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THE PRESIDENT HAS SEEN.....

REPUBLICAN AND DEMOCRATIC

PARTY PLATFORMS

WASHINGTON POST ANALYSIS & COMPARISON

Aug. 18, 1976



# Republicans

# Democrats

## Party Aims

"The Democrats' platform repeats the same thing on every page: more government, more spending, more inflation . . . This Republican platform says the opposite—less government, less spending, less inflation. In other words, we want you to retain more of your own money, money that represents the worth of your labors."

"Mr. Carter . . . is firmly attached to a contract with you to vastly increase the powers of government . . . The price tag of five major Democrat platform promises could add as much as \$100 billion to the annual cost of government . . . The total of all Democrat proposals could be as high as \$200 billion . . . could raise your taxes by 50 per cent. . . ."

"We do care about your basic freedom to manage your own life . . . We do care about encouraging permanent and meaningful jobs . . . We do care about your getting paid in sound dollars."

"Two Republican administrations have both misused and mismanaged the powers of national government, obstructing the pursuit of economic and social opportunity, causing needless hardship and despair among millions of our fellow citizens . . ."

"We do pledge a government that has as its guiding concern the needs and aspirations of all the people rather than the perquisites and special privileges of the few . . . We do pledge a government that will be committed to a fairer distribution of wealth, income and power."

## Watergate

"Your elected officials, their appointees, and government workers are expected to perform their public acts with honesty, openness, diligence, and special integrity."

"Two Republican administrations have betrayed the people's trust and have created suspicion and distrust of government through illegal and unconstitutional actions."

## Jobs and Inflation

"Deficit spending" required by Democratic congressional programs is the cause of inflation, and this destroys jobs.

"Wage and price controls . . . have always been a dismal failure."

Opposes attempts to take away "independence of the federal reserve board." Opposes Humphrey-Hawkins full employment bill, which will "cost billions" and provide only "make-work," "temporary stimulus."

"During the past 25 years the American economy has suffered five major recessions, all under Republican administrations . . . [and] 10 million people are unemployed right now."

"At times direct government involvement in wage and price decisions may be required" (but not at this time, at least not a comprehensive system.)

"The Federal Reserve Board must be made a full partner in national economic decisions and become responsive to economic goals of Congress and the President . . . Need for national economic planning capability."

Favors use of tax, spending and credit policies, "accompanied by a broad range of carefully targeted employment programs that will reduce unemployment . . . low-interest loans to business and state and local governments . . . (and) domestic development bank."

(But no specific mention of the Humphrey-Hawkins bill as such; the above is its substance more or less.)



**Affirmative Action**

Favors "equal treatment but not by resurrecting the much discredited quota system."

Supports affirmative action, enforcement of Equal Employment Opportunity Commission decisions.

**Taxes**

Favors "a balanced federal budget and reduced tax rates."

"Tax credits for college tuition, post-secondary technical training and child-care expenses incurred by working parents."

Also "tax credits for parents making elementary and secondary school payments."

New accelerated depreciation, remove burden on equity financing, end "unfair double taxation of dividends" when balanced by spending reductions, raise personal exemption to \$1,000.

"Tax reform at all levels . . . so that high-income citizens pay a reasonable tax on all economic income."

Reduce tax shelters [for] oil and gas, tax-loss farming, real estate and movies." Overhaul federal estate and gift taxes, remove incentives for multi-nationals to shift jobs to overseas.

**Agriculture**

Opposes government-controlled grain reserves, unrealistic safety and environmental rules. Favors increase in estate-tax exemption to \$200,000, valuing farmland on current-use basis. Labor legislation to help workers but recognize need to prevent stoppages during harvest.

Overhaul federal estate and gift taxes, aid workers in housing, employment, health and education.

Collective bargaining and unions for farm workers.

**Miscellaneous Government**

Supports automatic and mandatory minimum sentences for persons committing federal offenses using dangerous weapons.

Supports "right of citizens to keep and bear arms . . . opposes federal registration of fire arms."

Opposes federal postcard registration bill.

Favors D.C. voting representation in House and Senate and full home rule over local matters.

Mandatory sentence for committing felony with gun.

Backs laws to control manufacture and distribution of handguns and Saturday night specials, but sportsmen can possess guns for hunting and target shooting.

Favors federal postcard registration bill, D.C. voting in Congress, full home rule.

**Education**

"Segregated schools are morally wrong and unconstitutional." But "we oppose forced busing to achieve racial balances" and "favor consideration of an amendment to the Constitution forbidding the assignment of children to school on the basis of race."

Favors a constitutional amendment to permit local communities "wishing to conduct non-sectarian prayers in their schools . . . to do so."

Favors child-care assistance for working parents.

Favors study to find ways to withdraw federal aid to elementary and secondary education, provided ways can be found to return to the states equivalent revenue (to compensate for any loss in present levels of federal funding.)

"Mandatory transportation of students beyond their neighborhoods for the purpose of desegregation remains a judicial tool of the last resort for the purpose of achieving school desegregation."

Favors "federally financed family centered developmental and educational child-care programs."

Calls school programs "underfunded" at federal level. "With increased federal funds, it is possible to enhance educational opportunity by eliminating spending disparities within state borders."



## Republicans

## Democrats

### Health

"The Republican Party opposes compulsory national health insurance [which] will increase federal government spending by more than \$70 billion in its first full year [and] require a personal income tax increase of approximately 20 per cent."

"We support extension of catastrophic illness protection to all who cannot obtain it."

Opposes any research on live fetuses and legislation which sanctions ending life of the patients.

Lower health care costs by encouraging healthier life styles, ending wasteful duplication of facilities, preventive care, more out-of-hospital service but "we oppose excessive intrusions from Washington in the delivery of health care."

"We need a comprehensive national health insurance system with universal and mandatory coverage [financed by] employer-employee shared payroll taxes and general tax revenues."

Lower costs by government rate-setting. "Rates for institutional care and physicians' services should be set in advance..."

### Civil Rights, Discrimination

"There must be vigorous enforcement of laws to assure equal treatment in job recruitment, hiring, promotion, pay, credit, mortgage access and housing . . . We reaffirm our pledge to work to eliminate discrimination in all areas for reasons of race, color, national origin, age, creed or sex and to enforce vigorously laws guaranteeing women equal rights."

"The Republican Party reaffirms its support for ratification of the Equal Rights Amendment" to the Constitution.

"The Republican Party favors a continuance of the public dialogue on abortion and supports the efforts of those who seek enactment of a constitutional amendment to restore protection of the right to life for unborn children."

"Major changes are needed to maintain the confidentiality of tax returns and Social Security records" and protect against seizure an individual's bank records by the government.

"We must insure that all citizens are treated equally before the law, and given the opportunity regardless of race, color, sex, religion, age, language or national origin, to participate fully in the economic and social and political processes and to vindicate their legal and constitutional rights."

"We seek ratification of the Equal Rights Amendment."

"We feel . . . that it is undesirable to attempt to amend the U.S. Constitution to overturn the Supreme Court decision" permitting abortion.

"We pledge . . . to protect citizens' privacy from bureaucratic and technological intrusions, such as wiretapping and bugging without judicial scrutiny and supervision."

## REPUBLICANS

## DEMOCRATS

### ***Amnesty***

"Full and complete pardon for those who are in legal or financial jeopardy because of their peaceful opposition to the Vietnam war, with deserters to be considered on a case-by-case basis."

### ***Labor***

Supports youth differential in minimum wage law.

Favors retention of Section 14B of Taft-Hartley Act, which allows states to pass open-shop right to work laws.

Opposes legalization of commonsite picketing on construction sites.

"We will seek repeal of Section 14B, which allows states to legislate the anti-union open shop."

Supports legalization of commonsite picketing.

### ***Welfare***

"We oppose federalizing the welfare system . . . We also oppose the guaranteed annual income concept . . ."

"We should move toward . . . a simplified system of income maintenance, substantially financed by the federal government . . . It should provide an income floor both for the working poor and the poor not in the labor market."

### ***Arts and Humanities***

Support for national endowments, public broadcasting, copyright and tax law protections."

Support for national endowments, public broadcasting, copyright and tax law protections, also, "special anti-recession employment programs for artists."

### ***Urban Policy***

Favors continuation of revenue sharing. Continued deductability of property taxes and home mortgage interest.

Opposes discrimination in housing.  
Favors reduced direct federal involvement in housing.

Favor continuation of revenue sharing. Also emergency anti-recession aid to states and cities.

"Aggressive enforcement of Fair Housing Act." Prohibit "redlining."

Direct U.S. subsidies for low-and moderate-income housing and housing for elderly.

Automatic triggering of production subsidies and mortgage funds when housing starts fall below acceptable levels.

## Republicans

## Democrats

### Energy

"Immediately eliminate price controls on oil and newly discovered natural gas in order to increase supply."

Favors "accelerated use of nuclear energy through processes that have been proven safe," with more safety research on nuclear waste disposal.

"We vigorously oppose . . . divestiture of oil companies" and their breakup into separate producing and marketing segments.

"Beyond certain levels, increasing energy prices simply produces high-cost energy, without producing any additional energy supplies." Increases in 1975 law for oil prices are adequate. As for natural gas, favor some raises in price ceilings, but not total removal. Just enough to bring close to equivalent energy price for oil.

"U.S. dependence on nuclear power should be kept to the minimum necessary to meet our needs. We should supply stronger safety standards as we regulate its use. And we must be honest with our people concerning its problems and dangers . . ."

Supports divestiture of oil companies.

Bar oil companies from owning competing types of energy such as coal.

### Environment

Pledges to preserve "clean and healthy" environment.

Public lands to be used for multiple use, not "closed to exploration for minerals or for mining without an overriding national interest."

"Emphasis on environmental concerns must be brought into balance with the needs for industrial and economic growth."

Maximize sustained yield in forests, including national forests, using "clear-cutting and replanting where appropriate."

Pledges to preserve environment. "Those who would use the environment must assume the burden of demonstrating that it will not be abused."

Economic growth and environmental preservation are compatible.

**Foreign and Defense Policy**

Calls for "superior national defense" and "period of sustained growth in our defense effort." Specifically, construction of B-1 bomber. Increase Army to 16 divisions.

Endorses NATO continued strength. Asks Spain be added to NATO.

Reaffirms U.S. commitment to territorial integrity and sovereignty of Republic of Korea. "U.S. troops will be maintained in Korea so long as there exists the possibility of renewed aggression from North Korea."

Blames Democrats in part for losing South Vietnam, Cambodia and Laos because of "the refusal of the Democrat-controlled Congress to give support to presidential requests for military aid to the beleaguered nations of South Vietnam, Cambodia and Laos."

Friendship with Japan, the "pillar" of Asia policy.

We seek "expanded network of contacts and trade" and "normalization of relations with Communist China but "will continue to support the freedom and independence of our friend and ally, the Republic of China (Taiwan) . . . and will fulfill and keep its commitments, such as the mutual defense treaty, with the Republic of China."

"Exporting subversion and violence, Cuba remains outside the inter-American family of nations."

Under the 1903 treaty, the United States enjoys "jurisdictional rights in the Canal Zone as 'if it were the sovereign.' The U.S. intends that the Panama Canal be preserved as an international waterway for the ships of all nations . . . in talks with Panafna, however, the U.S. negotiators should in no way cede, dilute, forfeit, negotiate or transfer any rights, power authority, jurisdiction, territory or property that are necessary for the protection and security of the U.S. and the entire western Hemisphere."

"Commitment to Israel is fundamental and enduring. We have honored and will continue to honor that commitment in every way—politically, economically and by providing the military aid that Israel requires to remain strong enough to deter any potential aggression. Forty per cent of all U.S. aid that Israel has received since . . . 1948 has come as a result of Republican initiatives."

"The U.S. has always supported the process of self-determination in Africa."

Supports "racial peace . . . urge all concerned that the rights of tribal, ethnic and racial minorities be guaranteed through workable safeguards. Our policy is to strengthen the forces of moderation." Against external interference, Soviet arms.

Does not use of the word *detente*.

Holds it a good idea to "isolate and develop those areas of our relations which would serve to lessen tensions and reduced the chance of unwanted conflict." Favors steps to "limit strategic nuclear arms," cites on-going talks, Vladivostok agreements.

Soviets must adhere to their promises of the free flow of people and ideas and eased emigration restrictions, as spelled out in the Helsinki agreements, including granting of emigration rights to Jews, Christians and Moslems, and must cease imprisonment and harassment of those wishing to emigrate.

Supports the right of the people of Central and Eastern Europe to "self-determination," and favors adequate funding for the Voice of America, Radio Free Europe and Radio Liberty. Insists Soviets end microwave transmissions on the U.S. embassy in Moscow.

"Efforts should be made to normalize relations with Angola."

Favors "pursuit of *detente*," working toward arms limits, comprehensive ban on nuclear tests, nuclear arsenal reduction on both sides but we should "not overall limit the U.S. to levels of intercontinental strategic forces inferior to the limits provided for the Soviet Union."

"We should continually remind the Soviet Union . . . of its commitments in Helsinki to the free flow of people and ideas."

"We do not accept . . . military dominance of many Eastern European countries" by the U.S.S.R. Attempt to dominate any other European country like Yugoslavia would pose "a grave threat to peace."

"Our strategic nuclear forces must provide a strong and credible deterrent to nuclear attack and nuclear blackmail" without "undue emphasis" on the overall size of the defense budget.

Cut the defense budget of \$110 billion by \$5 billion to \$7 billion.

Delay the B-1 bomber until February, 1977.

"NATO remains a vital commitment." (No mention of Spain.)

Maintain commitment to Korea but "we can redeploy and gradually phase out U.S. ground forces and withdraw the nuclear weapons now stationed in Korea."

Friendship with Japan the "cornerstone" of Asia policy.

"Our relations with China should continue to develop on peaceful lines, including early movement toward normalizing diplomatic relations in the context of a peaceful resolution of the future of Taiwan."

"Relations with Cuba can only be normalized if Cuba refrains from interference with the internal affairs of the U.S. and releases all U.S. citizens currently detained in Cuban prisons and labor camps for political reasons. We can move toward such relations if Cuba abandons its provocative international actions and policies."

"We pledge support for a new Panama Canal treaty, which insures the interests of the U.S. in that waterway, recognizes the principles already agreed upon, takes into account the interests of the canal work force, and which will have wide hemispheric support."

"Firm commitment to the independence and security of the state of Israel . . . including sufficient military and economic assistance to maintain Israel's deterrent strength in the region and maintenance of U.S. military force in the Mediterranean adequate to deter "Soviet military intervention."

Free passage of shipping in the Middle East, especially the Suez Canal."

"Recognize and support . . . Jerusalem as the capital of Israel . . . U.S. embassy should be moved from Tel Aviv to Jerusalem."

Must recognize "inevitability of majority rule on that continent." "Unequivocal and concrete support of majority rule in southern Africa."

No recognition of South Africa annexation of Namibia.

End "Republican administration's relaxation of arms embargo against South Africa . . . deny tax advantages to all corporations doing business in South Africa and Rhodesia who support or participate in apartheid practices and policies."

"Fully enforce un-ordered Rhodesia sanction . . . and repeal the Byrd Amendment."

# Kennedy-Nixon Debates a Key To What '76 Clashes May Hold

By JOSEPH LELYVELD  
Special to The New York Times

WASHINGTON, Aug. 28—Proud of what they took to be a big advance in the way Americans select their President, the television networks promoted the events as "the Great Debates." But at the time, a number of critics asked what was so great about the encounters and whether they were even real debates.

"The dialogue was largely a past-up job containing bits and snippets from campaign rhetoric already used many times," wrote a Washington journalist, Douglas Cater, shortly after he had participated as a panelist in the third set-to between John F. Kennedy and Richard M. Nixon. "As the series wore on, the protagonists were like two weary wrestlers who kept trying to get the same hold."

Yet no one doubted that the four debates were the central campaign events of 1960. And after Mr. Kennedy came out ahead by a two-shin margin of fewer than 113,000 votes, it was widely concluded that what had happened on television had determined the result.

### Estimating the Risks

Now, 16 years later, that televised debates between the two major-party Presidential candidates appear to be an idea whose time has come again, looking back at 1960 is one way to estimate the risks President Ford and Jimmy Carter will take and the benefits they may derive when they meet before the cameras.

A reviewing the... A viewing the other day of the first two Kennedy-Nixon debates in a CBS studio helped to correct some old impressions and reinforce others. In one way, the experience was similar to that of sitting through an old movie that was considered bold and exciting in its day but now seems mannered and coy.

The narrow neckties, short haircuts and Armageddon rhetoric all contribute to this effect. The issues—from Quemoy and Matsu to whether President Eisenhower should have expressed regrets for U-2 flights over the Soviet Union—no longer seem compelling if they ever did.

### Personalities Mattered

But that hardly detracts from the fascination of the

purposes his lips, cranes his neck and, twice, almost seems to nod in agreement. Twice also he is shown wiping his chin with a handkerchief. This impression is one of strain.

### Cosmetic Problem

His suit is not dark enough to set him off distinctly from the gray background, and his face has a chalky look—the result, the press soon discovered, of a last-minute application of a cosmetic called "Lary Shave" after he had refused professional makeup.

So much was eventually written about Mr. Nixon's makeup problems that the biggest surprise in seeing the debate now is that he looks much better than legend leads one to expect. His discomfort was real. He had come to the debate tired and ill and had then had a previously infected kneecap on a car door before entering the studio.

But the impression of stress, while distinct, is fleeting. Most of the time his affective-ly commands attention.

But Mr. Nixon's problem in the first debate was more than cosmetic. It was finding a way to match his rival's sharp and assertive tone and to defend the record of the Eisenhower Administration without sounding defensive.

### Issue of Experience

Also, "experience" had been one of Mr. Nixon's major campaign selling points; the suggestion being that it would be dangerous to turn over the country to his lesser-known rival. But experience did not prove to be a something that "televized" well.

His opponent seemed to know at least as many facts as Mr. Nixon did. For Mr. Kennedy, television was a great equalizer. He closed the maturity gap. Mr. Carter wrote at the time, by proving himself "able to stand up to the man who stood up to Khrushchev," a reference to Mr. Nixon's impromptu televised "debates" with the Soviet Prime Minister.

If there is a parallel between 1960 and 1976, it only serves to underscore the risk President Ford is running as the first incumbent to debate a foe. A White House aide, Richard M. Cheney, said the other day that Mr. Ford would demonstrate "Presidential experience and knowledge of the issues."

detail—the lighting, the camera angles and, because of Mr. Nixon's perspiration problem, even the temperature.

Don Hewitt, the CBS producer who handled the first debate, said that it would have been better if it had been performed before an audience rather than produced as a television show. In a memo distributed in Congress last week, however, CBS took the opposite view, contending that "the studio atmosphere" would be "less of a personal, physical and psychic drain on each of the candidates" than a debate before a live audience.

This view is likely to be tested, for Mr. Ford and Mr. Carter are negotiating on the debate with the nonpartisan League of Women Voters, which proposes to stage them in front of audiences in hired halls.

The league also proposes to have a debate by the Vice-Presidential candidates. It is a curious footnote, but that idea also dates back to 1960 when it was put forward by Vice President Nixon to counter a demand by Mr. Kennedy for a fifth debate.

contest, for it was the inter-personalities, not ideas, that really mattered.

This removed in time, it is easy to see how carefully the candidates manipulated their disagreements for maximum tactical advantage. The hottest exchanges came on questions on which their differences appeared to be narrowest, usually, cold war issues.

The first debate was supposed to be confined to domestic matters. But Mr. Kennedy, who got to speak first, immediately began a grim exhortation on "our struggle for survival with Mr. Khrushchev." His rival, who had made his reputation as a globetrotting Vice President and militant anti-Communist, thus found himself on the defensive in what was supposed to be his area of greatest strength.

### Aim at Same Target

But while they magnified their differences on foreign policy, the candidates seemed to mute them on domestic issues. Mr. Kennedy warned of stagnation; Mr. Nixon, of inflation. But they were aiming at the same middle-of-the-road voters, so they confined themselves to broad generalities, cautiously expressed.

Reactions to the first debate made it clear that what was said mattered less than how it was said. The show opened with the two candidates seated in chairs on either side of the moderator, Howard K. Smith.

Mrs. Kennedy has one leg crossed over the other; as he is introduced, he nods gravely.

The Vice President's hands fidget on his lap; his feet slide around aimlessly under his chair. As he is introduced, he breaks into a sudden smile and nods, swiveling his body awkwardly toward Mr. Smith, then back to the camera.

### Ignores Rival

Instead of spontaneous give-and-take, there is a counterpoint of capsulized statements. Mr. Kennedy speaks directly into the camera without acknowledging the presence of his rival. Mr. Nixon, beads of perspiration forming on his lower lip, seems to want to engage both Mr. Kennedy and the TV audience. Three times he asks his opponent to acknowledge that they both are "sincere."

The camera switches for "reaction shots" of the Senator while the Vice President is speaking. His eyes are steady and alert; his face, impassive except for a slight suggestion of amusement, even disdain, at the corners of his mouth. There is a stillness about him that gives an impression of composure.

The close-up shots of Mr. Nixon when Mr. Kennedy speaks show his glance darting around the studio set. He

Mr. Carter's newness on the national scene and lack of foreign policy experience are obviously going to be price Republican issues. But if 1980 provides any clues, the debates could give the Georgian an opportunity to neutralize them.

### Round Two

Presumably, Mr. Ford's aides hope that Mr. Carter will crumple under pressure as Mr. Nixon is sometimes supposed to have done in 1960. But the Vice President came back to the second debate in fighting trim: He was better-talored; professionally made-up; more aggressive and obviously intent on keeping his gaze steady and his hands from fluttering.

In the numerous opinion surveys made at the time, there is scant evidence that he lost support as a result of the debates. Their most important effect, it appears, was to solidify support for Mr. Kennedy among wavering Democrats who had previously been unenthusiastic about him.

Of course, the analogy between 1976 and 1980 breaks down in a number of ways. Mr. Ford is President; also, he is regarded as the underdog as Mr. Nixon was not. Moreover, neither candidate has demonstrated the forensic skills of his 1960 precursors. And, finally, the electorate may be more volatile and open to impressions.

In this latter connection, Professor Michael Robinson, a political scientist at American University, notes that party loyalties have loosened dramatically in the last 16 years.

A major change is in the role of the television networks in producing the debates. The 1960 encounter took place in television studios, with the television consultants of the candidates on hand in the control rooms to bargain and badger on every

## Congressman Protests Wolf Hunt in Alaska

WASHINGTON, Aug. 28 (UPI)—A Virginia Congressman has asked the Department of the Interior to investigate a planned aerial wolf hunt in Alaska's Brooks Mountain Range.

