held at the desk pending further disposition, and I also ask unanimous consent that H.R. 2592, a bill dealing with the transfer of publication from the OMB to GSA be held at the desk pending further disposition.

Mr. BYRD. Mr. President, we have no objection.

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

#### DISCHARGE AND REFERRAL OF S. 1188

Mr. BAKER. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be discharged from further consideration of S. 1188, legislation that would repeal section 901(b) of title 36, U.S. Code, and that it be referred to the Judiciary Committee.

Mr. BYRD. Mr. President, I have no objection.

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

#### ORDER FOR STAR PRINT OF REPORT NO. 98-111

Mr. BAKER. Mr. President, I ask unanimous consent that the report to accompany S. 869, Report No. 98-111, be star printed to reflect the changes which I send to the desk.

Mr. BYRD. The majority leader is asking that the report be star printed?

Mr. BAKER. Yes, Mr. President.

Mr. BYRD. Mr. President, I have no objection.

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

#### THE EXECUTIVE CALENDAR

Mr. BAKER. Mr. President, I have a few items on today's Executive Calendar cleared for action by unanimous consent on this side. I would inquire of the minority leader if he is prepared to consider those nominations appearing under the Department of Justice and the Federal Home Loan Bank Board on pages 2 and 3 of today's Executive Calendar.

Mr. BYRD. Mr. President, this side is only prepared to proceed with Calendar No. 190. We do this out of special consideration for the majority leader.

Mr. BAKER. I thank the minority leader. I am very grateful for that. The item identified by the minority leader is for the nomination of the U.S. Marshal for the middle district of Tennessee.

#### EXECUTIVE SESSION

Mr. BAKER. Mr. President, it is my pleasure to ask unanimous consent that the Senate go into executive session to consider the nomination of Charles F. Goggin III, of Tennessee, to be U.S. Marshal for the middle district of Tennessee.

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

#### DEPARTMENT OF JUSTICE

The PRESIDING OFFICER. The nomination will be stated.

The legislative clerk read the nomination of Charles F. Goggin III, of Tennessee, to be U.S. Marshal for the middle district of Tennessee.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask that the President be immediately notified that the Senate has given consent to this nomination.

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

#### LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now return to legislative session.

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

#### PROGRAM

Mr. BAKER. Mr. President, the Senate will convene at 12 noon tomorrow. There will be a time for the transaction of routine morning business, after the time of the two leaders ex-

pires, which will end at 1:30 p.m. At 1:30 p.m., the Senate will vote on the motion to table the Humphrey amendment and, if it is tabled, the Senate will then go on to resume consideration of the temporarily laid aside Helms amendment. If it is not tabled, of course, then the Senate will proceed to vote on the Humphrey amendment itself. In any event, after the disposition of the Humphrey amendment, the Senate will resume consideration of the Helms amendment.

Once again, we hope that we can finish the IMF bill tomorrow. Senators should be on notice that tomorrow the Senate may be in session later than usual.

Mr. PERCY. Will the majority leader yield for a question?

Mr. BAKER. Yes.

Mr. PERCY. Mr. President, I do agree it is possible to finish the IMF bill tomorrow, and it would be desirable to stay in until we do finish it tomorrow. So that plans may be made for the weekend, is there any indication as to what time we may finish up, say, on Thursday, for those of us who are planning schedules out of town?

Mr. BAKER. Mr. President, I hope we can get onto the supplemental appropriation bill yet tomorrow, at least to lay it down. If we can, I suppose there is some chance we can finish it Thursday night at a decent hour.

Let me do this: Let me look at the situation a little more tomorrow. I will consult with the Senator from Illinois during the day. We will see what we can arrange.

Mr. PERCY. I appreciate the majority leader's consideration.

#### RECESS

Mr. BAKER. Mr. President, I see no other Senator seeking recognition. Therefore, I move, in accordance with the order previously entered, that the Senate now stand in recess until the hour of 12 noon tomorrow.

The motion was agreed to, and the Senate, at 6:47 p.m., recessed until Wednesday, June 8, 1983, at 12 noon.

#### NOMINATIONS

Executive nominations received by the Senate June 7, 1983:

##### THE JUDICIARY

Peter C. Dorsey, of Connecticut, to be U.S. district judge for the district of Connecticut vice T. Emmet Clarie, retired.

Stephen N. Limbaugh, of Missouri, to be U.S. district judge for the eastern and western districts of Missouri vice H. Kenneth Wangelin, retired.

##### ENVIRONMENTAL PROTECTION AGENCY

Lee M. Thomas, of South Carolina, to be an Assistant Administrator of the Environmental Protection Agency, vice Rita M. Lavelle.