Representative William G. Whitehurst, a Republican, said that the Alaska Fish and Game Department wanted to kill 80 percent of the wolves in a vast area of the range because of a decline in the population of Western Arctic Caribou there.

The area includes land proposed for designation as a major national park and a number of wildlife refuges. Mr. Whitehurst asked Thomas S. Kleppe, Secretary of the Interior, to review the planned wolf hunts to see if they could be stopped.



THE PRESIDENT HAS SEEN . . .

## financial

## Carter economics a clear choice over Ford's

By David H. Francis

**Boston**  
Democratic presidential candidate Jimmy Carter is beginning to sing the theme song of electoral challengers: "Anything you can do, I can do better."

On Saturday, at a news conference in Plains, Georgia, he stressed the need to curb inflation and achieve a balanced budget. These goals, he added, might delay the start of "costly" social and other programs he has promised to introduce if elected.

The shift in Mr. Carter's emphasis undoubtedly reflects an economic fact: There

## Economic scene

are as of August 87.9 million employed in the United States and 7.5 million unemployed.

This means that those with work are a dominant majority. They are likely to be somewhat more concerned with rising prices than high unemployment. So Mr. Carter must avoid being labelled a "big spender" if he is to win their political backing.

It was announced Friday that the number of jobless rose 89,000 in August to 7,504,000, or from 7.8 percent to 7.9 percent of the labor force. There now is little chance of the unemployment rate slipping below 7 percent, as predicted earlier by Ford administration economists.

## Promises can be moderate

The Democratic candidate will undoubtedly roast President Ford for mismanaging the economy. But he needn't promise grandiose public works programs, etc., to create jobs for the unemployed to get

their votes. If the jobless blame the government for their plight, they have no other real alternative than to vote for Mr. Carter. He is clearly somewhat more liberal than the President.

Unlike in the 1930s and the Great Depression, however, the recent recession has turned public opinion toward the right rather than towards the left. That may be because of the high inflation rate that accompanied the recession.

So Mr. Carter must make sure he appeals to the new fiscal and economic conservatism. Thus Saturday he emphasized a goal of ending inflation and balancing the federal budget by 1980.

Actually, the economy tends to shape the economic positions of presidents more than their economic ideology. And right now inflation is probably less of a problem than the slower pace of the recovery.

## Prices softening

Recent price news has been exceptionally good for consumers.

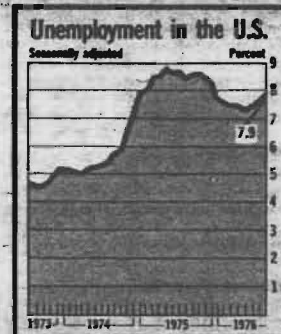
• In the month ended August 15, farm prices fell by 4 percent — the sharpest decline since last November. This should put some restraint on food price increases.

• Wholesale prices fell in August by a seasonally adjusted 0.1 percent, reflecting declining food prices. However, industrial prices increased 0.7 percent.

• Steel producers had to back off from their announced 4.5 percent increase in prices of flat-rolled products. Competitive market pressures nullified what economists call "administered prices" decisions.

Aluminum makers are also shaving prices from announced price hikes, though they have not rescinded them.

• The National Association of Purchasing



Management, Inc., a trade group, says that corporate purchasing agents now have lowered their inflation expectations for the rest of this year. They now expect price boosts to be moderate or slight, and look for selective markups rather than increases across the board. Back in May, the corporate buyers expected "a period of tough going on the price front."

• Wage increase patterns have been relatively moderate. During the first half of this year, first-year pay raises averaged 6.4 percent. That compares with 10.2 percent last year and 0.8 percent in 1974.

Moreover, productivity has continued to increase handsomely. This means that manufacturers unit labor costs rise less than the wage rates of their employees. At mid-year, the hourly output of employees in private businesses was 4.5 percent higher than a year earlier.

Unit labor costs rose at an annual rate of only 3.4 percent in the first half of this year. That is sharply below increases of 7.5 percent in 1975 and 13.2 percent in 1974.

## Business pressure lessened

Business is thus under less pressure to jack up prices, especially since there is more than adequate capacity in most industries.

So, whether the voters choose Mr. Ford or Mr. Carter, the new president's chief economic problem will be to step up the expansion slightly without rekindling inflation. And that won't be an easy trick.

Economists at Data Resources, Inc., headed by Harvard Prof. Otto Eckstein, last week recommended devising ways to solve a part of the unemployment problem by direct methods that do not require stimulation of the nation's output beyond its productive capacity.

They suggested a tax credit for job development in private industries, encouraging employers to use more labor and less capital and resources to produce a given output, and hiring disadvantaged persons in the secondary labor force. They also urged special hiring by state, local, and federal government.

Their econometric model shows that the use of fiscal and monetary measures alone could soon push inflation back up to the 8 percent range.

Though candidate Carter now talks fiscal conservatism, he probably will be more sympathetic to direct methods of trimming the number of jobless than Mr. Ford. Despite his step right, the voters still have an economic choice.

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**Boston**  
Democratic presidential candidate Jimmy Carter is beginning to sing the theme song of electoral challengers: "Anything you can do, I can do better."

On Saturday, at a news conference in Plains, Georgia, he stressed the need to curb inflation and achieve a balanced budget. These goals, he added, might delay the start of "costly" social and other programs he has promised to introduce if elected.

The shift in Mr. Carter's emphasis undoubtedly reflects an economic fact: There

## Economic scene

are as of August 87.9 million employed in the United States and 7.5 million unemployed.

This means that those with work are a dominant majority. They are likely to be somewhat more concerned with rising prices than high unemployment. So Mr. Carter must avoid being labelled a "big spender" if he is to win their political backing.

It was announced Friday that the number of jobless rose 80,000 in August to 7,506,000, or from 7.8 percent to 7.9 percent of the labor force. There now is little chance of the unemployment rate slipping below 7 percent, as predicted earlier by Ford administration economists.

### Promises can be moderate

The Democratic candidate will undoubtedly roast President Ford for mismanaging the economy. But he needn't promise grandiose public works programs, etc., to create jobs for the unemployed to get

their votes. If the jobless blame the government for their plight, they have no other real alternative than to vote for Mr. Carter. He is clearly somewhat more liberal than the President.

Unlike in the 1930s and the Great Depression, however, the recent recession has turned public opinion toward the right rather than towards the left. That may be because of the high inflation rate that accompanied the recession.

So Mr. Carter must make sure he appeals to the new fiscal and economic conservatism. Thus Saturday he emphasized a goal of ending inflation and balancing the federal budget by 1980.

Actually, the economy tends to shape the economic positions of presidents more than their economic ideology. And right now inflation is probably less of a problem than the slower pace of the recovery.

### Prices softening

Recent price news has been exceptionally good for consumers.

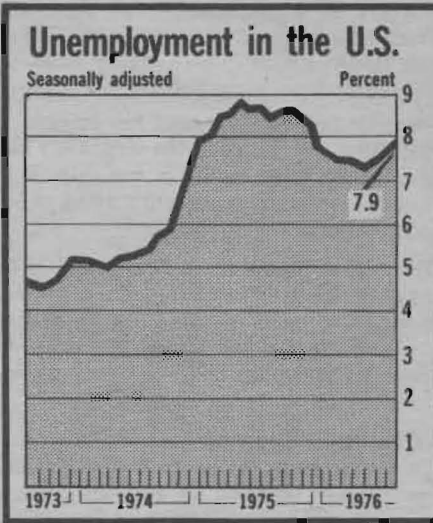
- In the month ended August 15, farm prices fell by 4 percent — the sharpest decline since last November. This should put some restraint on food price increases.

- Wholesale prices fell in August by a seasonally adjusted 0.1 percent, reflecting declining food prices. However, industrial prices increased 0.7 percent.

- Steel producers had to back off from their announced 4.5 percent increase in prices of flat-rolled products. Competitive market pressures nullified what economists call "administered prices" decisions.

Aluminum makers are also shaving prices from announced price hikes, though they have not rescinded them.

- The National Association of Purchasing



Unit labor costs rose at an annual rate of only 3.4 percent in the first half of this year. That is sharply below increases of 7.5 percent in 1975 and 13.2 percent in 1974.

### Business pressure lessened

Business is thus under less pressure to jack up prices, especially since there is more than adequate capacity in most industries.

So, whether the voters choose Mr. Ford or Mr. Carter, the new president's chief economic problem will be to step up the expansion slightly without rekindling inflation. And that won't be an easy trick.

Economists at Data Resources, Inc., headed by Harvard Prof. Otto Eckstein, last week recommended devising ways to solve a part of the unemployment problem by direct methods that do not require stimulation of the nation's output beyond its productive capacity.

They suggested a tax credit for job development in private industries, encouraging employers to use more labor and less capital and resources to produce a given output, and hiring disadvantaged persons in the secondary labor force. They also urged special hiring by state, local, and federal government.

Their econometric model shows that the use of fiscal and monetary measures alone could soon push inflation back up to the 8 percent range.

Though candidate Carter now talks fiscal conservatism, he probably will be more sympathetic to direct methods of trimming the number of jobless than Mr. Ford. Despite his step right, the voters still have an economic choice.

Management, Inc., a trade group, says that corporate purchasing agents now have lowered their inflation expectations for the rest of this year. They now expect price boosts to be moderate or slight, and look for selective markups rather than increases across the board. Back in May, the corporate buyers expected "a period of tough going on the price front."

- Wage increase patterns have been relatively moderate. During the first half of this year, first-year pay raises averaged 8.4 percent. That compares with 10.2 percent last year and 9.8 percent in 1974.

Moreover, productivity has continued to increase handsomely. This means that manufacturers unit labor costs rise less than the wage rates of their employees. At mid-year, the hourly output of employees in private businesses was 4.5 percent higher than a year earlier.

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# Ford-Carter Differences on Farm Policy Focus on Proper Size of Government Role

THE PRESIDENT HAS SEEN . . .

By KAREN ELLIOTT HOBBE  
Staff Reporter of THE WALL STREET JOURNAL  
WASHINGTON — Jimmy Carter, who went through the Democratic primaries arguing for less government, favors more government in farming.

In speeches and position papers, the Democratic presidential nominee argues that the government must insure stable consumer food prices by treating a grain reserve and at the same time assure profitable farm prices by raising federal subsidies to farmers.

These proposals put him at loggerheads with President Ford. And next spring, one of them will be in the White House to press his farm policies on Congress, which will be replacing the expiring 1973 farm bill with a new one. The key question: how big a role should government have in farm and food policies?

"Our policy is one of freedom from government interference for our farmers," says Earl Butz, Mr. Ford's Agriculture Secretary. "The Democrats' program is just the opposite. They talk of a grain reserve and higher support prices. Those two add up to getting government back in the commodity business."

Not so, says P. R. (Bobby) Smith of Winder, Ga., one of Mr. Carter's chief farm advisers. "We're not going back to the Kennedy-Johnson era of big government farm programs. We're simply talking about giving farmers a chance to stay in business."

Both sides already are battling away at each other in front of farm audiences. Secretary Butz calls Mr. Carter, who grows peanuts, a "one-crop farmer," and declares he is in the hip pocket of AFL-CIO President George Meany. "With Carter in the White House, George Meany will be the shadow secretary of Agriculture," Mr. Butz says. Mr. Carter charges Mr. Butz and President Ford with "unparalleled incompetence" in blocking foreign grain sales, which have been embargoed four times in the past three years.

### Stockpiling Grain

Behind the loud rhetoric are key differences between Mr. Carter and President Ford. One involves the creation of a grain reserve. "One involves the creation of a grain reserve. We're talking about stockpiling enough wheat and feed grains to satisfy domestic needs for 90 days—roughly 25 million metric tons based on current use. A metric ton is 2,204.6 pounds. Such a reserve, he says, would insure grain for U.S. needs, keep food prices stable and make future embargoes unnecessary."

Under the Carter plan, half the grain would be held by farmers and the rest by government. It isn't known how much the farmers would cost taxpayers, whether the government would pay storage costs on grain held by farmers or how farmers would be prohibited from selling their stored grain if prices rose.

"We're looking into the exact mechanism of how to accumulate and operate a reserve," says Oliver Miller, Mr. Carter's coordinator in Atlanta for agricultural issues. "We may have an answer in a few weeks."

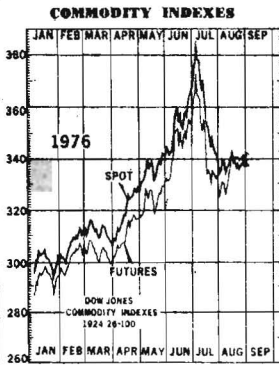
President Ford strongly opposes any government grain reserve, which might depress farm prices. Farmers, he says, fare better when they control surplus grain, selling it as they do currently when the prices rise. Farmers currently hold about a 75-day supply of wheat and feed grains, or about 33 million metric tons, the Agriculture Department estimates. Farmers pay the storage bill, thereby sparing taxpayers those costs, which rose to \$1 million a day in 1970 before the Nixon administration sold government-owned grain to Russia and subsequently ended farm programs that had created government surpluses.

At the heart of Mr. Carter's farm policy is a promise of higher price supports—the government loans and advances available to farmers. Mr. Carter says the support prices, currently far below market prices, must be raised at least to reflect the cost of producing commodities. But he hasn't said what the new levels might be in a Carter administration.

Robert Lewis of the National Farmers Union here says, "his statement is poorly defined and could mean a lot of things. But we're optimistic he intends to put prices at reasonable levels."

One crop that is highly subsidized is peanuts. Mr. Carter hasn't announced whether he favors continuing a New Deal program that forces the government to buy about 600,000 tons of surplus peanuts each year at more than double the world market price. That program will cost taxpayers \$155 million this year. "I don't expect him to take a position," Mr. Smith, the Carter adviser, says. "He has a vested interest." Although Mr. Carter hasn't received any federal payments since 1973, he benefits from the artificially high price that peanuts bring because of government controls. Mr. Ford favors eliminating the peanut program.

There is agreement between President



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Dow Jones Futures	342.00	- 0.75	299.06
Dow Jones Spot	337.43	- 0.19	316.20
Russell United Kingdom	186.7	+ 2.4	171.8

Ford and Mr. Carter on other issues. Both promise they won't embargo grain sales to other nations except in emergencies, such as a massive crop failure here. Both agree that the estate-tax exemption for farms should be increased. President Ford has proposed raising it to \$150,000 from \$60,000. Mr. Carter hasn't said how high he would like to see the exemption but he has said the estate-tax value of the land should be based on its use for agriculture rather than on its potential value for commercial subdivision.

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John P. Roche

THE PRESIDENT HAS SEEN...

Washington Star  
9/3/76

## Carter has NATO checking the fire escape

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Right after the convention, the candidate met with the Hearst Taskforce and delivered some remarkable musings on the subject of American reliance on the nuclear deterrent. To the extent they were intelligible, they marked — as I noted here — a pure "Back to Dulles" approach.

Since his views went largely unreported in the summer doldrums, let me again summarize them.

First, he said he would use atomic weapons if he was "convinced the security or existence of our own nation was threatened." Immediately readers in Tokyo, Seoul and Western Europe went on red alert. "our own nation."

Second, he got into the European situation, though hardly in a reassuring fashion: "The use of atomic weapons in Europe would certainly not be contemplated by me without agreement of the nations who would be most directly affected by retaliatory actions against the Soviet Union. . . . I certainly couldn't imagine us using nuclear weapons in Europe without Germany and Austria and perhaps France approving their use."

What on earth did this mean?

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Then came another thump on Dulles's bass-drum: "The standoff nuclear strength between us and the Soviet Union, where both of us have substantial overkill capacities, is a major deterrent to war in Europe. "Massive retaliation," Dulles's phrase, rides again.

Finally, he seemed to believe we still have a "pre-emptive strike" capacity against the Soviets, that we could take out their retaliatory capabilities in one sudden salvo.

The root of Carter's problem is his belief that limited nuclear war is a fake option. I completely agree.

Since Henry Kissinger first surfaced the concept in 1958 (later backing off), I have inveighed against it in season and out, particularly when it almost became part of our national policy disguised as the Multilateral Nuclear Force (MLF).

Indeed, I like to think I had a hand in President Johnson's decision, immediately after the 1964 election, to scuttle MLF. I asked if he really thought Moscow would take seriously a statement that the views expressed by an MLF nuke hitting Kiev were not necessarily those of the government of the United States?

In the post-Vietnam run-down of American conventional forces, tactical nuclear weapons became a capital-intensive substitute for troops. And whether we admitted it or not, a tactical nuclear first-strike was the only conceiv-

able response to a Warsaw Pact blitz into Western Europe.

To quiet Soviet fears, we went in for miniaturization and extraordinary accuracy. The theory was that if Brezhnev knew our nukes were small, clean and accurate, and only targeted on military installations, he would genially accept the military symmetry. His response, however, was to update his large, dirty and relatively inaccurate short-range and intermediate-range ballistic missiles. (Contrary to recent speculation, the evidence indicates their SRBMs and IRBMs have not been MIRVed: Moscow is just getting more resonance for the ruble.)

Given Brezhnev's understandable refusal to play by our rules (they have another manual, by Lenin, out of Clausewitz, which emphasizes that war is not a ballet), only a lunatic would put his money on a limited war staying limited. Jimmy Carter clearly does not fall into this category, but instead of advocating the only reasonable alternative — a conventional build-up — he has again, in an interview with C.L. Sulzberger of the *New York Times*, gone drifting off into strategic no man's land.

"The Russians," he said, "have always gone all-out in their planning (for a tactical, not limited, nuclear war). But make the distinction that they would exclude direct attacks by them on the U.S.A. and direct attacks by us (on them)."

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He then advocated a limitation on the spread of nuclear weapons! Is it any wonder NATO powers are surreptitiously checking the fire escape?



THE PRESIDENT HAS SEEN . . .

Politics - 3

# Sensitive Issues: Welfare, Social Security

*This is the second of a series of articles detailing the differences between President Ford's and Jimmy Carter's positions on major issues likely to face the 95th Congress.*

Much as they might like to, President Ford and Jimmy Carter cannot easily avoid the Social Security and welfare reform issues that have been pitfalls for some other presidential nominees of both parties.

For example, Sen. Barry Goldwater (R. Ariz.) alarmed much of the nation in 1964 with his proposal to make Social Security voluntary, a stand Republicans have taken pains to repudiate ever since. Then in 1972 Sen. George McGovern (D S.D.) floated his plan to guarantee every American an income of \$1,000, which proved an easy target for his opponents.

While such experiences might suggest a cautious, low-profile approach to these issues, certain facts make them impossible for this year's candidates to ignore.

Government reports show the Social Security system running an annual deficit and forecast depletion of the Old Age, Survivors and Disability Insurance (OASDI) trust funds by the early 1980s, unless additional revenues are provided or benefit levels adjusted. In addition, economists warn that demographic factors such as low birth rates combined with the aging of the "baby boom" generation eventually will strain the system even more, requiring a relatively smaller work force to support a larger population of retirees.

## Staggering Caseloads

Another unsettling trend is the sharp growth of welfare caseloads. The Department of Health, Education and Welfare estimates that Aid to Families with Dependent Children (AFDC)—the nation's largest welfare program—now supports 11.5 million persons, compared with 4.4 million in 1965 and 2 million in 1955. And, despite annual federal outlays exceeding \$32-billion for public assistance programs (such as AFDC, Medicaid, food stamps), the numbers of poor Americans continue to rise. In 1974 the Census Bureau counted 24.3 million persons as poor—over one million more than the year before.

In view of such developments, Ford and Carter agree that something must be done to restore public confidence in the Social Security system and to improve the operations of welfare programs. But there has been little consensus on just what steps to take.

## Social Security

### Payroll Tax and Wage Base

Ford and Carter sharply disagree on solutions to the Social Security system's short-run financing problems. In his fiscal 1977 budget request, Ford called for an increase in payroll tax rates, raising both the employer and employee contributions (currently a flat 5.85 per cent of covered earnings) by .3 percentage points apiece. According to administration estimates, the higher rates would produce an extra \$3.5-billion in tax revenues.

Concerned that a tax increase of this size would tend to counteract the stimulative economic effects of the income tax cuts initiated in 1975, Congress effectively rejected the proposal when it agreed upon spending targets in March.

The House Ways and Means Committee, however, is expected to consider tacking a smaller rate increase—.1 per cent for employer and employees—onto "decoupling" legislation (HR 14430), which aims to correct a costly defect in the method used to adjust Social Security benefits for inflation. While the "decoupling" bill is not likely to pass during 1976, chances are good that the 95th Congress will approve some form of the legislation.

Ford has called his proposal to raise payroll taxes essential to the solvency of the Social Security system. "Simple arithmetic warns all of us that the social security trust fund is headed for trouble," Ford said in his 1976 State of the Union message. "Unless we act soon to make sure the fund takes in as much as it pays out, there will be no security for old or young."



## National Issues

The President is staunchly opposed to other approaches for boosting trust fund revenues. Emphasizing his intention to preserve the contributory nature of the program, Ford especially objected to proposals to supplement payroll tax receipts with general tax revenues, even on a temporary basis.

His administration also has been unsympathetic to suggestions involving further extensions of the payroll tax wage base; under existing law, the ceiling on earnings subject to the tax will rise automatically to \$16,500, from \$15,300, in January. Administration spokesmen, such as Social Security Administration Commissioner James B. Cardwell, argued that raising the ceiling on covered earnings would simply compound the system's long-range financial difficulties, because of the link between contributors' taxable earnings and their eventual benefit levels.

Democratic nominee Jimmy Carter has flatly opposed proposals to raise payroll taxes. "Increasing the contribution rate as President Ford has suggested...would put an even greater burden on the average wage earner, would not insure more benefits, and would require everyone to pay more," Carter said.

Blaming Republican economic policies for the current shortages of Social Security revenues, Carter claimed that recent periods of high unemployment and inflation had together deprived the system of tax receipts and necessitated large increases in benefit costs. Carter said he would concentrate on achieving greater reductions in unemployment and inflation to bring the system into balance.

If the deficits persisted, however, Carter said he would support further increases in the taxable earnings base. And, as more of a last resort, he would be willing to use general tax revenues to help finance Social Security.

### Benefits Structure

Both candidates have endorsed the types of changes in the benefits structure contained in the "decoupling" bill. Introduced at Ford's request, the bill would end current techniques of adjusting benefit schedules for both wage and price increases—an overcompensation for inflation that could allow recipients' benefits to exceed their pre-retirement wages. Carter has proposed a similar reform,



aimed at guaranteeing current workers the same relationship between benefits and wages in effect for current retirees.