NATIONAL COUNCIL ON EDUCATIONAL  
RESEARCH

David J. Armor, of California, to be a member of the National Council on Educational Research for the remainder of the term expiring September 30, 1983, vice Robert E. Nederlander.

Joan M. Gubbins, of Indiana, to be a member of the National Council on Educational Research for a term expiring September 30, 1985, vice Alice Coig McDonald.

David J. Armor, of California, to be a member of the National Council on Educational Research for a term expiring September 30, 1986 (reappointment).

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Oren E. DeHaven, [redacted] (age 58), U.S. Army.

IN THE COAST GUARD

The following chief warrant officers W-2, of the U.S. Coast Guard to be permanent chief warrant officers W-3:

John D. Flewelling	Richard B. Milne
Charles C. Wood, Jr.	Robert W. Pryor
Lamar I. Rockne	James R. Moon
Franklin C. Watling	James C. Hutson
Lyle R. Nelson	Robert L. Chandler
William B. Fox III	Delmas R. Price
Roland E. Shafranek	Werner W.
Harold J. Wise	Spletstoeser
Robert M. White	James B. Curlis
Marshall S. Wills	George H. Bassett,
Robert C. Tice	Jr.
Fred A. Siegal, Jr.	Byron F. Baty
William E. Lorenz	Anthony Barcellos
Ralph A. Hemenway	Douglas I. Posner
Richard A. Lake III	John P. Kilgore
Billy J. Perry	Henry J. Styron, Jr.
Glenn L. Ishler	Roy T. Keel
Virgil L. Mathewson	Dennis P. McTigue
Douglas O. Pine	John S. Miller
George A.	Andrew H. McClary
Suntherland	Alfred A.
Donald H.	Campolongo
Shinpaugh	Edmond T. Magnan
Thomas J. Eldridge	Silvestre F. Borja
William E. Jones	Dewey S. Nicholls
Robert L. Pfeiffer	Reginald W.
Melvin A. Pulsifer	Hempeck
William Rumley III	John D. Tuckwood
Alex C. McMahan,	Oke S. Thorngren,
Jr.	Jr.
Maurice O. Robillard	Harold B. Cole
Charles M.	Eugene C. Jay
Tomarchio	Steven W. Day
Dennis E. Williams	Darrell R. Sadler
Ronald A. Gillette	Wayne C. Hill
Robert L. Racette	Jack R. Reid
Lonnie R. Harding	Theodore Y.
Edward D.	Kitagawa
Huechtker	Fred C. Goodwin
Robert L. Smith	Jose A. Franco
Larry J. Bilski	Thomas A. Hiller
William B. Stevens,	Douglas J. Taylor
Jr.	Daniel Rebkovich
James L. Hampton	Thomas K. Bender
Sherman O. Acord	George Noell III
Allan J. Coates	Theron A. Turner
William J. Savage	Byron W. Weaver
Kenneth D. Lacy	James E. Thompson
Johnnie L. Register	Walter L. Morelan
Thomas E. Gledhill	William R. Mosley
Kenneth E. Matz	Harice G. Ogle
Michael G. Sowden	Carl W. Beal
Melvin W. Herman	Lawrence E. Jackson
Donald A. Meier	Thomas H. Stevens
Joseph C. Burns	David C. Orolfo

Ernest J. Andrews	Frederick T.
Tommy R. Ballard	Armstrong
William J. Reetz	Allan D. Haven
Samuel L. Rowe	Nicolas J. Cassara
James E. Merrill	Charles W.
Ronceford C. Escue	Davenport
Douglas R. Peterson	John K. Makaokalani
Richard L. Marini	Charles C. Purin
Arthur E. Jones	Ronald E. Chapman
Jerry J. Varvel	

The following chief warrant officers W-1, of the U.S. Coast Guard to be permanent chief warrant officers W-2:

Mark E. Allen	Charles R. Ledden
Rodney L. Boyd	Paul J. Klein
Michael R. Safford	Marvin J. Cooper
Charles E. McMahon	Gary G. Scarborough
Donald A.	Bruce S. Skinner
Hermanson	James J. Hendricks
William M. Slabonik	Daniel F. Hisken
Irving T. Sparrow, Jr.	Denton C. Adams
Irving E. Gadaw, Jr.	John C. Haley
Henry R. Murak	Harrald K. Madigan
Karl Kier	Curtis G. Erickson
Earl A. Sandness, Jr.	Stephen J. Aldrich
Stanley A. Massie III	James F. Davis
Roger M. Davis	George G. Helm
Peter C. Jandreau	Daniel C. Slagle
Terry R. Stockman	Gerald L. Mason
Joseph T. Knowles	Frederick P.
William F. Carroll,	Courtney
Jr.	Joseph D. Amato
Norman W. Cox II	David P. Hartley
Hugh D. Roberts	Edward Santos
Steve A. Yurick	Leonard Cruz
Andrew J. Kacsanek	David M. Wheaton
Thomas S. Hamilton	Walter A. Dennis
Antonio T. Mateo	Charles R. Byrne, Jr.
David R. Lapp	Ernest M. Gaskins
Gerald A. Demetriff	Stephen H. Obarr
Marion A. Sporar	Howell R. Standridge
Lowell S. Lillard	Patrick A. Rykard
Robert J. Krikorian	David J. Rightmyer
David J. Halter	Don J. Simms
Daniel D. Parker	Robert G. Benson
John H. Pabich	Harry C. Baxley
Charles D. Williams	John R. Burback
Roger C. Young	Bruce C. Kippley
Romes L. Embuscado	Thomas A. Saint, Jr.
Charles J. Tringali	Michael D. West
Paul J. Healey	William D. Redwine
Richard K. Gaede	Donald R. Lincoln
Ronald S. Beglin	Hary H. Duncan
Samuel L. Wilson, Jr.	David R. Alt
Scott R. Richardson	Frank E. Gordon
Terrence E. Holub	Edward L. Whiteside
David M. Krym	Joseph D. Lewis
Ricardo S. Deleon	Robert H. Collupy
Michael A.	James E. Iozzo
Holinceck	Thea S. Kennedy
Arthur J. Greiner	Stephen R. Prather
Stephen Kibner	Clyde J. Buchanan
Michael H. Siebert	Wilfredo S. Taboy
Daniel R. Estep	John W. Gregson
Leonard M.	Gary A. Lewis
Grzelewski	Ronald J. Hanson
Sheldon L. Naumann	Kurt F. Doninger
Lorne E. Gould	Peter C. Hopkinson
Eugene H. Peltier	Nelson W. Harder
Dean C. Miller	George S. Frederick
Moises F. Deleon	Daniel L. Robinson
James R. Naegel	Robert J. Brickwedde
William D. Carnegie	James R. Paper
Delbert W. Riley	Danny L. Osborne
Michel K. Brokaw	Charles L. Chalmers
Thomas G. Edmonds	Maxiel L. Lang, Jr.
Randy L. Rhoton	Roma D. Wade, Jr.
Randall J. Blunck	Laverne H. Williams
Michael A. Bills	Scott E. Gaber
Donald H. Dunn	James P. Burrell
Lester F. Bliss	Paul M. Blank
John A. White	John S. Wojicki
John C. Krause	Ronald W. Onoff

James F. Thomas	Gregory E. Johnson
James W. Hill	William D. Everton
Paul J. Dimauro	Hector G. Barajas
William G.	Monte A. Ownbey
Whitehouse	Robert W.
Richard L. Helt	Blachowski
Robert C. Lafean	Louis J. Cyganek
Kenneth A. Siders	John B. Kline
David M.	Guy I. Kent
Cunningham	Marion E. Haines
William C. Dabney	Joseph J. Lisko
Stephen P. Tolbert	Riley W. Byrd
Carroll E. Griffin	Thomas M. Madigan
William F. Butler	Perley O. Weed
Robert G. Frank	Frederick A. Wilson
Danny O. Teves	Lawrence P.
James T. Jacks	Leonardson
Dennis H. Monroe	Ralph L. King
Vincent A. Walser	Edward W. Effler
Coleman M. Ray	Wyman E. Lare
James M. Rundlett	James D. Gillespie
William P. Seibt	Victor P. Sarmiento
Peter J. Kelly	Robert O. MacMillan
George O. Gehring	Wallace G. Rainey
Robert J. Walters	Frederick C. Harmon
John A. Crick	Charles O. Boll
Thomas M. Chinni	Miguell B. Marcellian
Thomas M.	Paul C. Scott
Kueblbeck	Emmett R. Mick
Thomas G. Okeefe	Patrick L. Willis
William C. Miller	Robert E. Smith
Charles M. Collins	Thomas Flora
Felix Y. Atienza	Roger R. Mapili
Gregory D. Smith	Kendall J. Lewis
Carlos D. Ortiz	Robert G. Vachula
Armondo Mangahas	Richard G. Waechter
Ronald P. Kievit	Russell Hudson
Milan W. Krambeck	William N. Vail

The following officers of the U.S. Coast Guard for promotion to the grade of lieutenant commander:

Lewis J. Buckley

The following officers of the U.S. Coast Guard Reserve for promotion to the grade of captain:

Maurice R. Dumas

Gary C. Kornish

The following officers of the U.S. Coast Guard Reserve for promotion to the grade of commander:

Michael W. Pierson

Hugh D. Campbell

IN THE ARMY

The following-named officers for appointment in the Regular Army of the United States, in their active duty grades, under the provisions of title 10, United States Code:

To be colonel

Jalbert, Armand N., [redacted]

Njus, Irving C., [redacted]

Peters, Roy V., [redacted]

To be lieutenant colonel

Bartlett, Charles M., [redacted]

Curtiss, John B., [redacted]

Ditaddeo, Alessandro, [redacted]

Friend, Peter K., [redacted]

Gipson, Ronnie B., [redacted]

Holder, Haywood, [redacted]

Logue, Charles D., [redacted]

Lukaszewski, Leonard J., [redacted]

Stockstill, John D., [redacted]

Taylor, Peter R., [redacted]

Tierney, Warren L., [redacted]

To be major

Anderson, Robert L., [redacted]

Bice, William S., [redacted]

Emerson, Michael E., [redacted]

Fredo, John W., [redacted]

Kelley, John W., [redacted]

Nelson, Robert D., [redacted]

Vandarsdale, Layne A., [redacted]

*To be second lieutenant*

Hall, Theresa S., xxx-xx-xxxx  
 Hands, Robert D., xxx-xx-xxxx  
 Hewlett, Larry P., xxx-xx-xxxx  
 Nichols, Richard A., xxx-xx-xxxx

The following-named cadet, graduating class of 1983, U.S. Air Force Academy, for appointment in the Regular Army of the United States in the grade indicated below, under the provisions of title 10, United States Code, sections 531 and 541:

*To be second lieutenant*

Carson, Eldra D., xxx-xx-xxxx

## IN THE MARINE CORPS

The following-named Naval Reserve Officers Training Corps graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 2107, subject to the qualifications therefor as provided by law:

Adams, David E., II, xxx-...  
 Amundson, Craig A., xxx-...  
 Anderson, Earl J., xxx-...  
 Baker, William H., xxx-...  
 Brinegar, Gregg W., xxx-...  
 Burns, Jack P., xxx-...

Carberry, Michael K., xxx-...  
 Carlson, Christopher G., xxx-...  
 Claucherty, Jonathan S., xxx-...  
 Dawson, David A., xxx-...  
 Dillon, James T., xxx-...  
 Dodd, Jeffrey S., xxx-...  
 Doss, Frank E., xxx-...  
 Dumke, Brad R., xxx-...  
 Edwards, Roberts W., xxx-...  
 Emerson, Thomas J., xxx-...  
 Fitzgerald, Timothy W., xxx-...  
 Giannetta, David, xxx-...  
 Grosscup, Kelvin D., xxx-...  
 Hamilton, Michael D., xxx-...  
 Healey, John J., xxx-...  
 Heckroth, Nelson T., xxx-...  
 Hrdlicka, Thomas O., xxx-...  
 Ivens, Albert H., xxx-...  
 Kelly, James J., xxx-...  
 Kiefer, John F., xxx-...  
 Klaus, Nicholas B., xxx-...  
 Kraus, Daniel, xxx-...  
 Lane, Francis C., xxx-...  
 Lecocq, Kevin L., xxx-...  
 Lyons, Martin A., xxx-...  
 McDonald, Mark A., xxx-...  
 Monahan, Daniel P., xxx-...  
 Mullins, James M., xxx-...  
 Needham, Peter D., xxx-...  
 Olszowy, David P., xxx-...

Pipho, Stuart A., xxx-...  
 Pollock, John M., xxx-...  
 Powell, Kenneth D., xxx-...  
 Roffee, Daniel W., xxx-...  
 Russell, Thomas W., xxx-...  
 Scharf, John M., xxx-...  
 Sears, Stephen A., xxx-...  
 Stevens, John A., xxx-...  
 Thorner, Darrel, xxx-...  
 Urquhart, Lionel B., xxx-...

The following-named U.S. Naval Academy graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 531, subject to the qualifications therefor as provided by law:

Crozier, Wilbur V., xxx-...  
 McAneney, Vincent, xxx-...  
 Puccetti, Perry A., xxx-...

## CONFIRMATION

Executive nomination confirmed by the Senate June 7, 1983:

## DEPARTMENT OF JUSTICE

Charles F. Goggin III, of Tennessee, to be U.S. Marshal for the middle district of Tennessee for the term of 4 years.