Beyond the existing financial difficulties, few campaign proposals address longer-run or more permanent concerns. With projections raising doubts about the ability of future generations to support the growing population of retired persons, for example, the wisdom of maintaining the current "pay-as-you-go" system has been questioned.

As part of broader plans to improve living conditions of senior citizens, and make retirement life more meaningful, Carter favors some liberalization of the rule requiring proportionate reductions in Social Security payments to beneficiaries earning more than \$2,760 a year. "Let them earn up to \$3,600 at most," Carter recommended, claiming that "it would cost too much" to drop the retirement earnings test entirely.

The Social Security Administration estimates a loss of more than \$6-billion from elimination of the earnings test—a drain the agency claims it cannot afford. Its estimate makes allowance for Social Security taxes—but not income taxes—that beneficiaries would pay if the removal of the restriction induced more retirement-age individuals to continue working.

## Welfare Reform

Social Security does not function purely as a pension plan, of course; it has an income-support component as well. Since the first payments of Social Security benefits in 1940, the benefit schedule has favored workers at the lower end of the income scale, "replacing" larger proportions of their pre-retirement earnings.

Stressing the distinction between social insurance and welfare, proponents of the Social Security system have firmly resisted proposals to make benefits even more directly contingent on means. Advocates of welfare reform, on the other hand, have had somewhat greater success when they have been able to link their proposals with Social Security.

### SSI

In 1974 the Supplemental Security Income (SSI) program administered by the Social Security Administration became the nation's first guaranteed minimum income program. Replacing more than 1,000 state and local public assistance programs, SSI provided uniform federal allowances, based on financial need, to elderly, blind or disabled persons. For the very poorest recipients, the program now provides monthly payments of \$168 per individual and \$252 per couple. (*Background, Weekly Report p. 1508*)

The SSI program was the only part of former President Nixon's Family Assistance Plan (FAP), to aid poor families with children, that survived. The main welfare reform features of the FAP bill—grants of cash and food stamps (totaling \$2,400 for a family of four with no other income) combined with a 50 per cent tax on earnings of more than \$720 a year—were dropped by House-Senate conferees in October 1972. After passing the House in June 1971, the plan met fierce opposition from conservatives in the Senate, led by Finance Committee Chairman Russell B. Long (D La.), who pressed for the inclusion of strict work requirements for able-bodied adults. (*Background, 1972 Almanac p. 899*)

Comprehensive welfare reform efforts have been essentially stalled since then. There have been subsidiary

proposals to increase the share of federal funds supporting AFDC and medical assistance programs, but few plans addressed the issue of converting the existing network of state-run public assistance programs (such as AFDC, Medicaid) and federal "in-kind" aid (such as food stamps) into a single, nationally standard cash payment system.

### Minimum Income Concept

Shortly before she retired, Rep. Martha W. Griffiths (D Mich. 1955-75) broke the ice in December 1974 with a combination cash allowance/tax rebate plan that has served as the model for current proponents of the guaranteed minimum income concept in both the House and the Senate. (*1974 Weekly Report p. 3274*)

Griffiths' plan set the basic benefit for a family of four with no income at \$4,300 and required that the grants be reduced 50 cents for each dollar earned. The payments, to be administered by the Internal Revenue Service, would replace the existing AFDC and food stamps programs. (Revisions of Medicaid, however, would await action on national health insurance plans.) The additional cost of the Griffiths-type reforms is estimated in the \$13-billion to \$15-billion range, if the existing income tax cuts enacted in 1975 remain in effect. Without the tax reductions, the cost is placed at \$22- to \$24-billion.

Politically conservative critics of the welfare system have focused on reducing the role of the federal government and tightening standards of eligibility for relief. One set of proposals advanced by conservatives in both chambers of Congress would eliminate aid to strikers and students and require stricter proof that recipients have sought work. Along with the minimum income plans, these proposals currently are lodged in congressional committees that have taken no action on them.

### Ford

President Ford generally has taken the position that more than piecemeal reform of the welfare system is needed, but not necessarily right away. Maintaining that "complex welfare programs cannot be reformed overnight," Ford also has expressed doubts that the economy could absorb any major new expenditures for welfare before the end of the decade.

In 1974 a special welfare reform group in HEW developed its own version of the guaranteed minimum income plan, which reportedly met with a cool reception at the White House. "I have never believed that a guaranteed annual income was the answer to any of our problems," Ford said during a campaign appearance in Alabama in May. But, emphasizing his dissatisfaction with the existing welfare system, he has asked HEW to make new recommendations on welfare reform, including analysis of minimum income possibilities.

While viewing complete federalization of the system with reservations, Ford has not supported the conservative position that welfare responsibilities be left to state governments alone. "Surely we cannot simply dump welfare into the laps of the 50 states...and just walk away from it," Ford said in his State of the Union address. He also would like the federal government to assume greater control over the eligibility standards, benefit schedules and other organizational aspects of the existing programs. (*Weekly Report p. 135*)

In addition, his administration has made special efforts to revamp the food stamp program. Impatient with the pace

of congressional action, Ford pressed for administrative regulations to reduce program costs and participation levels. New Department of Agriculture standards, currently under court challenge, would drop from the program an estimated 5 million recipients—most with household incomes just above the poverty line. (*Details of food stamp controversy, Weekly Report pp. 2236, 1118*)

### Carter

Carter, in contrast, has said that his administration would consider "a complete overhaul of our welfare system" a high priority matter. "Our welfare system is an insult to those who pay the bill and those who honestly need help," Carter said. "The basic components of a fair and workable program are well known.... It's time to act."

Carter has endorsed the guaranteed minimum payment concept, with some modifications. "We should have...one fairly uniform standard of payment, adjusted to the extent feasible for cost-of-living differences and with strong work incentives built in," Carter told the National Governors' Conference July 6. "In no case should the level of benefits make not working more attractive than working."

To preserve incentives to work, Carter calls for a "two-track" system, essentially separating the employable from the unemployable poor. Under this plan, persons physically able to work—except for mothers of pre-school children—would be considered unemployed. "They should be trained for a job and offered a job," Carter explained, adding that public jobs should be created if necessary. "If they decline the job, they should be ineligible for further benefits."

The Carter campaign estimates that about 10 per cent of current welfare recipients would fall in the employable category. The rest—primarily the aged, the handicapped or disabled, and persons with dependent children—would receive a standard payment "adequate to meet the necessities of life." To encourage these individuals to hold part-time jobs if possible, Carter favors increasing the amounts they can earn without triggering a reduction of their benefits.

Unlike McGovern, Carter has not attempted to attach numbers and prices to these proposals. Details such as the specific benefit levels for either group of recipients and the benefit-reduction—or "tax"—rates applied to earnings, his campaign explains, are matters to receive careful study from his administration. Similarly, without such specifications, cost estimates cannot yet be made, though Carter has indicated that expenditures in the \$20-billion range would not be acceptable. In a press conference Sept. 3, he also stressed the need to balance the federal budget during his first term, delaying such programs as welfare reform if necessary.

Though Carter consistently has characterized the existing collection of state-run assistance programs as "a crazy quilt of regulations administered by a bloated bureaucracy," he does not favor complete federal sponsorship of welfare. His plans call for the federal government to assume a "substantial part" of the funding and, when financially feasible, a phased reduction of the states' shares of the cost. Localities would not have to foot any of the bill, as New York City now does.

As part of his proposals for uniform national criteria for welfare benefits, Carter urged the elimination of regulations that encourage fathers to desert their families. "Family stability should be encouraged by assuring that no family's

financial situation will be harmed by the breadwinner remaining with his dependents," Carter told the Democratic Party Platform Committee in June, "and efforts should be made to have fathers who abandon their family be forced to continue support."

Carter also emphasized the need to relate welfare reform to changes in existing government employment programs.

## Outlook

Because Carter is making an issue of welfare reform during his campaign, the legislative prospects for comprehensive changes in the system generally are considered much brighter under Carter than under Ford. "If Carter's elected, you'll see new life at HEW," predicted a congressional aide to Robert J. Cornell (D Wis.), a main organizer of large-scale welfare reform efforts in the House.

In addition, there are definite plans to revive in the 95th Congress current congressional proposals for a guaranteed minimum income. These include companion bills by Cornell (HR 6430), Sens. Jacob K. Javits (R N.Y.) and McGovern (S 3000), as well as a separate bill (S 3665) by Sen. J. Glenn Beall Jr. (R Md.). In the next Congress, these sponsors generally anticipate more help from a Carter administration than from a Ford administration.

Some observers also expect Ford, if re-elected, to be more receptive to minimum income-type programs in his next term than he has been in the past. In either case, much probably will depend on outside momentum for change. "There's little interest now among members of Congress," one welfare reform proponent said. "They think it's too controversial and costly, and they'd rather not get involved."

Further, as the McGovern campaign found out, the concept of a guaranteed annual income can quickly lose its appeal when numbers and cost figures are identified. A cash program that aids any significant numbers of the working poor, explained a congressional specialist in welfare reform, will not necessarily cost any less than is being spent on public assistance already—and may cost a great deal more. "Setting the specific benefit levels will be very difficult," she added, noting that the incomes of about 10 per cent of American families fall just above the poverty line, making them eligible for some benefits under such a plan.

### Social Security

The debate over how to rescue the Social Security system will also certainly continue into the next Congress. While a Ford administration might renew its request for an increase in payroll taxes, its chances in Congress—if unemployment rates remain well above 7 per cent—probably would be slight.

According to projections in both the Carter and Ford camps, some form of "decoupling" would eliminate about half of the long-range deficit in the Social Security system, making the need for revenues less pressing.

In the meantime, as the government deliberates on the issue of Social Security financing, the system itself is in no danger of "going under." Acknowledging that, unlike a private insurance company, the government can always stand behind its payment obligations, the Ford administration has said that "the public's benefits are not in jeopardy." And Jimmy Carter would probably add, "You can depend on it."

—By Mary Eisner Eccles

## Arizona: Steiger Defeats Conlan

A bitter campaign clouded by personal animosity and charges of anti-Semitism ended Sept. 7 as Arizona Republicans chose U.S. Rep. Sam Steiger to run for the Senate seat being vacated by incumbent Republican Paul J. Fannin. Steiger defeated U.S. Rep. John B. Conlan by fewer than 10,000 votes. He faces a difficult contest in the general election against Democrat Dennis DeConcini, the former Pima County (Tucson) attorney who resigned to make the race. DeConcini won the Democratic nomination by almost 50,000 votes over Carolyn Warner, the state superintendent of public instruction, and Wade Church, a former state attorney general. (*Arizona outlook, Weekly Report p. 2324*)

In the Republican contest, the deciding factor may have been the endorsement of Steiger by Sen. Barry Goldwater, who accused Conlan of trying to make an issue of the fact that Steiger is Jewish. Conlan has close ties with Christian fundamentalist groups and he frequently mentioned the need to involve Christians actively in politics. He struck back at the endorsement with statements hinting that Goldwater drank too much. The campaign ended with the GOP badly split and Conlan refusing to concede defeat or talk to the press.

Steiger and Conlan each carried the small rural counties in his own congressional district. In Maricopa County (Phoenix), a constituency they share and one which casts a

majority of the GOP vote, Steiger was the winner by about 8,500 votes. This was more than enough to cancel Conlan's edge in southern Arizona and his 1,100 vote majority in Pima County (Tucson).

The Democratic primary was largely overshadowed by the Republican feuding, but DeConcini goes into the general election with at least an even chance to win. He carried every county except small Apache in the northeast corner of the state, winning over Warner by nearly 18,000 in Maricopa and by 19,000 in Pima, his home base. Warner needed a strong showing in the Phoenix area to have any chance, but her campaign suffered from a late start and poor organization.

The House seats vacated by Steiger and Conlan could go to either party. Steiger's 3rd District will have a battle between two conservative state senators, Democrat Bob Stump and Republican Fred Koory. Stump had been the early favorite for his party's nomination, but took less than one-third of the vote in a five-way race. Koory won easily over Don Aldridge, a Mohave County commissioner. In the 4th District, Democrat Tony Mason won his primary by a comfortable margin over blind State Rep. Craig E. Davids. He will face Republican Eldon Rudd, a Maricopa County supervisor who defeated a state corporation commissioner, Ernest Garfield.

The two incumbents seeking re-election, Democrat Morris K. Udall and Republican House Minority Leader John J. Rhodes, were renominated easily over weak opposition. Udall is a shoo-in in November, while Rhodes is favored in a rematch with Democrat Pat Fullinwider, who gave him a close race in 1974.

—By Matt Pinkus

### SENATE†

District	Location	Candidate	Residence	Age	Occupation	Votes	Per Cent
		Wade Church (D)	Phoenix	67	Former state attorney general	34,138	15.1
		Dennis DeConcini (D)*	Tucson	39	Former Pima County attorney	121,002	53.4
		Carolyn Warner (D)	Phoenix	46	Superintendent of public instruction	71,343	31.5
		John B. Conlan (R)	Paradise Valley	45	U.S. representative	92,812	47.5
		Sam Steiger (R)*	Prescott	47	U.S. representative	102,506	52.5

### HOUSE†

1	Southern Phoenix, Tempe, Mesa	Pat Fullinwider (D)*	Tempe	35	Housewife	Unopposed	
		John J. Rhodes (R)*	Mesa	60	Incumbent	36,962	76.9
		Louis E. Stradling (R)	Mesa	59	City councilman	11,121	23.1
2	South—Tucson	Ruben Romero (D)	Tucson	41	City councilman	14,181	21.4
		Morris K. Udall (D)*	Tucson	54	Incumbent	52,238	78.6
		Laird Guttersten (R)*	Tucson	51	Management consultant	Unopposed	
3	Western Phoenix, Glendale, Yuma	Tony Gabaldon (D)	Flagstaff	45	State senator	10,573	18.9
		Max Klass (D)	Glendale	49	Former mayor	6,352	11.4
		Joe Eddie Lopez (D)	Phoenix	36	Maricopa county supervisor	7,297	13.0
		Sid Rosen (D)	Phoenix	37	Lawyer	14,193	25.4
		Bob Stump (D)*	Tolleson	49	State senate president	17,524	31.3
		Don Aldridge (R)	Lake Havasu City	38	Mohave County supervisor	18,766	36.5
		Fred Koory Jr. (R)*	Glendale	36	State senator	32,626	63.5
4	East—Northern Phoenix	Craig E. Davids (D)	Coolidge	57	State representative	26,679	46.6
		Tony Mason (D)*	Phoenix	37	Lawyer	30,619	53.4
		Ernest Garfield (R)	Phoenix	44	State corporation commissioner	22,273	41.2
		Arch DiRoberts (R)	Fountain Hills		Former policeman	3,837	7.1
		Eldon Rudd (R)*	Scottsdale	56	Maricopa County supervisor	27,989	51.7

\*Nominee

†Nearly complete returns

### Sikes Renominated:

## Florida: Grady Wins GOP Senate Nomination

John L. Grady swamped two other Senate candidates in Florida's Sept. 7 primary to win the Republican nomination to oppose Democrat Lawton Chiles in November. All House incumbents seeking renomination won it, including veteran Democrat Robert L. F. Sikes, who was reprimanded by the House for financial misconduct in July. (*Florida outlook, Weekly Report p. 2353*)

Grady, who had been expected to win, received two-thirds of the vote against State Sen. Walter Sims and attorney Helen S. Hansel. A member of the national board of the John Birch Society, Grady was the American Party candidate for the Senate in 1974. He received 15.5 per cent that year against Sen. Richard (Dick) Stone (D) and Republican Jack M. Eckerd. Grady is a physician in Belle Glade.

In the 8th District, six Democrats and four Republicans competed for the seat of retiring Democratic Rep. James A. Haley. The Democratic winner, with about 150 votes more than the required majority, was Andy Ireland. The wealthy banker made use of experienced political consultants and extensive advertising. Ireland led his closest rival, conservative State Rep. Ray Mattox, by 9,600 votes.

### Runoff Ahead

The Republican primary in the 8th resulted in a runoff to be held Sept. 28 between State Rep. Robert Johnson and Joe Z. Lovingood. Johnson led by 3,000 votes over Lovingood, who ran against Haley three times without success. Registered Democrats outnumber Republicans two-to-one in the district, but voters there frequently support GOP candidates in statewide elections.

In the 12th District, where Democrats believe they have a good chance of defeating Republican Rep. J. Herbert Burke, the field of eight was narrowed to a runoff between Anne L. Kolb and Charles Friedman. Kolb, who led the Democratic primary by about 3,500 votes, is a county commissioner with liberal views. Friedman is a dentist who had

no political experience in 1974 when he nearly upset Burke. The runoff could be close.

Democrats also believe their chances are good in the 5th District against first-term Republican Rep. Richard Kelly, but first they must have a runoff. JoAnn Saunders, who lost to Kelly by 11,300 votes in 1974, came within about 50 votes of winning a majority in the five-candidate Democratic primary. Her opponent in the runoff is Miller Newton, who trailed Saunders Sept. 7 by nearly 20,000 votes. Newton benefitted in the primary from several newspaper endorsements and from the surprising failure of an expensive advertising campaign by Sidney L. Vihlen Jr.

### Close Call

Democratic Rep. Don Fuqua had a close call in the three-man 2nd District primary. Until the absentee ballots were counted, giving Fuqua about 200 votes more than a majority, it appeared that he would be in a runoff with Russell R. Bevis. A former mayor of Tallahassee, Bevis relied heavily on television advertising. Fuqua is assured of his eighth term. He has no Republican opponent.

First District Democrats overwhelmingly approved Sikes, 70, despite charges by his young opponent, John J. Benton Jr., that Sikes would be ineffective in Congress because of the reprimand. The House on July 29 voted 381-3 to reprimand Sikes for financial misconduct. Sikes has no Republican opponent. (*Reprimand, Weekly Report, p. 2027*)

Rep. L.A. (Skip) Bafalis (R), of the 10th District will again meet Democrat Bill Sikes, winner of a three-man primary. Sikes (no relation to Robert Sikes) ran against Bafalis in 1972 and drew 38 per cent of the vote. Against another Democrat in 1974, Bafalis took 73.7 per cent.

—By James R. Wagner

### SENATE‡

Candidate	Residence	Age	Occupation	Votes	Per Cent
Lawton Chiles (D)*	Lakeland	46	Incumbent	Unopposed	
Walter Sims (R)	Orlando	53	State senator	70,995	30.2
John L. Grady (R)*	Belle Glade	46	Physician	157,846	67.1
Helen S. Hansel (R)	St. Petersburg	54	Lawyer	6,247	2.7

### HOUSE‡

District	Location	Candidate	Residence	Age	Occupation	Votes	Per Cent
1	Northwest—Pensacola, Panama City	Robert L. F. Sikes (D)*	Crestview	70	Incumbent	84,467	73.7
		John J. Benton Jr. (D)	Panama City	26	Former Commerce Dept. economist	30,104	26.3
2	North—Tallahassee, Gainesville	Russell R. Bevis (D)	Tallahassee	50	Insurance executive	41,587	32.4
		Don Fuqua (D)*	Altha	43	Incumbent	64,416	50.2
		Jack Armstrong (D)	Tallahassee	32	Former education official	22,375	17.4
3	Northeast—Jacksonville	Charles E. Bennett (D)*	Jacksonville	66	Incumbent	Unopposed	

‡Nearly complete returns

\*Nominee

District	Location	Candidate	Residence	Age	Occupation	Votes	Per Cent
4	Northeast—Daytona Beach	Bill Chappell Jr. (D)*	Ocala	54	Incumbent	52,890	66.4
		J. O. Townley (D)	Candler			18,992	23.8
		Tommy Boney (D)	Keystone Heights	39	Park superintendent	7,788	9.8
5	West Central—Clearwater, Orlando	Don T. Reynolds (D)	Sanford	41	High school principal	7,529	10.7
		James E. Sursely (D)	Maitland	28	Vietnam veteran	3,094	4.4
		JoAnn Saunders (D)†	Orlando	42	Former businesswoman	34,982	49.8
		Sidney L. Vihlen Jr. (D)	Altamonte Springs	35	Seminole County commissioner	9,536	13.6
		Miller Newton (D)†	Lutz	37	Pinellas-Pasco Circuit Court clerk	15,053	21.5
		Richard Kelly (R)*	New Port Richey	52	Incumbent	Unopposed	
6	West—St. Petersburg	Gabriel Cazares (D)*	Clearwater	56	Mayor	Unopposed	
		C. W. Bill Young (R)*	St. Petersburg	45	Incumbent	Unopposed	
7	West—Tampa	Sam Gibbons (D)*	Tampa	56	Incumbent	Unopposed	
		Dusty Owens (R)*	Tampa	46	Businessman	Unopposed	
8	West Central—Lakeland, Sarasota	Ray Mattox (D)	Winter Haven	49	State representative	15,710	22.3
		William Willner (D)	Sarasota	50	State consumer official	1,249	1.8
		Andy Ireland (D)*	Winter Haven	46	Banker	35,326	50.2
		T. David Burns (D)	Lakeland	48	Lawyer	3,338	4.7
		William A. Hartman (D)	Sarasota		Marketing executive	3,206	4.6
		Jerome Pratt (D)	Palmetto		Lawyer	11,522	16.4
		David M. Molthrop (R)	Lakeland	61	Business executive	2,037	6.7
		Robert Johnson (R)†	Sarasota	41	State representative	14,354	47.7
		Joe Z. Lovingood (R)†	Sarasota	51	Realtor, building supply dealer	11,348	37.7
		Lex Taylor (R)	Lakeland			2,369	7.9
9	East Central—Melbourne, Orlando	Joseph A. Rosier (D)*	Winter Park	39	Maitland municipal judge	25,572	69.2
		Frank J. Dama (D)	Orlando	57	Company president	11,399	30.8
		Lou Frey Jr. (R)*	Orlando	42	Incumbent	Unopposed	
10	South Central—Fort Pierce, Fort Myers	Robert F. Culpepper (D)	Jupiter	44	County commissioner	21,002	28.9
		G. W. Jerry Bowers (D)	Stuart	47	Writer, photographer	14,400	19.8
		Bill Sikes (D)*	Clewiston	33	Life insurance agent	37,312	51.3
		L.A. (Skip) Bafalis (R)*	Ft. Meyers Beach	46	Incumbent	Unopposed	
11	Southeast—West Palm Beach, Pompano Beach	Paul G. Rogers (D)*	West Palm Beach	55	Incumbent	Unopposed	
12	Southeast—Fort Lauderdale, Hollywood	John Lomelo Jr. (D)	Sunrise	48	Mayor-administrator	4,988	11.3
		Frederick Lippman (D)	Hollywood	41	Pharmacist	4,421	10.0
		Charles Friedman (D)†	Hollywood	41	Dentist	8,694	19.6
		Andrew DeGraffenreid (D)	Ft. Lauderdale	48	Educator	5,044	11.4
		Art Barker (D)	Ft. Lauderdale			5,092	11.5
		Joseph K. O'Brien (D)	Ft. Lauderdale			2,204	4.9
		Anne L. Kolb (D)†	Plantation	44	County commissioner	12,139	27.4
		Bill Brown (D)	Lauderdale Lakes			1,715	3.9
		J. Herbert Burke (R)*	Hollywood	63	Incumbent	Unopposed	
13	Northern Miami and suburbs	William Lehman (D)*	Miami	44	Incumbent	35,981	71.3
		Robert Renick (D)	Miami	42	TV production and lighting	7,653	15.2
		Dick Watson (D)	Miami	60	Golf equipment sales	1,175	2.3
		E. C. (Mike) Ackerman (D)	Miami			5,626	11.2
		Lee Arnold Spiegelman (R)*	Miami Shores	49	Attorney-business executive	Unopposed	
14	Central Miami and suburbs	Claude Pepper (D)*	Miami	76	Incumbent	Unopposed	
		Herbert J. Hoodwin (R)	Coral Gables	55	Consulting engineer-general contractor	2,340	42.8
		Evelio S. Estrella (R)*	Miami			3,133	57.2
15	Southern Miami, Monroe County	Dante B. Fascell (D)*	Miami	59	Incumbent	Unopposed	
		Paul R. Cobb (R)*	Miami	29	Former college instructor	Unopposed	

\*Nominee

†Runoff Sept. 28

## Georgia Runoff

Georgia Democrats in three congressional districts preferred moderate candidates in the Aug. 31 primary runoffs as they chose replacements for three retiring House members. Two of the winners are assured of election in November; the third faces a potentially strong Republican opponent in the general election. (Primary results, *Weekly Report p. 2199*)

In the 8th District (South central—Macon, Waycross) vacated by five term Rep. W.S. (Bill) Stuckey, the runoff between two Georgia state representatives was won by Billy Lee Evans, 34, of Macon. He received 54,055 votes (51.7%) in nearly complete returns to 50,582 (48.3%) for Wash Larsen, 48, of rural Dublin. The outcome reversed the result of the primary, in which Larsen had led by several thousand votes with heavy rural support.

In the runoff, however, Evans managed to put together a diverse coalition. He was endorsed by two opponents eliminated in the primary, one of them a conservative member of the John Birch Society, but he also courted and won a majority of the district's black voters. Larsen was reportedly helped by Stuckey and several of Stuckey's congressional staff aides, but the rural turnout was too low to overcome an 11,000-vote Evans plurality in Bibb County (Macon).

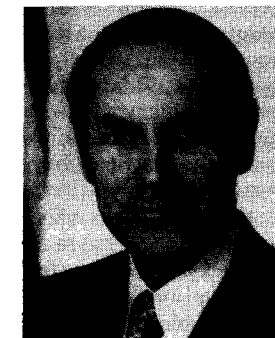
In the general election, Evans will be favored over a well-known Republican candidate, Billy Adams, 48, also from Macon. Adams is a petroleum distributor and a former state senator.

The runoff in the northern 9th District was not much of a contest. The Democratic nominee there will be Ed Jenkins, 43, a former aide to retiring Rep. Phil M. Landrum and law partner of Landrum's son. He received 58,905 votes (55.1%) to 47,963 votes (44.9%) for his runoff opponent. Jenkins defeated J. Albert Minish, a conservative dentist and former mayor of Commerce, winning 14 of the district's 23 counties, including populous Gwinnett in the Atlanta suburbs. Minish won his home county of Jackson and several others in the southeast part of the district. Jenkins has token opposition in November from Republican Louise Wofford.

The closest race in the state was in the 10th District, dominated by the cities of Athens and Augusta, where a successor was chosen for retiring Rep. Robert G. Stephens Jr. In final unofficial returns, Doug Barnard, 54, executive vice president of the Georgia Railroad Bank in Augusta, received 43,294 votes (51.7%) to 40,495 votes (48.3%) for Mike Padgett, 52, a former state senator. Barnard, former



Billy Lee Evans



Doug Barnard

executive secretary to former Gov. Carl Sanders (D 1963-67), is thought to be more liberal than the incumbent, while Padgett is a conservative and former aide to Lester G. Maddox, the controversial ex-governor and lieutenant governor. Padgett depended on rural votes, and carried 14 of the 21 counties in the district. But Barnard received a 7,000-vote margin in Atlanta and Augusta, enough for a 2,799-vote district-wide plurality.

Barnard has no Republican opposition on the November ballot.

## Connecticut Results

Geoffrey Peterson won a mild upset victory in Connecticut's 4th District Democratic U.S. House primary, Sept. 7, earning the chance to challenge Republican incumbent Stewart B. McKinney in the fall. The 4th District Democratic race was the only contest in the state primary. There was no primary battle in either party for the Senate or for the other five House seats.

Peterson, 30, a former administrative assistant to Sen. Abraham Ribicoff, defeated Charles B. Tisdale by a margin of 1,122 votes. Complete but unofficial returns showed Peterson with 8,788 votes (53.4 per cent) to Tisdale's 7,666 votes (46.6 per cent).

Tisdale, 43, a black and a former director of Bridgeport's anti-poverty program, had won the support of the party organization at the district convention in July, making him a slight favorite when the campaign began. But Peterson campaigned aggressively and carried most of the major communities in the district, including Bridgeport, Tisdale's home base.

McKinney ran unopposed in the Republican primary and is seeking his fourth term in the House.

Sen. Lowell P. Weicker Jr. (R) was unopposed for renomination to the Senate. His Democratic challenger, also unopposed in the primary, will be Secretary of State Gloria Schaffer.

## North Dakota Results

Richard Elkin won a lopsided victory in the Republican gubernatorial primary and Lloyd B. Omdahl triumphed in the Democratic U.S. House race—the only two contests in the Sept. 7 North Dakota primary. Elkin's win matches him against Democratic Gov. Arthur A. Link, who was unopposed in his party's primary. Omdahl faces the Republican incumbent, Mark Andrews, who was also unopposed.

The easy victories recorded by Elkin and Omdahl were anticipated. Both had gained the endorsement of their party's state convention and faced nominal primary opposition. Elkin, 43, chairman of the state's public service commission, defeated his lone opponent, Herb Geving, a former member of the state legislature, by a margin of more than 4-1. Nearly complete returns showed Elkin with 46,210 votes (81.9 per cent) to Geving's 10,201 votes (18.1 per cent).

Omdahl, 45, the state director of accounts and purchases, was drafted by Democratic leaders who felt his presence on the ticket would help Gov. Link and the party's legislative candidates. Omdahl won his primary contest handily over Torfin A. Teigen. Nearly complete returns gave Omdahl a more than 6-1 lead, with 39,356 votes (86.2 per cent) to Teigen's 6,302 votes (13.8 per cent).



**Jackson Safe:**

# Washington: Scramble to Succeed Evans

The major contest in Washington's Sept. 21 primary is for the governorship, with close contests expected in both major parties. Democratic Sen. Henry M. Jackson, whose presidential ambitions were shot down in the early primaries, is certain to be re-nominated and re-elected over token opposition. In House races, Democrats are choosing the likely successor to retiring Rep. Floyd V. Hicks in the 6th District primary, while Republicans are targeting Democrats Mike McCormack and Lloyd Meeds for defeat in the general election.

## Senate

**Incumbent.** Henry M. Jackson (D), 64, of Everett, is seeking a fifth term.

**Democrats.** Jackson; Paul Gumbel of Seattle; Dennis (Hitch Hiker) Kelley of Seattle.

**Republicans.** George M. Brown of Renton; Will Davis of Seattle; Warren E. Hanson of Bellingham; Henry C. Nielsen of Seattle; Wilbur R. Parkin of Centralia; and Clarice L.R. Privette of Spokane.

**Outlook.** Despite the large field of primary candidates, the Senate race effectively ended in May, when Jackson abandoned his active pursuit of the Democratic presidential nomination. Republican Slade Gorton, the popular state attorney general, and Democratic Rep. Brock Adams of Seattle had been waging a shadow campaign for the seat up to then. They dropped out to seek re-election to their current offices.

Jackson has token opposition in his own primary, and the Republican field consists of political neophytes and perennial office-seekers. Republican sources in Washington believe the party's nominee will be either George M. Brown, 40, of Renton, a pilot for United Airlines, or Henry C. Nielsen of Seattle, a life insurance underwriter. Neither one has any chance in a general election, and Jackson's victory margin may exceed the 82.4 per cent he received in 1970.

## Governor

**Incumbent.** Daniel J. Evans (R), 50, is retiring after 12 years in office.

**Republicans.** John Spellman, 49, of Seattle, the King County executive; Harley Hoppe, 45, of Mercer Island, the King County assessor; John (Hugo Frye) Patric of Snohomish; Carl D. Ricketts of Fall City; Emmett Watson, 56, a Seattle restaurant owner.

**Democrats.** Dixy Lee Ray, 61, of Fox Island, former chairman of the Atomic Energy Commission (1973-74) and former U.S. assistant secretary of state (1974-75); Wes Uhlman, 41, the mayor of Seattle; Marvin Durning, 47, a Seattle lawyer; Duke Stockton of Olympia.

**Outlook.** Both parties have sharply contested primaries to succeed Evans, but voters are just beginning to take notice of the campaign even though the candidates have been on the stump for months. The biggest surprise thus far has been Ray's strong showing in a variety of public opinion polls despite her lack of organization or large

amounts of campaign funds. As a scientist and former chairman of the Atomic Energy Commission, she has no previous involvement in state issues, but her apolitical image appears to be a solid asset in a year when voters are seeking new kinds of candidates. Ray's campaign has developed late; she recently shuffled her staff and placed more emphasis on voter contact and mailings, symbols of the more traditional politics she has not practiced up to now.

Uhlman, the mayor of Seattle, is hoping to overcome the Ray phenomenon with heavy spending and an appeal to liberals who dislike Ray's conservative image, advocacy of nuclear power and lack of experience in state politics. He has worked hard to increase his recognition in the vast expanse of eastern Washington where a big city mayor is ordinarily suspect. Despite his liberal image, Uhlman has been tough on municipal unions in labor negotiations. He was the target of a recall effort last year sponsored by the city's firemen. His stance was overwhelmingly sustained by Seattle's voters.

Uhlman is believed to trail Ray by a small margin, but both appear to be well ahead of Durning, a lawyer who has been stressing environmental issues. Durning has been campaigning the longest and has been spending heavily, but does not appear to have moved close to the leaders. Durning was endorsed in August by the Washington Education Association.

The Republican race is an ideological struggle between competing wings of the state party. Spellman represents the moderate Republicanism of Evans, whose faction dominated the party until recently. His reputation is that of an efficient executive but a colorless campaigner in contrast with Hoppe, an aggressive and controversial conservative. Both hold countywide office in Seattle. The conservatives now control the machinery of the state party, but Spellman is considered the slight favorite. He is also thought to be more electable in a statewide race.

Washington voters do not register by party, so crossovers could further confuse the outlook in a contest that still appears volatile in both parties.

### 4th District (Central—Yakima, Vancouver)

Republicans are gearing up for another effort to oust Democratic Rep. Mike McCormack, 54, of Richland, who is seeking a fourth term. McCormack has never won by large margins and is not popular with environmental lobbying groups.

The candidate who could give McCormack a tough contest in the general election is Dick Granger, a county commissioner from Clark County (Vancouver) at the southern end of the district. Granger, a moderate Republican, spent over \$20,000 in the first half of the year building a campaign organization. He is a solid favorite to take the GOP nomination over two more conservative challengers. Granger received a \$5,000 contribution in June from the League of Conservation Voters Campaign Fund.

One of Granger's opponents, James C. May, 30, is the son of former Republican Rep. Catherine May (R 1959-71), who was beaten by McCormack six years ago. He quit his

## Washington House Candidates

District	Democrats	Republicans
1	Carl Viking Holman Dave Wood	*Joel Pritchard
2	Don Lenderman *Lloyd Meeds	John Nance Garner
3	*Don Bonker	Richard F. Dideon Chuck Elhart
4	*Mike McCormack	Bruce Cone Dick Granger James C. May #Charles Kimball
5	*Thomas S. Foley	Jeff G. Prosser
6	Norman D. Dicks Gordon N. Johnson Jim O'Donnell Jim Nicholls Mike Parker Eugene W. Wiegman	Robert M. Reynolds George Van Buskirk
7	*Brock Adams Jack May	William M. Champion Raymond Pritchard

\* Incumbent  
# Deceased

Washington, D.C., job with the Grocery Manufacturers of America earlier this year to organize a campaign, but is not given much chance to overtake Granger. The third candidate, Bruce Cone, is an economist from Kennewick.

### 6th District (Puget Sound—Bremerton, Tacoma)

Incumbent Floyd V. Hicks (D), 61, is quitting the House after six terms to seek a seat on the state supreme court. The district is heavily Democratic, and Hicks' probable successor should emerge from a six-man primary.

If campaign spending decides the race, the winner may be Norman D. Dicks, 35, of Port Orchard, who was the administrative assistant to Sen. Warren G. Magnuson for three years until he resigned to start a campaign here. Dicks is receiving support from labor and many of the special interest groups he and Magnuson dealt with over the years. He raised more than \$60,000 through June.

The other candidates lack Dicks' ability to tap outside contributors, but several have substantial campaign chests of their own and more recent visibility in the district. The most aggressive campaign is being waged by Mike Parker, 29, a state representative and pharmaceuticals salesman from Tacoma who contributed nearly \$20,000 to his own effort, announcing that it was an inheritance from his grandmother. Parker has been an active legislator, but opponents have criticized him as a publicity-seeker who prefers media attention to legislative success.

Gordon N. Johnson, 58, the mayor of Tacoma for eight years, has not been as active but is expected to benefit from his wide recognition in the district's largest city. However, that base vote must be shared with Parker and Eugene W. Wiegman, 46, a former president of Pacific Lutheran University. Wiegman is considered somewhat more conservative than the others.

The favorite for the Republican nomination in a three-way primary is Robert M. Reynolds, a Tacoma lawyer. ■

—By Matt Pinkus

## Wyoming

There is little suspense about the congressional primaries coming up in Wyoming Sept. 14. Both parties will be nominating candidates for the Senate and for the House, but there are certain winners in each case.

Democratic Sen. Gale W. McGee has no primary opposition in his bid for a fourth term. State Sen. Malcolm Wallop, 43, of Big Horn, is the overwhelming favorite in the Republican primary. His two opponents are Doyle Henry, 49, a salesman from Casper, and Nels T. Larson, 63, a Lutheran minister from Casper. Henry was a candidate in the 1972 Democratic Senate primary and finished second in a field of five, drawing 18.6 per cent of the vote.

On the House side, Democratic Rep. Teno Roncalio has minor primary opposition from Al Hamburg, a 44-year-old Torrington house painter who ran for the Republican nomination unsuccessfully in 1972 and 1974. The unchallenged Republican candidate is Larry Hart of Powell, who resigned as a Navy lieutenant in order to challenge Roncalio.

The fall campaigns will be more exciting. Both Roncalio and McGee begin the campaign as favorites, but McGee has a formidable challenger in Wallop, who sought the GOP gubernatorial nomination in 1974 and came within 400 votes of winning it with a late-starting campaign keyed to environmental protection. Roncalio, the only Democrat elected to the House from Wyoming since World War II, was a narrow victor in 1970 and 1972 before winning comfortably two years ago in a strong Democratic year. ■

## Filing Completed

### Delaware

There were no primaries for the governorship or congressional races in Delaware this year. Democratic Gov. Sherman W. Tribbitt will be opposed by Republican U.S. Rep. Pierre S. (Pete) du Pont and two minor candidates, George W. Cripps of the American Party and Harry Conner of the Prohibition Party. In the Senate race, Republican Sen. William V. Roth Jr. faces Democrat Thomas C. Maloney, American Party candidate Donald G. Geis and Prohibition candidate John Massimilli. There will be six candidates for the state's at-large seat in the House of Representatives—Republican Thomas B. Evans Jr., Democratic and GOP nominees will be joined on the American Party, Raymond Green of the Prohibition Party, Joseph B. Hollon of the Socialist Labor Party, and Philip Valenti of the U.S. Labor Party.

### Hawaii

A flood of candidates joined the Hawaii Senate race before the Aug. 18 filing deadlines, and three minor parties also qualified for the general election.

The major Democratic candidates are U.S. Reps. Patsy T. Mink and Spark M. Matsunaga. Also on the primary ballot are Floyd C. Loving, Nathan N. Napoleon and Kamuela Price. On the Republican side, former Gov. William F. Quinn is opposed by Spencer J. Cabral. The Democratic and GOP nominees will be joined on the November ballot by Rockne Johnson of the Libertarian Party, James D. Kimmel of the Non-partisan Party and Anthony N. Hodges of the People's Party. ■

## Conferees Still Stalled On Abortion Provision Of Labor-HEW Funds Bill

The \$56.6-billion fiscal 1977 Labor-HEW appropriations bill (HR 14232) remained hung up on the issue of abortion Sept. 9, as a House-Senate conference committee failed for the second time to resolve the impasse.

At issue was a House-passed amendment which would ban the use of federal funds in the bill to pay for or to promote abortions. The Senate struck the language from the bill, and when conferees were unable to agree on a middle ground in August, both houses voted to insist on their positions and asked the conferees to meet again. (Earlier story, *Weekly Report p. 2344*)

As about 50 anti-abortion demonstrators, carrying roses, waited outside, the conferees rejected four different compromise proposals.

On a 7-2 vote, the Senate conferees turned down a proposal by the House to retain the anti-abortion amendment with additional language to permit abortions if a birth would endanger the life of the mother.

Sen. Edward W. Brooke (R Mass.), who led the opposition to the House proposal, said it did not go far enough. Brooke argued that the amendment would not permit payments for abortions where a birth presented a risk of permanent injury to the mother or where the pregnancy had resulted from rape or incest.

The House conferees then rejected a proposal offered by Sen. Ted Stevens (R Alaska) which would have allowed payments for abortions where the "physical or mental health" of the mother was in jeopardy or where the pregnancy had resulted from rape or incest.

Rep. Silvio O. Conte (R Mass.) said such an exemption would provide too much leeway for the Department of Health, Education and Welfare (HEW) to define what was likely to endanger the physical or mental health of the

*The decision to allow federal payments for abortions was made by "some long-haired, striped-pants clerk at HEW."*

—Rep. Daniel J. Flood (D Pa.)

mother. "HEW's interpretation would totally emasculate the amendment," Conte said.

And Rep. Daniel J. Flood (D Pa.), chairman of the House conferees, charged that the original decision to allow federal payments for abortions had been made by "some long-haired, striped-pants clerk at HEW."

Flood argued that the issue of pregnancies resulting from rape or incest was "so remote that its consideration is academic."

The House conferees then rejected two proposed compromises offered by Rep. David R. Obey (D Wis.), again on the grounds that they would allow too much leeway for HEW.

Finally the conferees agreed only to meet again, on Sept. 13, to take another crack at compromise. In the meantime Senate conference chairman Warren G. Magnuson (D Wash.) agreed to poll senators who were absent when the vote was taken on the House-backed compromise proposal, an action not expected to change the outcome of the vote.

Despite the seeming obstinacy of both sides, members remained confident that some kind of compromise could be reached. Brooke predicted that the House members would agree to soften their language rather than risk killing the entire bill.

The result would present a difficult choice for President Ford, who would then have to decide whether to sign or veto a bill which was \$4-billion over his budget but which also carried an anti-abortion amendment. Ford had made a campaign issue out of his opposition to abortion.

Brooke and other Republicans predicted that the budget-minded President would nevertheless veto the bill. In order to have an opportunity to override the expected veto before its scheduled Oct. 2 adjournment date, Congress will have to send the bill to the President by Sept. 21. ■

—By Thomas P. Southwick

## Ford Signs Bill Increasing Aid to Day Care Centers

Faced with probable congressional rejection of a second veto, President Ford Sept. 7 signed legislation (HR 12455—PL 94-401) providing \$240-million in new federal support for day care centers for the poor. In May, Congress sustained a veto of an earlier version of the bill. (*Weekly Report p. 1115*)

With an eye to Democratic criticism of his long list of vetoes, Ford contended that his first veto had forced Congress to develop a more responsible bill. "Without this constitutional check and balance," he said, "the original bill might now be law and making day care services more costly to the taxpayer and increasing the federal intrusion into family life."

The President opposed the first bill primarily because it would have imposed federal staffing standards on day care centers serving children from low-income families. He argued that such standards should be set by the states.

HR 12455 postponed imposition of the staffing standards until Oct. 1, 1977, pending completion of a government study. It also provided the additional \$240-million through that date to help states make general improvements in their day care programs. (*Final congressional action, Weekly Report p. 2345*)

Ford said he had "serious reservations" about the amount of extra funding provided by the bill. But heavy Republican support in Congress for the measure weighed against a second veto eight weeks before election day. ■

## House Votes Changes In SSI Program Aiding Aged, Blind, Disabled

While sidestepping broader welfare "reform" measures, the 94th Congress is moving in its waning days to make life a little easier for the more than four million needy aged, blind and disabled persons qualifying for welfare assistance under the federal Supplemental Security Income (SSI) program.

Legislation (HR 8911) pending before the Senate Finance Committee after House passage Aug. 30 would make numerous seemingly technical changes in the SSI program that would make it simpler for many persons to qualify for benefits and guarantee future benefit increases to all. Many of the changes were fashioned by the House Ways and Means Committee, which reported the bill May 27. (*Committee action, provisions, Weekly Report p. 1508*)

The legislation represents the first congressional fine-tuning of the SSI program, begun in 1974 as a federal replacement for more than 1,000 state and local assistance programs partially supported by the federal government. The federalized program has been plagued by payment errors, delays in processing applications and other administrative problems, but the Department of Health, Education and Welfare (HEW) has instituted many corrective steps. (*Background, Weekly Report p. 1508*)

HR 8911 also addressed these problems, providing for emergency replacement of improperly drawn or lost benefit checks and immediate payment of benefits to some individuals while their applications were being processed. Key provisions added by the full House offered more federal aid for rehabilitation of disabled preschool children, guaranteed that recipients actually would receive federal cost-of-living increases in basic SSI benefits and made it easier for recipients owning homes to continue to qualify for benefits.

The administration generally supported most of the provisions of the bill. It objected to its extension of the SSI program to Puerto Rico, Guam and the Virgin Islands, the most expensive provision of the bill. The administration also had opposed the House-added amendment guaranteeing that SSI recipients would get federal cost-of-living increases.

### House Floor Action

The House passed the bill on Aug. 30 by a 374-3 vote after adopting most floor amendments to the measure on Aug. 26. (*Vote 509, Weekly Report p. 2440*)

Before approving the bill, the House agreed to a Ways and Means Committee substitute (HR 15080) that added one provision not included by the committee in HR 8911. The provision, sponsored by Martha Keys (D Kan.), allowed persons, such as the mentally retarded, living in community-based homes with no more than 16 residents to qualify for SSI benefits.

In general, the bill won the warm support of both Democrats and Republicans on the Ways and Means Committee. Committee members split, however, over the floor amendments guaranteeing SSI recipients benefit increases and increasing federal assistance to disabled preschool children.

### "Pass Through" of Benefit Increases

By a 317-52 vote, the House easily adopted the amendment ensuring that federal cost-of-living increases in SSI benefits actually would end up in the pockets of recipients. The amendment, sponsored by Donald M. Fraser (D Minn.) and Majority Leader Thomas P. O'Neill Jr. (D Mass.), illustrated the complexities of the SSI program. (*Vote 508, Weekly Report p. 2440*)

Like Social Security payments, basic federal SSI benefits are adjusted automatically on July 1 of each year to reflect cost-of-living increases. On July 1, 1976, the basic federal SSI payment rose to \$167.80 a month from \$157.70 for an individual with no offsetting income and to \$251.80 from \$236.60 for a couple.

More than half the states, however, choose to supplement federal SSI benefits with their own funds, so actual payments are higher. Rather than "pass through" the federal cost-of-living increase in benefits, many of these states have decided to reduce their state supplements by a corresponding amount. So despite a federal benefit increase, an elderly SSI recipient would see no increase in his benefit check.

The Fraser-O'Neill amendment barred states from reducing their supplements after July 1977, guaranteeing a "pass through" of the annual federal increase. Debate highlights follow:

**PRO:** Supporters of the amendment argued that it was unfair to deny the needy a tiny increase in benefits that could make an important difference in their meager budgets.

"When I voted for the annual cost-of-living increase for the SSI beneficiaries," noted O'Neill, "I did not intend it to go into the state treasuries...."

After reading about the federal increase, added John L. Burton (D Calif.), the elderly could not understand why their benefit checks remained the same. "They want the additional money," he said. "It may be \$7 or \$10 or \$15 but when they get their paycheck, it is the same old paycheck."

James C. Corman (D Calif.), acting chairman of the Ways and Means Public Assistance Subcommittee, conceded that the amendment might be inconsistent with the philosophy of the SSI program, which eventually was supposed to provide adequate federal benefit levels without state supplements. But arguing in favor of the amendment, Corman added, "Of course, SSI recipients cannot eat philosophy."

Others contended that the federal government must act to guarantee receipt of the increases because state governments had proved insensitive to the needs of recipients.

"These are the people least likely to rally on the steps of the state capitol," argued Patsy T. Mink (D Hawaii). "They are among the most likely to have their urgent human needs ignored...."

**CON:** Opponents of the amendment contended that it would devastate the basic philosophical underpinnings of a federalized SSI program.

Congress designed the SSI program to provide a basic federal minimum level of benefits, Guy Vander Jagt (Mich.), ranking Republican on the Public Assistance Subcommittee, pointed out. It allowed states to decide for themselves whether they had the resources to supplement benefits above levels offered under their old programs in 1973. In contrast to this philosophy, Vander Jagt argued,

the amendment would make state supplements a permanent feature of the program.

"Please understand, no recipient across the country loses [benefits] if we vote down the Fraser amendment," added William A. Steiger (R Wis.). "But the federal government will lose. The concept of a federalized program will be undone if this is adopted."

Specifically, Steiger argued, the amendment, in effect, would mandate uneven benefit payments across the country, a return to the old welfare programs for the aged, blind and disabled. Because of another quirk in the law, he noted, the federal share of these payments would remain disproportionately high in three states—his own, Massachusetts and Hawaii.

"The taxpayers of 47 states will be paying dollars to solve the problem in those three states..." Vander Jagt complained.

Opponents' arguments carried little weight in an election year, even among Republicans. The amendment won the support of 89 of 123 voting Republicans.

### Blind and Disabled Children

An unusual coalition of liberal, moderate and conservative House members broke with Corman in a successful attempt to revise the committee bill to channel more federal aid to disabled and blind preschool children.

As reported, the bill authorized the federal government to assume half the cost of new rehabilitation programs for all blind and disabled children under age 13. The committee decided these children would benefit more from special rehabilitation services than from the vocational training services for which they were eligible under existing law.

Abner J. Mikva (D Ill.), joined by 11 Republicans and Democrats on Ways and Means, proposed instead to provide full federal funding for rehabilitation services for children age 6 and under. To offset this cost, the amendment also eliminated the new 50 per cent federal funding program for disabled children between the ages of 6 and 13.

Mikva argued that there would be no new program under the committee proposal because states could not afford to put up half of the cost. He also maintained that it made the most sense to target aid on the youngest children, who could benefit most from early assistance. Disabled and blind children between the ages of 6 and 13, he added, would receive some help from schools while the youngest children would not.

Corman opposed the amendment on grounds that it would leave many children without the services they needed and cut total federal assistance for the program to \$18-million from \$55-million. He also contended that many preschool children already received aid of some sort.

The House adopted the amendment by a 219-146 vote, with the support of 55 of 120 voting Republicans and 164 of 245 voting Democrats. (Vote 506, Weekly Report p. 2370)

### Housing

In other actions, the House agreed by voice vote to make it easier for the elderly and disabled to continue to live in their homes while qualifying for SSI benefits. But it refused to provide additional benefits to recipients with high housing costs.

The first amendment, sponsored by William M. Ketchum (R Calif.), changed existing law so that the value of a home would not count at all toward the limit on assets SSI recipients may hold. HEW regulations had limited the value that did not count toward assets to \$25,000.

Ketchum and Herbert E. Harris II (D Va.) argued that it was unfair to take away SSI benefits just because the house an elderly person may have lived in all his life had increased in value due to inflation or other real estate factors. To get around existing law, Ketchum noted, many elderly people had to give their homes, if only in name, to their children.

At the same time, Ketchum and Harris maintained that the change would not allow elderly persons living in "mansions" to qualify for SSI benefits because the income they must have to pay property taxes on palatial houses would disqualify them for the program.

Republicans raised no objections to the amendment, which carried an estimated first-year cost of \$5-million to \$7-million. The amendment replaced a section of the committee bill that would have allowed HEW to use the purchase price of a home as its value. HEW said this approach would pose administrative problems.

Led by Vander Jagt, Republicans strongly opposed the second amendment, proposed by Charles B. Rangel (D N.Y.). It would have allowed extra payments of up to \$50 a month to SSI recipients whose annual expenses for housing, including utility bills, exceeded one-third of their income.

"It is a disgrace to think that in the United States of America, there are those of us who must go without food in order to pay for living facilities that are often indecent and unfit for human habitation," Rangel said. He argued that the amendment, heavily supported by New York Democrats, would recognize higher housing costs in some parts of the country.

Vander Jagt argued that the amendment would cost \$1-billion, 10 times the amount set aside for the entire SSI bill under congressional budget procedures. Ketchum also suggested that landlords would just raise rents if they knew SSI recipients were receiving new benefits.

Only 10 of 126 Republicans supported the amendment on the 114-269 vote rejecting it. (Vote 505, Weekly Report p. 2370)

### Medicaid

Two other amendments, dealing with SSI recipients' eligibility for the Medicaid program for the poor, were adopted by voice votes. Both amendments, proposed by J.J. Pickle (D Texas), dealt with quirks in the SSI law and its relationship to other statutes.

Under the first amendment, the income of an individual whose spouse is in the hospital could not be counted as income for the spouse. Under existing law, the income of a husband whose wife is in the hospital might be counted as income for the wife until she had been in the hospital for six months and it might be high enough to disqualify her for SSI benefits and Medicaid eligibility. The purpose of the amendment was to allow husbands and wives in this situation to get Medicaid to pay their hospital bills.

The second, equally complicated amendment would preserve Medicaid eligibility for elderly persons whose income is just under the limit for SSI recipients. In some cases, the annual increase in Social Security benefits for these persons surpasses the annual increase in the limit on income for SSI recipients by a matter of cents, so they lose eligibility for SSI. Generally, such persons are receiving very little in SSI benefits, but any eligibility still qualifies them for Medicaid benefits. The amendment would preserve the more valuable Medicaid eligibility for the elderly in these circumstances.

—By Elizabeth Bowman

## House Votes One-Year LEAA Extension, 324-8

With the Law Enforcement Assistance Administration (LEAA) slated to expire Sept. 30, the House voted Sept. 2 to extend the controversial agency, but held to the decision of its Judiciary Committee that the extension be limited to one year. (Committee report, Weekly Report p. 1347)

The Senate had passed a five-year extension of LEAA (S 2212) on July 26. (Weekly Report p. 2077)

While adopting numerous amendments, the House made few major changes in the bill reported by the Judiciary Committee May 15.

The House bill generally made fewer changes in LEAA programs than the version passed by the Senate. House sponsor John Conyers Jr. (D Mich.) explained that the House bill included "a very modest series of changes" because the limited one-year extension required intensive oversight by the Judiciary Committee during the next year. Conyers said improved oversight was crucial because LEAA had spent \$4.5-billion while the rate of crime had risen 18 per cent.

As passed by the House, the bill extended LEAA for one year, through fiscal 1977, with an authorization level of \$895-million. As did the Senate bill, the House version required LEAA to place greater emphasis on strengthening state judicial systems and to improve evaluation and monitoring procedures. Both bills emphasized prevention of crime against the elderly and encouraged crime prevention by community groups.

One key difference between the House and Senate bills was that the former would require authorizing legislation for the Justice Department, beginning in fiscal 1979.

### Floor Action

The House debated the proposal Aug. 31 and Sept. 2, rejecting more amendments than it adopted before finally passing the House-numbered bill (HR 13636) by a 324-8 vote Sept. 2. It then substituted its provisions for those of S 2212 by voice vote. (Vote 527, p. 2445)

The House had adopted the rule (H Res 1246) for consideration of the bill Aug. 31 by a 388-0 vote. (Vote 517, p. 2442)

### Court Funds

In action Aug. 31, the House rejected a Judiciary Committee amendment that earmarked no less than one-third of the LEAA discretionary funds under Part C to be used to improve the administration of justice in state and local courts and reduce criminal case backlogs.

Opponents of the amendment, led by Robert McClory (R Ill.), said the provision would provide a disproportionate amount of LEAA funds for court programs.

In addition, Charles E. Wiggins (R Calif.) said that in many areas, members of the judiciary were not ready with

plans for use of the funds. "We are limiting the appropriate discretion of the administrator with respect to the expenditure of discretionary funds..." he said, "even though the plans are not ready and probably will not be ready for the prudent expenditure of the funds."

Supporting the amendment, Conyers argued that money should be set aside for courts "for the simple reason that our courts are in trouble and the judges clearly do not have the political clout to receive the kind of funding that would come out of the discretionary fund."

The amendment was rejected by a standing vote of 16-22, followed by a roll-call vote of 173-214. (Vote 518, p. 2442)

### Program Extension

McClory offered an amendment to extend LEAA for three years, through fiscal 1979, instead of the one-year extension proposed in the bill. He reiterated arguments made in additional views to the committee report that a one-year extension would make it impossible for state and local grantees to develop long-range comprehensive plans. He also argued that the oversight promised by the Judiciary Committee as a condition of the one-year extension would be severely delayed by the organization time needed by the new 95th Congress.

Anything less than a three-year extension, McClory said, "is irresponsible, unrealistic and entirely unfair to every law enforcement agency in this country."

Conyers opposed the amendment, saying that serious oversight of LEAA was needed in the next year so that major program changes could be proposed, and that the moderate changes proposed in the bill did not justify a three-year extension. Conyers indicated that Congress was likely to come up with a three-year extension anyway because the Senate had passed a five-year bill and conferees would split the difference between the two versions.

The amendment was rejected by a 119-268 vote. (Vote 519, p. 2442)

### Community Anti-Crime Programs

Like the Senate bill, the House strengthened programs for participation of local community groups in the fight against crime. However, the House bill included a provision changing the existing requirement that local groups obtain the approval of local law enforcement officials before obtaining an LEAA grant. The change allowed the groups simply to notify the local police.

Henry J. Hyde (R Ill.) offered an amendment to strike the bill's provision and return to existing law. He argued that community groups were supposed to work in cooperation with the local police and that deleting the requirement of approval by local police would "undercut local governmental authority" and "set up a form of vigilantism..."

Conyers opposed the amendment, saying that community groups, like other LEAA applicants, had to go through a number of review steps before receiving a grant. Adding an extra veto step for community groups from the police was unfair, he said. "I think the police would then be



engaging in politics and that is too abhorrent for any of us to countenance," Conyers said.

The amendment was first rejected by a standing vote of 38-57. That vote was reversed when the amendment was adopted by a subsequent roll-call vote of 253-133. (*Vote 520, p. 2442*)

### Major Amendments Adopted

The House adopted the following additional amendments to HR 13636, all but one by voice vote:

- By M. Caldwell Butler (R Va.), to substitute the non-discrimination provisions of the revenue sharing bill of 1976 (HR 13367) for the civil rights enforcement procedures recommended by the Judiciary Committee.

- By McClory, to establish a National Advisory Committee on Criminal Standards and Goals.

- By Robert Krueger (D Texas), to authorize LEAA to make block grants to states to be used to establish early case assessment panels to expedite the prosecution of cases involving repeat offenders and violent criminals. This provision was part of the Senate bill.

- By Gary A. Myers (R Pa.), to require that persons in LEAA policy-making positions that affect grants must disclose any conflicts of interest relating to those grants.

- By Wiggins, to delete requirements that grantees meet minimum federal physical and service standards before receiving federal funds to construct, improve or renovate state and local jails and prisons. This provision was part of the Senate bill. Adopted by a 211-159 vote. (*Vote 525, p. 2445*)

### Amendments Rejected

The House rejected the following amendments:

- By Conyers, to allow a unit of local government with a population of 250,000 or above to receive a single mini-block grant once its plan had been approved by the state planning agency, freeing it from continuing administration by the planning agency. Rejected by a standing vote of 42-50.

- By McClory, to strike the new definition in the bill of "local elected official," by voice vote.

- By Wiggins, to require that state law enforcement plans required under the act must be approved by the state legislature and then reconciled with the governor's plan, by voice vote.

- By Elizabeth Holtzman (D N.Y.), to earmark \$50-million to fight high-fear violent crimes in areas with high crime rates. Rejected by a standing 5-28 vote. The Senate bill contained a similar provision.

- By Mario Biaggi (D N.Y.), to require state and local units of government applying for LEAA grants to enact a law enforcement officers' bill of rights. Rejected by a standing vote of 17-33, followed by a roll-call vote of 148-213. (*Vote 526, p. 2445*)

- By Myers (Pa.), to prevent use of LEAA funds for interstate transport of prisoners convicted of violent crimes to athletic events, by voice vote.

- By John B. Breaux (D La.), to make a certain percentage of LEAA grants directly to the chief law enforcement official of each county, by voice vote.

### Provisions

The major provisions of S 2212, as passed by the House:

- Extended LEAA through fiscal 1977, with an authorization level of \$895-million.

- Established an Office of Community Anti-Crime Programs within LEAA to provide technical assistance and information on other successful programs to citizens' groups and coordinate citizens' anti-crime activity with other federal agencies.

- Required state planning agencies to assure the participation of citizens' and community organizations at all planning levels.

- Earmarked \$15-million in Part C grants for community patrol activities and other neighborhood programs.

- Authorized state legislatures to review the general goals, priorities and policies of LEAA state plans, without veto power over the plan.

- Required that state planning agencies include as members no fewer than two members of the judiciary.

- Authorized use of block grant funds given to states for reducing court congestion and case backlog, revision of criminal and procedural rules, training of judges and administrators and other programs to strengthen state courts; developing and operating programs to reduce and prevent crime against the elderly; establishing early case assessment panels in cities above 250,000 population to expedite the prosecution of cases involving repeat offenders and violent criminals.

- Required that state plans, to be considered comprehensive, must include: adequate procedures to deal with criminal justice problems in areas characterized by high crime incidence; a comprehensive juvenile justice improvement program; attention to the special problems of crime against the elderly; identification of the special needs of drug-dependent offenders and procedures to coordinate with other state agencies serving these persons; a total analysis of law enforcement and criminal justice problems throughout the state, as well as goals, priorities and standards to meet those problems; procedures for evaluating the success that state programs and projects had in meeting their goals, conforming with the purposes of the state plan and reducing crime and aiding criminal justice.

- Required states to pass through to localities the same percentage of block grants that local governments spend on total law enforcement activities. However, states could exempt 10 per cent of block-grant funds from the pass-through requirement, as long as they used the money for program evaluation.

- Required LEAA to develop criteria for program evaluation and to disseminate information on successful projects to state planning agencies.

- Required LEAA to conduct research to determine the relationship between crime and drug and alcohol abuse.

- Established a National Advisory Committee on Criminal Justice Standards and Goals.

- Established a system of mandatory procedures to be followed in suspending and eventually terminating grants to an LEAA recipient who was found to have discriminated on the basis of race, color, religion, national origin or sex.

- Required LEAA to make an annual report to Congress, including such items as a summary of innovative programs, the number of programs approved and discontinued, and a summary of evaluation procedures.

- Required LEAA employees in policy-making positions that affect grants to make a financial statement disclosing any relationship with LEAA grant recipients.

- Required the Department of Justice to obtain authorizing legislation for its appropriations beginning in fiscal 1979.

—By Mary Link

## Ford Nominations to FCC Approved by Senate Panel

Resolving a dispute that had become embroiled in election-year politics, the Senate Commerce Committee Sept. 8 approved President Ford's nomination of two persons—one a Democrat, the other a Republican—to the Federal Communications Commission (FCC).

The Democratic nominee, Joseph R. Fogarty, easily won approval to a full seven-year term on the commission. Fogarty is chief counsel to the committee's Subcommittee on Communications.

The committee also approved the nomination of Margaret E. White, a former director of Ford's White House Office of Telecommunications, to complete the final two years of an unfinished seven-year term. The nominations, both approved unanimously, were sent to the Senate for what was expected to be swift confirmation.

In announcing the nominations earlier in the summer, Ford originally had appointed White to the full term and Fogarty to the two-year stint. But almost immediately, White ran into trouble over the fact that her husband was a lawyer for a firm that did substantial business before the FCC. Although White in committee hearings promised to disqualify herself from any cases involving her husband's firm, subcommittee Chairman John O. Pastore (D R.I.) expressed serious personal "anguish" over the possibility of a conflict of interest in the appointment.

There also was speculation, however, that Pastore was reluctant to see the seven-year post filled with a Republican on the eve of what could be a Democratic administration. Seeking to salvage the White nomination, Ford Aug. 31 reversed the appointments, nominating Fogarty for the full term and White for two years.

The committee subsequently approved the nominations without difficulty. Pastore denied that the switch was influenced by political considerations.

If confirmed by the Senate, White would replace Charlotte T. Reid, who retired in June after five years, as the only woman on the seven-member commission.

### Final Action:

## Coast Guard Authorization

Boosting the administration's budget by more than double the amount requested, Congress Aug. 30 cleared for the President a bill (HR 11670) authorizing \$284.9-million for the Coast Guard for fiscal 1977.

President Ford had asked for only \$125.9-million. Most of the increase was contained in an authorization of \$100-million for procurement of ships and airplanes to patrol the new 200-mile commercial fishing limit enacted into law in March. The bill included another \$50-million for procurement of ice-breaker ships to keep the Great Lakes open for winter shipping. (*200-mile limit legislation, Weekly Report p. 750*)

Neither of those authorizations had been requested by the administration, and Secretary of Transportation William T. Coleman Jr. had warned earlier in the year that they represented excessive spending that might draw a veto. But concern over a veto dissipated in August when the President signed a transportation appropriations bill (HR 14234—PL 94-387) that included funds for the two programs. (*Fiscal 1977 transportation appropriations, Weekly Report p. 2139*)

Final action on HR 11670 came Aug. 30 when the House agreed by voice vote to a conference compromise on the bill. The Senate had agreed to the report, also by voice vote, on Aug. 2. (*Senate passage, Weekly Report p. 1844; House, p. 939*)

### Provisions

As cleared by Congress, HR 11670:

- Authorized \$86.2-million for procurement of vessels.
- Authorized \$24.3-million for procurement of aircraft.
- Authorized \$24.4-million for shore and offshore construction of Coast Guard facilities.

- Authorized \$100-million for procurement of vessels and aircraft for enforcement of the 200-mile commercial fishing limit.

- Authorized \$50-million for procurement of vessels with ice-breaking capability for the Great Lakes.

- Prohibited use of funds in the bill for Coast Guard boat safety enforcement on certain lakes and the Merrimac River in New Hampshire, but specified that the provision should not limit boat safety funds for the state nor prevent Coast Guard participation in search and rescue operations in that state.

- Exempted certain fuel cargo vessels operating in Alaska from Coast Guard inspection and certification requirements.

- Authorized an end strength active duty personnel level of 38,918.

## Conference Report

Conferees filed a conference report on HR 11670 in the House (H Rept 94-1374) and the Senate (S Rept 94-1054) on July 28. They accepted the Senate bill almost in its entirety, authorizing the same fiscal 1977 spending level—\$284.9-million—as proposed by the Senate. The House had authorized \$304.1-million and the administration had requested less than half that amount—\$125.9-million.

### 200-Mile Limit

The administration had requested no funds to enforce the new 200-mile commercial fishing limit, scheduled to take effect March 1, 1977. The Transportation Department said that the law's requirements still were under review.

Acting before the new law was enacted, the House authorized a total of \$108.6-million for a specific number of airplanes, helicopters and Coast Guard cutters. By contrast, the Senate had authorized a flat sum of \$100-million for general procurement of whatever mix of vessels and aircraft

the Coast Guard determined to be necessary to patrol the new fishing area. Conferees accepted the Senate's more general plan.

**Icebreakers**

To improve winter navigation on the Great Lakes, the House had authorized \$52-million for the purchase of four small icebreaking vessels. Again taking a general approach, the Senate had authorized \$50-million for "ice-breaking capability," without specifying what ships were to be bought. The administration had opposed the authorization, saying it was too expensive.

Conferees again accepted the general Senate plan. Although it went along with the Senate's non-specific authorizations for this particular bill, conferees made it clear that the agreement should not be taken as a precedent for the future. "Too little specificity, leaving too much discretion in the administering agency, is an abdication of congressional responsibility," they said.

**Final Action:**

**Maritime Authorization**

Congress Aug. 30 cleared for the President a bill (HR 11481) to authorize \$448,041,000 for federal maritime programs for fiscal 1977.

The largest authorization item in the bill was \$403,721,000 in operating subsidies for U.S. merchant ships to permit them to charge rates competitive with those of foreign carriers. That was the same as the amount requested by the administration.

For the first time in more than 25 years, the bill did not contain an authorization for shipbuilding subsidies. In the past, the government's construction program had provided large subsidies to American shipyards so that the cost to U.S. purchasers would be comparable to the cost of foreign vessels. In 1976 the Maritime Administration told Congress that sufficient funds were available from previous years to carry the program through fiscal 1977.

HR 11481 included \$4-million for federal assistance to state maritime academies for student subsistence payments. The Senate had proposed to raise the level of aid to permit higher per-student payments, but House-Senate conferees dropped that provision pending the results of a General Accounting Office study of the idea. Opponents had contended that the maritime trades were crowded enough without the government subsidizing more candidates for scarce jobs.

Final action on HR 11481 came Aug. 30 when the House agreed to a conference report by voice vote. The Senate had approved the report by voice vote on Aug. 3. Since the total level of authorizations was only \$3.3-million more than that recommended by the President, it was expected to win his approval.

**Earlier Senate Action**

The Senate passed HR 11481 June 15 by voice vote with an authorization of \$488,641,000.

Of the total authorization, the bulk—\$403,721,000—was for operating subsidies for U.S. merchant ships to permit them to charge shipping rates competitive with the low rates of foreign vessels. The figure

was the same as that requested by the administration and authorized by the House March 11, and it exceeded the fiscal 1976 authorization by \$87,785,000. Sponsors said the increase reflected a growing gap between U.S. and foreign maritime wage levels. (*House passage, Weekly Report p. 634*)

In the only floor change in the bill as reported (S Rept 94-833) by the Commerce Committee May 13, the Senate added \$600,000 to the \$4-million in the bill for federal aid to state maritime academies. The additional funds were to permit an increase to \$900 per student, from \$600, in the subsistence stipends.

Arguing that the stipend had not been raised since it was first authorized in 1958, sponsors originally had sought a \$1,200 allowance. But in the face of strong resistance from opponents, who argued that the maritime job market already was overcrowded, they compromised on the \$900 figure.

The amendment increasing the stipend, offered by William D. Hathaway (D Maine), was adopted by voice vote. The House in March had rejected a similar amendment by a 53-292 vote.

The only other change in the House-passed bill was an increase of \$3-million, to \$22.5-million, for research and development programs by the Commerce Department's Maritime Administration. The Commerce Committee said the additional money would permit accelerated development of industrial plant ships that could produce ammonia.

Following are the authorization levels approved by the Senate for various maritime programs:

- \$403,721,000 for ship operating-differential subsidies;
- \$22.5-million for research and development;
- \$13.26-million for maritime training at the U.S. Merchant Marine Academy at Kings Point, N.Y.;
- \$4.56-million for expenses of the National Defense Reserve Fleet of mothballed merchant ships;
- \$4.6-million in federal aid to state maritime schools and for the operation and development of six training ships.

**Conference Report**

Conferees filed a conference report on HR 11481 in the House (H Rept 94-1375) and Senate (S Rept 94-1056) on July 29.

**Research and Development.** Accepting a Senate authorization provision, conferees approved \$22.5-million—\$3-million more than authorized by the House—for maritime research and development. The additional \$3-million was for studies of industrial plant ships and of commercialization of ocean thermal energy. However, conferees pointed out that the authorization actually was moot, since the Commerce Department appropriations bill (HR 14239), already enacted, did not include funds for those studies. They called for further consideration of the matter in hearings in 1977. (*Appropriations bill, Weekly Report p. 1852*)

**State Marine Schools.** Responding to persistent pressure from supporters of the six state maritime academies around the country, the Senate had provided for a \$300 increase in the per-student payment for annual subsistence. The House had resisted that pressure, providing no increase. Conferees went along with the House, rejecting the increase, and noted that the matter was under study by the General Accounting Office.

—By Ted Vaden

**Costs, Politics Embroil Peanut Subsidies**

With a Georgia peanut farmer aiming to take up residence in the White House in January 1977, attention has been focused on the peanut subsidy program—a program that has helped provide Jimmy Carter's livelihood and that has been criticized as one of the biggest boondoggles in U.S. agriculture, costing a projected \$163-million for 1976.

Opponents of the program, led by Agriculture Secretary Earl L. Butz, have been trying to change the program for some years, but peanut growers have had powerful friends in Congress: Sen. Herman E. Talmadge (D Ga.), chairman of the Senate Agriculture and Forestry Committee, and Speaker of the House Carl Albert (D Okla.). Both come from large peanut-producing states.

But the Butz campaign, coupled with the attention drawn by Carter's peanut connections, has caused normally warring peanut growers to band together and support legislation (HR 12808) currently pending in the House.

The Senate Agriculture Committee refused Sept. 1 to take up the bill, thus dooming it for this Congress. But it is expected that revision of the peanut program will be considered as part of the general farm legislation the 95th Congress will face in 1977.

**Reform Moves**

Critics charge that the peanut subsidy program is outdated, inefficient and costly—that American peanut farmers are being paid to grow a commodity far in excess of U.S. needs and that the federal government has been forced to stockpile those huge peanut surpluses at taxpayers' expense.

House Agriculture Committee member Frederick Richmond (D N.Y.) claimed the current surplus is 1 billion pounds of peanuts and 1.5 billion pounds of peanut oil.

Defenders of the program respond that the peanut program has successfully created stable quantities of that commodity, has provided economic security to parts of the country that cannot grow other crops and is the best method of dealing with the perishable peanut, which cannot be stored as long as many other commodities, such as corn and wheat.

The Department of Agriculture has been trying to bring some changes to the peanut program since 1968, and particularly since 1973, when cotton, wheat and other feed grains were transferred from a subsidy system similar to peanuts to a market-oriented target-price system. Supporters of the existing peanut program have accused the department, and Secretary Butz in particular, of conducting a vendetta against the program.

Growers in the three main peanut-producing areas are not happy with the bill reported (H Rept 94-1455) by the House Agriculture Committee Aug. 31. As Oilseeds and Rice Subcommittee Chairman Dawson Mathis (D Ga.) said, "This is a bill that nobody loves, but everyone accepts."

Peanut growers, realizing some change was inevitable, compromised behind HR 12808 to avoid more severe cut-backs or possible extinction of the program. Former

Agriculture Committee Chairman W. R. Poage (D Texas) explained the dilemma during committee consideration of the bill: "I think this bill is a dangerous bill, but it is more dangerous to proceed with the present program, with the Secretary of Agriculture threatening to ruin the program, and I think he has the authority to do it."

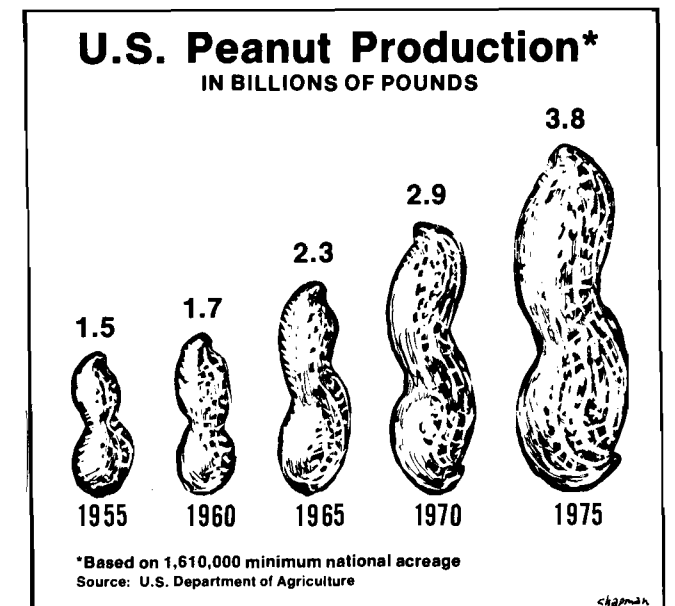
**Background**

The long history of the peanut program cannot be considered apart from the complicated history of U.S. agricultural policy, which has attempted since the 1930s to provide a stable framework and income level for farmers and to avoid the natural tendency of "boom and bust" agriculture, in which the vagaries of weather and changing markets could wipe out thousands of farmers in a single season.

**Price Supports**

Although price supports for various commodities began as early as 1933, the permanent establishment of a price support program with accompanying acreage allotments did not begin until the Agricultural Adjustment Act of 1938. (*Farm policy legislation, 1973 Almanac p. 288, Congress and the Nation Vol. I, p. 682*)

Under this system, the government estimated the amount of acreage that needed to be planted to meet the demand for a certain commodity. Farmers planting more than that amount could be fined, but those staying within their allotted acreage were eligible to receive price supports by obtaining loans from the Commodity Credit Corporation, using their crops as collateral.



The loan was based on the principle of "parity," a formula set up to establish a fair relationship between the income a farmer received and the amount of money he had to spend for labor, equipment and living costs. Parity formulas were figured from base periods during the first two decades of this century (1910-14 or 1919-29 for most crops), which were considered examples of a time when farmers' income and costs were at a fair balance.

The price support programs continued, with some changes, until 1973, when Congress passed new farm legislation putting cotton, wheat and other feed grains on a different system. Called a target-price system, the program was hailed as one that was more market-oriented, would free farmers from the cumbersome complexities of government subsidy programs, and, with the existing world demand for food, would eliminate the embarrassing and costly surpluses of years past.

One of the effects of the subsidy programs for peanuts, as well as the other commodities, was that enormous surpluses built up. Although the loans made to farmers were technically redeemable, in reality farmers frequently defaulted, forcing the government to acquire the commodity put up as collateral.

## Peanut Marketing

Farmers grow peanuts on the number of acres they have been allotted by the government. The Secretary of Agriculture annually sets the amount of national acreage that can be planted. Since 1941, except for variations during war years, the minimum national acreage has been set at 1,610,000. With the increased yields that have been experienced in recent years, the government generally has not allowed more than the minimum amount to be planted. By law, the government cannot allow less than that amount.

As a result, peanut acreages are almost impossible to come by, unless they are inherited. Critics such as Rep. Peter A. Peyser (R N.Y.) have called it a "feudal system."

Once the crop is harvested, the peanut farmer takes his peanuts to the middleman—the warehouse and sheller. According to the Agriculture Department, the producer cannot bargain for a price. He must accept the price offered by the purchaser—which is pegged to the support price being offered by the government.

If the middleman does not want to buy the peanuts for sale to commercial companies manufacturing edible peanut items, he puts the peanuts under the federal loan program.

The farmer is paid the same price regardless of how the peanuts are used.

Manufacturers then must purchase peanuts at the artificial government support price, which in 1976 is approximately \$164 a ton above the world market price. Manufacturers, barred from importing cheaper peanuts grown outside the United States, say they must charge the consumer high prices for peanut products because they are forced to pay the government support price.

At the same time the government is stuck with billions of pounds of excess peanuts, which it must crush into oil or peanut meal and then sell at a loss or give away.

## Peanuts Bypassed

The peanut program, however, was excluded from the 1973 change in agricultural policy. Peanut farmers continued to follow a complex system of acreage allotments, marketing quotas and price support loans. And, unlike the farmers growing target-price crops, they continued to build up large surpluses.

One of the chief reasons for the large surpluses was the increased productivity enjoyed by peanut farmers. In 1941, when the minimum national peanut acreage was set at 1,610,000 acres, the average yield per acre was 900 pounds. In 1976, the Agriculture Department is projecting an average yield of 2,568 pounds per acre. Department figures indicate that 3.8 billion pounds of peanuts were grown in the United States in 1975, compared with 1.5 billion pounds in 1955. (*Chart, p. 2483*)

Approximately 70 per cent of the crop is sold to peanut butter manufacturers and other producers of edible peanut products, such as salted and roasted nuts and peanut candy.

The remainder of the crop is purchased by the government through its loan program, with the current purchase price set at 75 per cent of parity.

In actual figures, the government bought peanuts in 1976 at an average \$414 a ton. (*Peanut marketing box, this page*)

The government has two basic choices of what it can do with the surplus: 1) it can sell it on the world market at a loss (the current world price is around \$250 a ton), or 2) it can crush the excess peanuts into oil and meal, donating that to the domestic school lunch program or moving it through the Food for Peace (PL 480) program.

In previous years, the department has chosen to sell the surplus, even though the world market price usually was lower than the price the department paid for the peanuts. The general feeling before 1973 seemed to be that recouping part of the loss was better than nothing. In 1973 and 1974 the department actually was able to sell most of its peanuts at a good price; the drought in African peanut-growing countries created shortages that the U.S. surplus was able to fill.

## Butz' Resale Policy

However, in 1974 Secretary Butz announced a 100 per cent resale policy. He said he would not sell peanuts for prices lower than what the government paid the producers. With the world price significantly lower than the U.S. support price, surpluses have been piling up. Rep. Peter A. Peyser (R N.Y.) claimed the cost to the taxpayers between 1976 and 1980 would run \$961-million.

Critics of Secretary Butz say the resale policy is not a valid one, that the government was willing to sell peanuts at a loss before and that the policy has been instituted strictly to embarrass the peanut program and hopefully to kill it. Subcommittee Chairman Mathis said the surplus has forced the cost of the program to be distorted and "makes it look worse than it is."

The department defended the move in terms of U.S. trade policy, claiming it would be inconsistent to have export subsidies for peanuts, when the United States was trying to avoid such subsidies for other commodities in international trade.

Butz succeeded in drawing attention to the program in March when he accused Carter of "growing fat" from the peanut subsidy program. (*Box, p. 2485*)

## Small Farmer

Although some critics, such as Peyser, charge the peanut program has reaped "unbelievable profits for its benefactors," and reports exist of millionaire peanut farmers with thousands of acres in peanut allotments, the national average allotment actually is 25 acres.

Reporters trailing Jimmy Carter tell of new homes and late model cars in the peanut country of southwest Georgia. But Rep. Don Fuqua (D Fla.) defends the program: "The peanut industry is probably one of the most misunderstood segments of the agricultural industry. Prices can fluctuate violently and a producer can literally be wiped out in a single growing season without some assurance which past programs have provided."

Those assurances of a fair return on investment, Fuqua said, have enabled "a great many families to enjoy a decent standard of living and children to get an education."

Since the economies of many counties in peanut-growing states are based almost entirely on peanut production, most observers agree that a sudden change in the subsidy program, or wiping it out entirely, would drastically affect those areas.

But Peyser has suggested that the 600,000 unneeded allotted peanut acres on which the surplus is grown could be used to produce soybeans, cotton, potatoes and other crops that Americans would really use. "We must find a better way to help [the peanut farmer] to produce something else that is a salable crop," he said.

Rep. James P. Johnson (Colo.), ranking Republican on the Oilseeds Subcommittee, presented the other side of the argument to the Agriculture Committee when he said that peanut farmers, unlike those growing other commodities, "don't have much choice in different crops."

According to Johnson, "This isn't just a farm program. This is a social program for that whole section of the country and you make a mistake if you ignore that."

## House Committee Action

In the midst of the pressure from Secretary Butz and the spotlight focused on the program by Carter's candidacy, peanut growers from the three major producing areas joined together in support of HR 12808, which the House Agriculture Committee reported Aug. 31. Oilseeds Subcommittee Chairman Mathis said the bill had been worked on for five years and would affect only the 1977 crop. Further changes would be made in the 1977 farm bill.

Growers in the three areas traditionally have had different growing situations and supply problems and have often been in disagreement over peanut program proposals.

Those from Virginia and North Carolina generally grow what is known as the Virginia-type peanut, which is the largest peanut and is most often sold roasted in the shell or as salted peanuts. Those farmers in the Texas-Oklahoma area generally grow Spanish-type peanuts. Both of these varieties are in demand in the edible peanut market and growers seldom have surpluses.

However, the runner-type peanut, grown in Georgia and Alabama, is smaller than the Virginia variety. Although it generally is used for peanut butter, it is not in such demand for edible purposes as the other varieties and growers of these peanuts generally have surpluses. This has been especially true since 1972 when the florum variety of peanut, with a very high yield, was introduced.

As reported by the committee, the bill reduced the minimum national acreage allotment by 22.5 per cent—a

## Carter's Peanuts

Secretary of Agriculture Earl L. Butz opened fire March 28 on the peanut subsidy program and on Jimmy Carter, then the front-runner for the Democratic presidential nomination he later won.

Butz accused Carter of "growing fat from federal peanut subsidies" and promised he was "going to disturb his [Carter's] little playhouse."

The Carter camp responded by charging Butz with "political flackery" and using Carter as a focal point for criticism of the peanut program.

The Carter people said Carter grows only seed peanuts, which are sold directly to other farmers in the area at a higher price than the government support price and that Carter does not participate in the federal subsidy program.

When the air cleared, Agriculture Department reports indicated that Carter had inherited a 243-acre peanut allotment, that he does indeed grow seed peanuts and owns a peanut warehouse, but that he had received only two federal payments since 1970, totaling \$2,728, a rather meager amount in view of the enormous subsidy program.

But even though Carter is not now participating in the subsidy program, the department added, he had received federal payments during the 1960s for storing government peanuts.

Butz insisted that Carter benefits indirectly, simply because the subsidy system exists. As one department official said, "He would not be getting the high price he is getting if it were not for that government program."

cut to 1,247,000 from 1,610,000 acres. Committee members said this would result in a reduction in the number of peanuts produced and therefore a decrease in the amount of surplus.

Since the bill also placed a quota on the number of pounds sold by peanut farmers and cut the loan level on quota peanuts to 70 per cent of parity from 75 per cent, the committee estimated that the changes in the peanut subsidy program would save the government \$64-million a year.

The bill also provided for open-ended production of peanuts, thus allowing the crop to be grown by anyone who wanted to participate. This provision was strongly supported by the Agriculture Department as a way to break the stranglehold on peanut acreage by current allotment holders.

Under the new bill, peanuts grown by non-allotment holders or by allotment holders in excess of their allotments could be marketed only for export or crushing. These non-quota peanuts would be supported at a much lower level than the quota peanuts—60 per cent of the loan level for quota peanuts, or 90 per cent of their estimated value for crushing and export, whichever is lower.

One provision that provoked some controversy during committee markup mandated that the Secretary of Agriculture would have to sell the surplus peanuts from the 1976 and 1977 crops. Secretary Butz has had discretionary authority to sell surplus peanuts, but has chosen not to sell them for less than the price for which the peanuts were bought.



**Agriculture - 4**

Although the Agriculture Department objected to HR 12808 as a continuation of the "outmoded" price support system that still would result in 750 million pounds of excess peanuts in 1977, it said it was willing to support the bill as a "step in the right direction."

**Committee Markup**

The House Agriculture Committee markup of HR 12808 on Aug. 24 and 25 provided a good example of the difficulty Congress has with complex farm legislation. As members munched on Georgia peanuts provided by Mathis, they argued about actual costs of the program, citing the confusing array of statistics provided by the Agriculture Department and the program's supporters and opponents.

Many members admitted they did not understand the program or the complex amendments that were offered. One member was heard to remark: "They don't know what the hell they're talking about."

**Richmond Amendment**

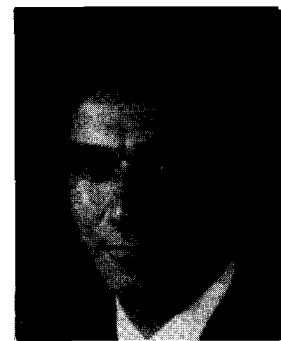
Richmond offered an amendment during committee markup that would have reduced the parity level to 60 per cent instead of the 70 per cent provided in the bill.

The New York Democrat contended that the cost of growing peanuts was \$338 an acre, including land rental costs, and that the yield per acre was 1.25 tons. At 70 per cent of parity, he said, the farmer would be receiving \$386 a ton; at 60 per cent of parity, the farmer would receive \$331 a ton for his peanuts, which Richmond said would be more in line with the farmer's costs.

Richmond told the committee, "The whole idea of government support is that farmers get a real return [on their investment] but not to let farmers grow a product that we won't use. All of us would like to see more peanuts consumed and less in surplus, but we won't have it unless we lower the support price."

Richmond also said his amendment would reduce costs to consumers, since the high government support price has caused the price of peanut butter to jump from 63 cents to 93 cents a pound since 1970. "Consumption goes down as the price goes up," he said, adding that the manufacturers of Skippy peanut butter had told him they would drop their price 5 cents a pound if the bill provided 60 per cent of parity.

Subcommittee member Johnson said the Richmond amendment would reduce the program cost by only \$25-million and yet would reduce farmer income by \$70-million. And according to the Department of Agriculture, such a drop in program cost would not affect consumer prices very much, Johnson added. "Introducing some vague notion of consumerism will be bad in the long run," he said.



*The peanut subsidy program has reaped "unbelievable profits for its benefactors."*

—Rep. Peter A. Peyser (R N.Y.)

*The program has enabled "a great many families to enjoy a decent standard of living and children to get an education."*

—Rep. Don Fuqua (D Fla.)



The Richmond amendment was defeated by a 20-5 vote.

**Export Mandate**

One provision in the bill that aroused heated debate during committee consideration was the requirement that the Secretary of Agriculture dispose of all 1977 surplus peanuts at competitive world prices.

Paul Findley (R Ill.) offered two amendments, one to strike the language and another to soften the requirement, but both amendments were defeated.

Findley argued that forcing the Secretary to sell the surplus would be a new use of export subsidies that would have impact on U.S. trade policy and could jeopardize continuing international trade negotiations. In addition, Findley said Butz already had discretionary authority to sell the surpluses and that Butz had assured him he would offer 1977 peanuts at competitive prices. "I think we should trust Secretary Butz," Findley said.

Mathis led the opponents of the amendment, saying Butz had avoided using his authority to dispose of surpluses since 1974 and as a result the peanut farmers had lost valuable overseas markets, with the buildup of surpluses giving the program a black eye.

Mathis said he knew Butz had promised to dispose of 1977 surplus peanuts, but Mathis predicted, "Earl Butz won't be in charge of peanut policy in 1977."

In addition to defeating the Findley amendments, the committee voted to extend the selling mandate to the 1976 peanut crop. It also rejected a complicated Mathis amendment that opponents said would have provided greater benefits to growers of runner peanuts in the Southeast at the expense of growers of the Virginia-type and Spanish-type peanuts.

**Outlook**

Despite the Senate committee's decision not to consider HR 12808 in 1976, the House committee did file a petition with the Rules Committee to take the bill to the House floor. However, as of Sept. 9 the bill had not appeared on the Rules schedule; the committee had set Sept. 10 as the deadline for granting rules.

As of Sept. 7, the Agriculture Department was awaiting an appellate court decision on a lawsuit brought by disgruntled Georgia peanut farmers upset over changes in the annual price support adjustments. The department had suspended all peanut loan activity for the 1976 crop on Aug. 6, although it had allowed farmers to store their peanuts in government warehouses. The department said it would reinstate the loan program after the court decision. ■

—By Mary Link

	555	556	557	558	559	560		555	556	557	558	559	560		555	556	557	558	559	560		
<b>ALABAMA</b>							<b>IOWA</b>							<b>NEW HAMPSHIRE</b>							<b>KEY</b> Y Voted for (yea) ✓ Paired for. † Announced for. N Voted against (nay). X Paired against. - Announced against. P Voted "present." • Voted "present" to avoid possible conflict of interest. ? Did not vote or otherwise make a position known.	
Allen	N	N	Y	Y	N	N	Clark	Y	Y	N	N	Y	N	Durkin	Y	N	N	Y	N	Y		N
Sparkman	N	N	N	Y	Y	N	Culver	Y	Y	Y	N	Y	N	McIntyre	Y	Y	Y	N	Y	Y		Y
<b>ALASKA</b>							<b>KANSAS</b>							<b>NEW JERSEY</b>								
Gravel	Y	Y	N	Y	Y	Y	Dole	Y	N	Y	N	Y	N	Williams	N	N	N	Y	Y	Y		Y
Stevens	Y	Y	N	N	Y	Y	Pearson	N	Y	Y	N	Y	Y	Case	N	Y	Y	N	Y	N		
<b>ARIZONA</b>							<b>KENTUCKY</b>							<b>NEW MEXICO</b>								
Fannin	?	?	Y	Y	N	N	Ford	Y	N	Y	N	Y	Y	Montoya	?	?	?	?	?	?		
Goldwater	?	?	?	?	?	?	Huddleston	?	?	N	N	Y	Y	Domenici	Y	N	Y	Y	Y	N		
<b>ARKANSAS</b>							<b>LOUISIANA</b>							<b>NEW YORK</b>								
Bumpers	Y	N	Y	N	Y	N	Johnston	Y	N	N	Y	Y	Y	Buckley*	?	?	?	?	?	?		
McClellan	N	P	N	Y	N	Y	Long	Y	N	Y	Y	Y	Y	Javits	X	?	N	N	Y	N		
<b>CALIFORNIA</b>							<b>MAINE</b>							<b>NORTH CAROLINA</b>								
Cranston	?	?	?	?	?	?	Hathaway	Y	Y	N	N	Y	N	Morgan	Y	Y	N	Y	Y	Y		
Tunney	?	?	?	?	?	?	Muskie	N	N	N	N	Y	N	Helms	N	N	Y	Y	N	N		
<b>COLORADO</b>							<b>MARYLAND</b>							<b>NORTH DAKOTA</b>								
Hart	Y	Y	N	N	Y	N	Beall	?	?	?	?	?	?	Burdick	Y	N	Y	N	Y	N		
Haskell	?	?	Y	N	Y	N	Mathis	?	?	N	N	Y	Y	Young	Y	N	N	Y	Y	Y		
<b>CONNECTICUT</b>							<b>MASSACHUSETTS</b>							<b>OHIO</b>								
Ribicoff	Y	Y	Y	N	Y	N	Kennedy	?	?	?	N	Y	Y	Glenn	Y	Y	N	Y	Y	Y		
Weicker	†	X	Y	N	Y	N	Brooke	N	Y	N	N	Y	Y	Taft	Y	N	Y	N	Y	N		
<b>DELAWARE</b>							<b>MICHIGAN</b>							<b>OKLAHOMA</b>								
Biden	Y	?	Y	N	Y	Y	Hart	?	?	?	N	Y	?	Bartlett	N	N	Y	N	Y	N		
Roth	Y	N	Y	N	Y	N	Griffin	Y	N	Y	N	Y	N	Bellmon	Y	Y	Y	N	Y	Y		
<b>FLORIDA</b>							<b>MINNESOTA</b>							<b>OREGON</b>								
Chiles	Y	N	Y	N	Y	N	Humphrey	Y	N	?	N	Y	N	Hatfield	Y	N	Y	N	Y	Y		
Stone	Y	N	Y	N	Y	N	Mondale	?	?	?	?	?	?	Packwood	Y	Y	Y	N	Y	N		
<b>GEORGIA</b>							<b>MISSISSIPPI</b>							<b>PENNSYLVANIA</b>								
Nunn	N	N	Y	N	Y	N	Eastland	N	N	N	Y	N	Y	Schweiker	Y	Y	N	Y	Y	Y		
Talmadge	N	N	Y	Y	Y	N	Stennis	Y	N	N	Y	N	Y	Scott	N	Y	Y	N	Y	N		
<b>HAWAII</b>							<b>MISSOURI</b>							<b>RHODE ISLAND</b>								
Inouye	Y	Y	N	N	Y	Y	Eagleton	Y	N	?	?	?	?	Pastore	Y	Y	N	N	Y	-		
Fong	?	?	Y	N	Y	N	Symington	Y	N	?	N	Y	Y	Pell	Y	N	N	N	Y	Y		
<b>IDAHO</b>							<b>MONTANA</b>							<b>SOUTH CAROLINA</b>								
Church	Y	N	Y	N	Y	N	Mansfield	?	?	N	Y	N	N	Hollings	Y	Y	N	N	Y	Y		
McClure	Y	N	Y	Y	N	N	Metcalf	?	?	?	N	Y	Y	Thurmond	N	N	Y	N	N	N		
<b>ILLINOIS</b>							<b>NEBRASKA</b>							<b>SOUTH DAKOTA</b>								
Stevenson	Y	N	N	N	Y	N	Curtis	Y	N	Y	Y	N	N	Abourezk	Y	N	N	Y	N	N		
Percy	Y	Y	Y	N	Y	?	Hruska	Y	Y	Y	Y	Y	Y	McGovern	?	?	N	N	Y	N		
<b>INDIANA</b>							<b>NEVADA</b>							<b>TENNESSEE</b>								
Bayh	?	?	?	?	?	?	Cannon	Y	N	N	Y	Y	Y	Baker	Y	N	Y	N	Y	N		
Hartke	?	?	?	?	?	?	Laxalt	Y	N	Y	Y	Y	Y	Brook	✓	-	†	Y	N	N		

Democrats      Republicans

\*Buckley elected as Conservative.

\*\*Byrd elected as independent.

**555. HR 14238. Legislative Appropriations, Fiscal 1977.** Taft (R Ohio) motion to table, and thus kill, the Allen (D Ala.) motion to reconsider the vote by which the Senate had previously adopted the Taft (R Ohio) amendment to allow payment of a salary increase for federal employees other than members of Congress. Motion to table agreed to 55-19: R 21-8; D 34-11 (ND 25-4; SD 9-7), Sept. 7, 1976. (The Taft amendment had been previously adopted by voice vote.) (Story, p. 2492)

**556. HR 14238. Legislative Appropriations, Fiscal 1977.** Senate Appropriations Committee amendment to delete from the bill a provision that, as amended by the Taft (R Ohio) amendment (see vote 555, above), banned salary increases for members of Congress. Rejected 25-46: R 11-17; D 14-29 (ND 12-16; SD 2-13), Sept. 7, 1976. (Story, p. 2492)

**557. HR 14238. Legislative Appropriations, Fiscal 1977.** Bartlett (R Okla.) amendment to reduce by 62 positions the number of elevator operators on automatic elevators in the Capitol and in congressional office buildings, with the provision that no

presently employed operators would lose their jobs. Adopted 51-30: R 27-6; D 24-24 (ND 14-16; SD 10-8), Sept. 8, 1976. (Story, p. 2492)

**558. HR 8532. Antitrust Amendments.** Allen (D Ala.) substitute bill embodying the original Senate language as passed in June. (See vote 271, Weekly Report p. 1618) Rejected 22-66: R 15-20; D 7-46 (ND 0-35; SD 7-11), Sept. 8, 1976. (Story p. 2464)

**559. HR 8532. Antitrust Amendments.** Byrd (D W.Va.) motion to agree to a substitute antitrust bill to authorize state attorneys general to bring *parens patriae* antitrust suits on behalf of citizens, require large companies to notify the government of planned mergers and strengthen the government's antitrust investigatory powers. Agreed to 69-18: R 21-14; D 48-4 (ND 34-0; SD 14-4), Sept. 8, 1976. (Story, p. 2464)

**560. HR 14238. Legislative Appropriations, Fiscal 1977.** Judgment of the Senate that the Senate Appropriations Committee's amendment to appropriate \$35.5 million for purchase of a building in Washington, D.C., for additional Senate office space was not germane. Amendment ruled not germane 28-53: R 10-24; D 18-29 (ND 8-22; SD 10-7), Sept. 8, 1976. (Story, p. 2492)

Table with columns for votes 561-566 and a KEY section. Rows include states like ALABAMA, ALASKA, ARIZONA, ARKANSAS, CALIFORNIA, COLORADO, CONNECTICUT, DELAWARE, FLORIDA, GEORGIA, HAWAII, IDAHO, ILLINOIS, INDIANA, IOWA, KANSAS, KENTUCKY, LOUISIANA, MAINE, MARYLAND, MASSACHUSETTS, MICHIGAN, MINNESOTA, MISSISSIPPI, MISSOURI, MONTANA, NEBRASKA, NEVADA, NEW HAMPSHIRE, NEW JERSEY, NEW MEXICO, NEW YORK, NORTH CAROLINA, NORTH DAKOTA, OHIO, OKLAHOMA, OREGON, PENNSYLVANIA, RHODE ISLAND, SOUTH CAROLINA, SOUTH DAKOTA, TENNESSEE, TEXAS, UTAH, VERMONT, VIRGINIA, WASHINGTON, WEST VIRGINIA, WISCONSIN, WYOMING.

Democrats Republicans

\*Buckley elected as Conservative.

\*\*Byrd elected as independent.

561. HR 14238. Legislative Appropriations, Fiscal 1977. Judgment of the Senate that the Hollings (D S.C.) amendment to eliminate the so-called 1 per cent "kicker" raise for federal retirees was germane. Amendment ruled germane 60-20: R 22-12; D 38-8 (ND 23-6; SD 15-2), Sept. 8, 1976. (Story, p. 2492)

562. HR 14238. Legislative Appropriations, Fiscal 1977. Stevens (R Alaska) motion to table, and thus to kill, the Hollings (D S.C.) amendment to eliminate the 1 per cent "kicker" raise for federal retirees. Motion to table rejected 11-68: R 9-25; D 2-43 (ND 2-26; SD 0-17), Sept. 8, 1976. (The Hollings (D S.C.) amendment was subsequently adopted by voice vote.) (Story, p. 2492)

563. HR 14238. Legislative Appropriations, Fiscal 1977. Taft (R Ohio) motion to table, and thus kill, the Gravel (D Alaska) amendment to provide that the freeze on congressional salaries would not take effect until after Congress had had a chance to consider recommendations of the so-called quadrennial commission for pay raises expected to be presented in January 1977. Motion to table agreed to 65-13: R 25-9; D 40-4 (ND 25-3; SD 15-1), Sept. 8, 1976. (Story, p. 2492)

564. HR 14238. Legislative Appropriations, Fiscal 1977. Scott (R Va.) amendment to provide that members of Congress and the Vice President could return any portion of their salaries to the federal Treasury. Rejected 26-49: R 12-21; D 14-28 (ND 11-15; SD 3-13), Sept. 8, 1976. (Story, p. 2492)

565. HR 14238. Legislative Appropriations, Fiscal 1977. Stevens (R Alaska) amendment to allow salary increases recommended by the President and approved by Congress as a result of a recommendation of the so-called quadrennial commission to take effect. Adopted 41-28: R 15-15; D 26-13 (ND 19-4; SD 7-9), Sept. 8, 1976. (Story, p. 2492)

566. HR 14238. Legislative Appropriations, Fiscal 1977. Passage of the bill to appropriate \$971,141,285 for fiscal 1977 for the operations of the legislative branch, the Library of Congress and related agencies controlled by Congress. Passed 63-5: R 27-3; D 36-2 (ND 21-2; SD 15-0), Sept. 8, 1976. The President had requested \$992,290,765 for fiscal 1977. (Story, p. 2492)

Table with columns for votes 567-568 and a KEY section. Rows include states like ALABAMA, ALASKA, ARIZONA, ARKANSAS, CALIFORNIA, COLORADO, CONNECTICUT, DELAWARE, FLORIDA, GEORGIA, HAWAII, IDAHO, ILLINOIS, INDIANA, IOWA, KANSAS, KENTUCKY, LOUISIANA, MAINE, MARYLAND, MASSACHUSETTS, MICHIGAN, MINNESOTA, MISSISSIPPI, MISSOURI, MONTANA, NEBRASKA, NEVADA, NEW HAMPSHIRE, NEW JERSEY, NEW MEXICO, NEW YORK, NORTH CAROLINA, NORTH DAKOTA, OHIO, OKLAHOMA, OREGON, PENNSYLVANIA, RHODE ISLAND, SOUTH CAROLINA, SOUTH DAKOTA, TENNESSEE, TEXAS, UTAH, VERMONT, VIRGINIA, WASHINGTON, WEST VIRGINIA, WISCONSIN, WYOMING.

Democrats Republicans

\*Buckley elected as Conservative.

\*\*Byrd elected as independent.

567. S Con Res 109. Fiscal 1977 Budget Levels. Adoption of the resolution to set binding fiscal 1977 budget levels of revenues of \$362-billion, budget authority of \$447.5-billion, outlays of \$412.8-billion and a deficit of \$50.8-billion. Adopted 55-23: R 14-18; D 41-5 (ND 27-3; SD 14-2), Sept. 9, 1976. (Story, p. 2455)

568. S 522. Indian Health Care. Jackson (D Wash.) motion that the Senate recede from its amendment and concur in the House version of the bill to improve federal health programs for Indians and Alaskan natives with a further amendment to increase funding authorized in fiscal 1978 for health services to \$10-million, from \$5-million. Agreed to 78-0: R 31-0; D 47-0 (ND 30-0; SD 17-0), Sept. 9, 1976.



KEY		528	529	530	531	532	533	534	535
Y	Voted for (yea)								
✓	Paired for								
†	Announced for								
N	Voted against (nay)								
X	Paired against								
-	Announced against								
P	Voted "present"								
•	Voted "present" to avoid possible conflict of interest								
?	Did not vote or otherwise make a position known								
<b>ALABAMA</b>									
1	Edwards	N	Y	Y	Y	N	Y	Y	Y
2	Dickinson	N	N	Y	Y	N	Y	N	Y
3	Nichols	N	Y	Y	Y	Y	Y	Y	Y
4	Bevill	N	Y	Y	Y	Y	Y	Y	Y
5	Jones	N	Y	Y	N	Y	Y	Y	Y
6	Buchanan	N	Y	Y	N	Y	Y	Y	Y
7	Flowers	N	Y	Y	N	Y	Y	Y	Y
<b>ALASKA</b>									
1	Young	X	?	?	?	?	?	?	?
<b>ARIZONA</b>									
1	Rhodes	N	Y	Y	N	N	Y	Y	Y
2	Udall	Y	Y	N	Y	Y	Y	Y	Y
3	Steiger	?	?	?	?	?	?	?	?
4	Conlan	?	?	?	?	?	?	?	?
<b>ARKANSAS</b>									
1	Alexander	?	?	?	Y	Y	Y	Y	Y
2	Mills	N	Y	Y	Y	Y	Y	Y	Y
3	Hammerschmidt	N	N	Y	Y	N	Y	Y	Y
4	Thornton	N	Y	Y	N	Y	Y	Y	Y
<b>CALIFORNIA</b>									
1	Johnson	N	Y	N	N	Y	Y	Y	Y
2	Clausen	?	?	?	?	?	?	?	?
3	Moss	Y	Y	Y	Y	Y	Y	Y	Y
4	Leggett	Y	Y	Y	Y	Y	Y	Y	Y
5	Burton, J.	Y	Y	Y	N	Y	Y	Y	Y
6	Burton, P.	Y	Y	Y	N	Y	Y	Y	Y
7	Miller	Y	Y	Y	N	Y	Y	Y	Y
8	Dellums	Y	Y	Y	N	Y	Y	Y	Y
9	Stark	Y	Y	Y	N	Y	Y	Y	Y
10	Edwards	Y	Y	Y	N	Y	Y	Y	Y
11	Ryan	Y	Y	Y	N	Y	Y	Y	Y
12	McCloskey	Y	Y	Y	N	Y	Y	Y	Y
13	Mineta	Y	Y	Y	N	Y	Y	Y	Y
14	McFall	Y	Y	Y	N	Y	Y	Y	Y
15	Sisk	Y	Y	Y	N	Y	Y	Y	Y
16	Talcott	Y	Y	Y	N	Y	Y	Y	Y
17	Krebs	Y	Y	Y	N	Y	Y	Y	Y
18	Ketchum	Y	Y	Y	N	Y	Y	Y	Y
19	Lagomarsino	Y	Y	Y	N	Y	Y	Y	Y
20	Goldwater	X	?	?	?	?	?	?	?
21	Corman	Y	Y	Y	N	Y	Y	Y	Y
22	Moorhead	N	Y	Y	N	Y	Y	Y	Y
23	Rees	Y	Y	Y	N	Y	Y	Y	Y
24	Waxman	Y	Y	Y	N	Y	Y	Y	Y
25	Roybal	Y	Y	Y	N	Y	Y	Y	Y
26	Rousselot	N	N	Y	Y	N	Y	Y	Y
27	Bell	N	Y	Y	N	Y	Y	Y	Y
28	Burke	Y	Y	Y	N	Y	Y	Y	Y
29	Hawkins	Y	Y	Y	N	Y	Y	Y	Y
30	Danielson	Y	Y	Y	N	Y	Y	Y	Y
31	Wilson	Y	Y	Y	N	Y	Y	Y	Y
32	Anderson	N	Y	Y	N	Y	Y	Y	Y
33	Clawson	N	Y	Y	N	Y	Y	Y	Y
34	Hannaford	N	Y	Y	N	Y	Y	Y	Y
35	Lloyd	Y	Y	Y	N	Y	Y	Y	Y
36	Brown	Y	Y	Y	N	Y	Y	Y	Y
37	Pettis	N	Y	Y	N	Y	Y	Y	Y
38	Patterson	Y	Y	Y	N	Y	Y	Y	Y
39	Wiggins	X	?	?	?	?	?	?	?
40	Hinschaw	?	?	?	?	?	?	?	?
41	Wilson	X	?	?	?	?	?	?	?
42	Van Deerlin	Y	Y	Y	N	Y	Y	Y	Y
43	Burgener	N	Y	Y	N	Y	Y	Y	Y
<b>COLORADO</b>									
1	Schroeder	Y	Y	Y	N	Y	Y	Y	Y
2	Wirth	Y	Y	Y	N	Y	Y	Y	Y
3	Evans	N	Y	Y	N	Y	Y	Y	Y
4	Johnson	N	Y	Y	N	Y	Y	Y	Y
<b>CONNECTICUT</b>									
1	Collter	Y	Y	Y	N	Y	Y	Y	Y
2	Dodd	Y	Y	Y	N	Y	Y	Y	Y
3	Gaiamo	Y	Y	Y	N	Y	Y	Y	Y
4	McKinney	N	Y	Y	N	Y	Y	Y	Y
5	Sarsain	Y	Y	Y	N	Y	Y	Y	Y
6	Moffett	Y	Y	Y	N	Y	Y	Y	Y
<b>DELAWARE</b>									
1	du Pont	-	†	X	Y	N	Y	Y	Y
<b>FLORIDA</b>									
1	Sikes	N	N	Y	N	Y	Y	Y	Y
2	Fuqua	N	Y	Y	N	Y	Y	Y	Y
3	Bennett	N	Y	Y	N	Y	Y	Y	Y
4	Chappell	N	Y	Y	N	Y	Y	Y	Y
5	Kelly	N	Y	Y	N	Y	Y	Y	Y
6	Young	N	Y	Y	N	Y	Y	Y	Y
7	Gibbons	Y	Y	Y	N	Y	Y	Y	Y
8	Haley	Y	Y	Y	N	Y	Y	Y	Y
9	Frey	Y	Y	Y	N	Y	Y	Y	Y
10	Batfalis	•	•	•	Y	Y	Y	Y	Y
11	Rogers	N	Y	Y	N	Y	Y	Y	Y
12	Burke	?	?	?	Y	Y	Y	Y	Y
13	Lehman	Y	Y	Y	N	Y	Y	Y	Y
14	Pepper	Y	Y	Y	N	Y	Y	Y	Y
15	Fascell	N	Y	Y	N	Y	Y	Y	Y
<b>GEORGIA</b>									
1	Ginn	N	Y	Y	N	Y	Y	Y	Y
2	Mathis	N	Y	Y	N	Y	Y	Y	Y
3	Brinkley	N	Y	Y	N	Y	Y	Y	Y
4	Levitas	?	?	?	Y	Y	Y	Y	Y
5	Young	?	?	?	Y	Y	Y	Y	Y
6	Flynt	N	Y	Y	N	Y	Y	Y	Y
7	McDonald	N	Y	Y	N	Y	Y	Y	Y
8	Stuckey	X	?	?	Y	Y	Y	Y	Y
9	Landrum	N	Y	Y	N	Y	Y	Y	Y
10	Stephens	X	?	?	Y	Y	Y	Y	Y
<b>HAWAII</b>									
1	Matsunaga	Y	Y	Y	N	Y	Y	Y	Y
2	Mink	Y	Y	Y	N	Y	Y	Y	Y
<b>IDAHO</b>									
1	Symms	X	?	?	Y	Y	Y	Y	Y
2	Hansen, G.	X	?	?	Y	Y	Y	Y	Y
<b>ILLINOIS</b>									
1	Metcalfe	X	?	?	Y	Y	Y	Y	Y
2	Murphy	Y	Y	Y	N	Y	Y	Y	Y
3	Russo	Y	Y	Y	N	Y	Y	Y	Y
4	Derwinski	N	Y	Y	N	Y	Y	Y	Y
5	Fary	N	Y	Y	N	Y	Y	Y	Y
6	Hyde	X	?	?	Y	Y	Y	Y	Y
7	Collins	N	Y	Y	N	Y	Y	Y	Y
8	Rostenkowski	Y	Y	Y	N	Y	Y	Y	Y
9	Yates	Y	Y	Y	N	Y	Y	Y	Y
10	Mikva	Y	Y	Y	N	Y	Y	Y	Y
11	Annunzio	N	Y	Y	N	Y	Y	Y	Y
12	Crane	N	Y	Y	N	Y	Y	Y	Y
13	McClory	N	Y	Y	N	Y	Y	Y	Y
14	Erlenborn	N	Y	Y	N	Y	Y	Y	Y
15	Hall	N	Y	Y	N	Y	Y	Y	Y
16	Anderson	N	Y	Y	N	Y	Y	Y	Y
17	O'Brien	N	Y	Y	N	Y	Y	Y	Y
18	Michel	N	Y	Y	N	Y	Y	Y	Y
19	Railsback	N	Y	Y	N	Y	Y	Y	Y
20	Findley	N	Y	Y	N	Y	Y	Y	Y
21	Madigan	N	Y	Y	N	Y	Y	Y	Y
22	Shipley	N	Y	Y	N	Y	Y	Y	Y
23	Price	N	Y	Y	N	Y	Y	Y	Y
24	Simon	Y	Y	Y	N	Y	Y	Y	Y
<b>INDIANA</b>									
1	Madden	Y	Y	Y	N	Y	Y	Y	Y
2	Fithian	Y	Y	Y	N	Y	Y	Y	Y
3	Brademas	Y	Y	Y	N	Y	Y	Y	Y
4	Roush	Y	Y	Y	N	Y	Y	Y	Y
5	Hillis	N	Y	Y	N	Y	Y	Y	Y
6	Evans	N	Y	Y	N	Y	Y	Y	Y
7	Myers	N	Y	Y	N	Y	Y	Y	Y
8	Hayes	Y	Y	Y	N	Y	Y	Y	Y
9	Hamilton	N	Y	Y	N	Y	Y	Y	Y
10	Sharp	Y	Y	Y	N	Y	Y	Y	Y
11	Jacobs	N	Y	Y	N	Y	Y	Y	Y
<b>IOWA</b>									
1	Mezvinsky	N	Y	Y	N	Y	Y	Y	Y
2	Blouin	N	Y	Y	N	Y	Y	Y	Y
3	Grassley	N	Y	Y	N	Y	Y	Y	Y
4	Smith	N	Y	Y	N	Y	Y	Y	Y
5	Harkin	N	Y	Y	N	Y	Y	Y	Y
6	Bedell	N	Y	Y	N	Y	Y	Y	Y

Democrats Republicans

528. HR 10498. Clean Air Act Amendments. Maquire (D N.J.) amendment to delete the "Class III" nondegradation category from the bill, thus requiring more stringent protection of air in areas where it had not deteriorated to the minimum air quality levels required by national standards. Rejected 107-247: R 18-98; D 89-149 (ND 79-80; SD 10-69), Sept. 8, 1976. (Story, p. 2457)

529. HR 10498. Clean Air Act Amendments. Rogers (D Fla.) amendment to establish a National Commission on Air Quality to review implementation of the act. Adopted 301-57: R 66-48; D 235-9 (ND 167-0; SD 68-9), Sept. 8, 1976. (Story, p. 2457)

530. HR 10498. Clean Air Act Amendments. Chappell (D Fla.) amendment to delete from the bill provisions to require protection of pristine air (nondegradation) and direct the National Commission on Air Quality to conduct a one-year study of the issue. Rejected 156-199: R 77-38; D 79-161 (ND 20-142; SD 59-19), Sept. 8, 1976. (Story, p. 2457)

531. H Res 1526. Privilege of the House Floor. Adoption of the resolution to request an investigation by the House Rules Committee concerning certain abuses of privileges regarding House floor proceedings by former House members. Adopted 371-1: R 122-0; D 249-1 (ND 167-0; SD 82-1), Sept. 9, 1976.

532. H Con Res 728. Fiscal 1977 Budget Levels. Rousselot (R Calif.) substitute amendment to H Con Res 728 (see vote 533, below) to produce a balanced budget by setting revenues and outlays for fiscal 1977 at \$362.5-billion. Rejected 111-264: R 76-49; D 35-215 (ND 6-163; SD 29-52), Sept. 9, 1976. (Story, p. 2455)

533. H Con Res 728. Fiscal 1977 Budget Levels. Adoption of the resolution to set binding fiscal 1977 budget levels of revenues of \$362.5-billion, budget authority of \$452.6-billion, outlays of \$413.2-billion and a deficit to \$50.7-billion. Adopted 227-151: R 12-113; D 215-38 (ND 154-16; SD 61-22), Sept. 9, 1976. (Story, p. 2455)

534. HR 14262. Defense Department Appropriations, Fiscal 1977. Adoption of the conference report on the bill to appropriate \$104,343,835,000 for

## Senate Votes To Reject Congressional Pay Raise

An election-minded Senate voted Sept. 8 to deny a cost-of-living pay raise for members of Congress this year, to scrap plans for a new \$35-million Senate office building, and to cut in half the number of operators on automatic elevators in the Capitol and Senate office buildings.

These three actions were taken as the Senate cut \$37.7-million from the fiscal 1977 legislative appropriations bill (HR 14238) approved by the Appropriations Committee.

As passed by the Senate 63-5, the measure appropriated \$971,141,285 to run the legislative branch during fiscal 1977. (Vote 566, p. 2488)

In another major cost saving action, the Senate voted to end the system of paying a 1 per cent bonus to federal retirees every time they received a cost-of-living increase in their pensions.

The Senate voted to scrap entirely the existing law, which provided for the paying of the bonus every time the cost of living rose by 3 per cent over three consecutive months.

Instead, it voted for a system that would adjust the pensions automatically every six months without the so-called 1 per cent kicker.

But the desire to cut costs did not dominate all the action on the bill. The Senate crackdown on pay raises, for example, did not go as far as the House.

The House had voted to ban all pay raises for all top level federal officials—including judges and high ranking executive branch bureaucrats as well as congressmen—during fiscal 1977.

The Senate killed only the automatic pay raise for members of Congress scheduled to take effect in October. Its version permitted the raise for other federal employees to take effect and reserved judgment on the expected recommendation for pay hikes for members and other officials expected to be presented to Congress by the so-called quadrennial commission in January 1977.

In an action likely to re-ignite a long smoldering disagreement with the House, the Senate endorsed a Senate Appropriations Committee proposal to spend \$25-million to renovate the West Front of the Capitol without changing its appearance or location. The House in the past has favored an extension rather than a renovation.

In a related development the day after the Senate passed its bill, Tax Foundation Inc., a non-profit organization based in New York, released a study showing that appropriations for the legislative branch in fiscal 1976 were nearly triple the fiscal 1970 level.

According to the study, the single most important reason for the increase was congressional salaries, both the large pay raises granted in recent years and those needed to pay additional staff members.

"Congressional staff salaries," the report said, "are high by almost any standard," averaging \$15,000 a year in the Senate and \$14,000 a year in the House, as against the national per capita average salary of \$5,000 a year.

## Members Refusing '75 Pay Raise

The following members of Congress have returned all or part of their 1975 cost-of-living pay increase as of Sept. 1, according to the Treasury Department's Bureau of Government Financial Operations. The pay raise amounted to a \$2,100 annual salary increase for most members of Congress. (Earlier box, Weekly Report p. 884)

### REPRESENTATIVES

L.A. (Skip) Bafalis (R Fla.)	\$ 958.60
Alphonzo Bell (R Calif.)	958.60
Charles E. Bennett (D Fla.)	766.88
Bob Carr (D Mich)	1,120.00
Jack Edwards (R Ala.)	900.00
*Charles E. Grassley (R Iowa)	1,400.00
Tom Harkin (D Iowa)	1,575.00
David N. Henderson (D N.C.)	1,727.00
Henry J. Hyde (R Ill.)	835.47
Andy Jacobs Jr. (D Ind.)	858.48
William M. Ketchum (R Calif.)	575.22
Edward Mezvinsky (D Iowa)	1,750.00
George Miller (D Calif.)	862.74
Charles A. Mosher (R Ohio)	176.75
George M. O'Brien (R Ill.)	958.61
Phil Sharp (D Ind.)	1,575.00

\* Grassley told Congressional Quarterly he personally presented a check to Treasury Secretary William E. Simon for an additional amount of \$525 on Dec. 13, 1975. The amount was not recorded by the Bureau of Government Financial Operations.

Some members of the House channeled their payments through the office of the clerk of the House. The report of the clerk of the House through Dec. 31, 1975, listed the following members as having made gifts of part of their salaries to the Treasury:

John B. Breaux (D La.)	\$194.80
Norman E. D'Amours (D N.H.)	194.80
Christopher J. Dodd (D Conn.)	97.40
Millicent Fenwick (R N.J.)	350.00
Louis Frey Jr. (R Fla.)	192.14
Ken Hechler (D W.Va.)	350.00
Jack F. Kemp (R N.Y.)	95.86
Martha Keys (D Kan.)	135.92
*Jerry Litton (D Mo.)	287.58
Andrew Maguire (D N.J.)	191.72
Henry J. Nowak (D N.Y.)	191.72

\*Died Aug. 3

### SENATORS

Lloyd Bentsen (D Texas)	1,120.00
Harry F. Byrd Jr. (Ind Va.)	289.41
Robert C. Byrd (D W.Va.)	960.88
Lawton Chiles (D Fla.)	1,750.00
John A. Durkin (D N.H.)	289.00
Jennings Randolph (D W.Va.)	1,750.00
Richard (Dick) Stone (D Fla.)	1,750.00
Robert Taft Jr. (R Ohio)	1,610.00

The number of aides on the Hill grew by 44 per cent between 1970 and 1976, the report said, while the size of the total federal work force grew by only 12 per cent during the same period.

## Committee Report

The Senate Appropriations Committee reported HR 14238 (S Rept 94-1201) Sept. 3 with appropriations totaling \$1,008,850,285 for fiscal 1977. The amount was \$16,559,520 higher than the budget request and \$75,801,882 over the amount appropriated for fiscal 1976.

The committee's recommendation was \$228,539,335 more than the House had approved, with most of the increase devoted to expenses of the Senate, which by custom are not considered by the House.

### Senate Operations

The committee recommended \$135,988,875 for operation of the Senate during fiscal 1977, an amount equal to the budget request and an increase of \$9,914,230 over the 1976 appropriation. The bulk of the increase was earmarked for salary boosts for senators and Senate employees.

**Senators' Compensation.** The committee recommended \$5,068,630 for salaries and mileage and expense allowances for senators, the Vice President and the Senate leadership.

**Senate Employees.** For salaries of employees of the Senate and of aides to individual senators, the committee recommended an appropriation of \$89,613,110. The committee recommended no changes in the size of Senate staffs, but did provide funds for seven new positions in the office of the Secretary of the Senate, 38 new jobs in the Sergeant at Arms and Doorkeeper's offices and an adjustment in the ranks of Capitol policemen to meet salary raises of local, District of Columbia, police forces.

**Legislative Counsel.** The committee recommended \$629,700 for the office of Legislative Counsel of the Senate, an amount equal to the budget estimate.

**Contingent Expenses.** The committee recommended an appropriation of \$40,677,435 for contingent expenses of the Senate in fiscal 1977, including \$21,854,485 for special investigations. The total amount was the same as the budget estimate.

### Joint Items

The committee proposed a \$55,488,860 appropriation for fiscal 1977 to pay for the six joint committees and other activities shared with the House. The amount was \$220,060 more than the House-passed figure and \$71,400 below the budget estimate.

The largest single item in this section was a \$46,904,000 recommendation for official mail costs, specifically to reimburse the U.S. Postal Service for official mail sent by members and Senate employees. This was \$803,000 above the fiscal 1976 appropriation.

### Office of Technology Assessment

The committee recommended an appropriation of \$8-million for the the Office of Technology Assessment (OTA), an amount \$1,422,000 above the House-passed total. The increase, according to the committee, was needed to provide fully for "the high priority oceans and energy assessment programs."

## Congressional Budget Office

The committee recommended \$9,319,200 for the new Congressional Budget Office, an amount equal to the House-passed figure. This amount was requested by Budget Office Director Alice Rivlin and would allow the CBO to add 15 new positions, bringing its total staff to 208.

### Architect of the Capitol

The committee proposed an appropriation of \$124,479,500 for fiscal 1977 for the Architect of the Capitol, an amount that was \$86,841,500 above the House-passed amount and \$22,854,800 above the budget.

Two items in this section that promised to be controversial were the committee's recommendation of \$25-million for restoration of the West Front of the Capitol and \$35.5-million for acquisition of additional Senate office space.

In recommending restoration of the West Front, the committee pointed out that "the central West Front of the Capitol has not been painted since 1967 and is a shameful disgrace to the millions of Bicentennial visitors...."

### Library of Congress

The committee recommended an appropriation of \$139,260,000 for the Library of Congress, an increase of \$3,844,900 over the House-passed amount.

The bulk of the increase was earmarked for additional personnel, including 31 more jobs than the House had allowed for the library itself and 25 positions not funded by the House for the Copyright Office.

All 44 positions requested by the Congressional Research Service of the library were approved. The House had approved 12 new positions.

## Floor Action

**Pay Raises.** On the pay raise controversy, the Senate Sept. 7 adopted a compromise position that was between the House decision to ban pay raises for all top-level federal officials, including members of Congress, for fiscal 1977, and the Senate committee-backed proposal to allow the raises to take effect for all federal employees.

The Senate adopted by voice vote an amendment sponsored by Robert Taft Jr. (R Ohio) to allow the October cost-of-living increase, estimated at approximately 5 per cent, to take effect for all federal employees except members of Congress. The Taft language also allowed any other proposed pay increases during fiscal 1977 to take effect.

Following adoption of the Taft amendment, a motion to reconsider the vote, supported by senators favoring the increase, was tabled handily, 55-19. (Vote 555, p. 2487)

Backers of the Taft amendment argued that it was unfair to penalize other government workers, especially judges, simply because Congress, in an election year, was unwilling to vote a raise for itself.

"A pay raise for other federal employees is fair and necessary to keep first class people in government," Taft said. "However, I point out that there seems to be no lack of candidates for the jobs we hold in the House and Senate."

But opponents of the Taft amendment said that what was fair for other employees should be fair for members of Congress as well. "It seems to me that if we want the best caliber of people representing us in Congress," said William

Lloyd Scott (R Va.), "they should be paid comparable pay. I think that we are letting politics decide this question."

Politics did appear to play a role in the outcome of the issue. Of those voting to reconsider the Taft amendment, only one, Henry M. Jackson (D Wash.), was facing reelection in 1976.

In the key vote on the issue, the Senate then rejected, 25-46, the Senate committee-sponsored amendment that had the effect of granting the pay increase for congressmen as well. Again, Jackson was the only senator up for reelection to vote for the pay hike. (Vote 556, p. 2487)

There remained some confusion about whether the House-passed language on the pay issue was retroactive, eliminating the cost-of-living raise given members in 1975. Therefore, without objection, the Senate adopted an amendment by Ernest F. Hollings (D S.C.) specifying that salaries of members would be frozen at the level in effect as of Sept. 30, 1976.

On Sept. 8 the Senate adopted another amendment relating to the pay issue. Sponsored by Ted Stevens (R Alaska), it provided that the pay freeze would not apply to recommendations by the so-called quadrennial commission that were expected to be made in January 1977.

The amendment to reserve judgment on this expected pay hike was adopted on a vote of 41-28. (Vote 565, p. 2488)

The Senate earlier the same day had rejected a related amendment, sponsored by Mike Gravel (D Alaska), that would have delayed the effect of the pay raise freeze until after consideration of the quadrennial commission's report. The Gravel amendment was tabled, and thus killed, by a 65-13 vote. (Vote 563, p. 2488)

The Senate also rejected, 26-49, an amendment sponsored by Scott (Va.) that would have officially allowed members of Congress to return to the Treasury any portion of their salaries. (Vote 564, p. 2488)

**Elevator Operators**

By a vote of 51-30 Sept. 8, the Senate adopted an amendment sponsored by Dewey F. Bartlett (R Okla.) to reduce to 63 from 125 the number of persons operating automatic elevators in the Capitol and the congressional office buildings. (Vote 557, p. 2487)

Bartlett said his amendment would save \$502,262 a year and that the reduction had been recommended by the Architect of the Capitol. He argued that to continue to pay people to run automatic elevators would "make a mockery out of our desire to hold the line on government spending."

**Senate Office Building**

The committee had recommended an appropriation of \$35.5-million for the purchase of a building at 400 North Capitol Street to serve as a fourth Senate office building.

The building had been the subject of some controversy for several years. Negotiations between the General Services Administration and the building owners for a federal lease broke down early in 1976 when the owners asked a rental price greater than GSA had been authorized to pay. (1975 Almanac p. 868)

Hollings, defending the committee position, argued that the building's 550,000 square feet of office space was needed to house additional Senate computers and to relieve the space squeeze in other buildings.

Hollings said that the existing space limitation in the Senate was so bad that it violated federal regulations on health and safety standards for workers.

But John C. Culver (D Iowa), in a long and colorful denunciation of the building, said the needs of the Senate could be met by reallocation of existing space.

Culver denounced the 400 North Capitol Street building as a "white elephant," a "mausoleum," and a "boilerplate, speculative building."

Hollings called Culver's statements "malarkey," but in the end the Senate decided, on a vote of 28-53, that the committee amendment was not germane to the bill, in effect killing it. Majorities of both parties voted against it: R 10-24; D 18-29. (Vote 560, p. 2487)

**One Per Cent Kicker**

With enactment in 1969 of a law (PL 91-93) making modifications in the federal pension system, government retirees became eligible to receive a bonus in their pensions every time the cost of living went up by 3 per cent over the previous base period for three consecutive months. In such situations, they became eligible for an extra 1 per cent "kicker" payment.

The idea behind the kicker was to make up for the delay between the time the cost of living began to rise and the time it rose high enough to trigger a raise in pensions.

However, because the kicker was then included in the base for the next raise, it had a multiplier effect, which some critics charged went far beyond its intent.

Hollings said the effect of the kicker had been to increase federal annuities by 72 per cent, between 1969 and 1975, while the cost of living went up only 56 per cent. This resulted in an additional loss to the government of \$1.6-billion over the seven-year period.

Earlier in the year the Senate had approved legislation (HR 12438) repealing the kicker for military retirees, but related legislation to do the same for civilians remained bottled up in the Senate Post Office and Civil Service Committee. (Weekly Report p. 1704)

Ted Stevens (R Alaska), the ranking Republican on that committee, objected to the Hollings amendment as an infringement on his committee's rights. But the Senate, on a vote of 60-20, ruled the amendment germane and then rejected Stevens' motion to table the amendment by a vote of 11-68. It then adopted the Hollings amendment by voice vote. (Votes 561, 562, p. 2488)

The Senate then went on to adopt an amendment sponsored by Lawton Chiles (D Fla.) to replace the existing method of computing cost-of-living pension increases with a system that would adjust pensions automatically every six months.

**Provisions**

As passed by the Senate Sept. 8 and by the House Sept. 1, HR 14238 made appropriations for the legislative branch for fiscal 1977 in the following amounts:

Item	House-Passed Appropriation	Senate-Passed Appropriation
Senate	*	\$137,279,875
House of Representatives	\$241,773,550	241,773,550
Joint Items	55,268,800	55,488,860
Office of Technology Assessment	6,624,000	8,000,000
Congressional Budget Office	9,319,200	9,319,200
Architect of the Capitol	37,638,000	85,479,500
Botanic Gardens	1,164,900	1,164,900
Library of Congress	135,415,100	139,260,000

Item	House-Passed Appropriation	Senate-Passed Appropriation
Copyright Royalty Commission	*	268,000
Government Printing Office	140,827,400	140,827,400
General Accounting Office	150,580,000	150,580,000
Cost Accounting Standards Board	1,700,000	1,700,000
<b>Total</b>	<b>\$780,310,950</b>	<b>\$971,141,285</b>

\*These items not considered by the House.

—By Thomas P. Southwick

**Sentenced for Speeding:**

**Horton Released From Jail**

Rep. Frank Horton (R N.Y.) was released from Genesee County Jail in Batavia, N.Y., Sept. 7 after serving less than a week of an 11-day sentence for speeding. Officials said Horton's early release was for good behavior.

Horton had been arrested for speeding and drunken driving on the New York State Thruway near Batavia July 18. (Earlier story, Weekly Report p. 2031)

After pleading guilty to the charges before Justice Frederick Muskopf, Horton was sentenced Aug. 31 to serve 11 days in jail. Muskopf also ordered Horton to pay a fine of \$200—\$100 each for the two charges. Horton's driver's licence also was revoked.

At a news conference following his release, Horton said he had been resentenced by Muskopf, thus allowing him to serve the jail sentence for the speeding charge while he received a conditional discharge on the drunken driving charge. This change, said Horton, allowed him to regain his driver's license on the condition that he attend a state driving rehabilitation school.

Horton was the first sitting member of Congress to serve time in jail since Rep. Thomas J. Lane (D Mass. 1941-63), who served a four-month term in 1956 for federal income tax evasion.

After his release Horton said his sentence showed that in his case, justice "was administered without regard to social, economic or political position."

**INSIDE CONGRESS NOTES**

**Rep. Hinshaw Status**

The House Select Committee on Standards of Official Conduct voted 10-2 Sept. 2 to reject a resolution to expel Rep. Andrew J. Hinshaw (R Calif.). Hinshaw was convicted Jan. 26 on two counts of bribery that stemmed from his term as Orange County assessor before he came to Congress.

The resolution had been introduced June 30 by Rep. Charles E. Wiggins (R Calif.) after he had tried unsuccessfully to convince Hinshaw to resign. Wiggins said that despite the committee's vote he would bring the privileged resolution to the House floor, as he was permitted to do under House rules. (Earlier story, Weekly Report p. 1961)

Chairman John J. Flynt Jr. (D Ga.) said it was the committee's feeling that Hinshaw should not be expelled since his conviction involved actions taken before his election to the House and because the conviction itself was still under appeal. The two members voting in favor of the resolution were Republicans Floyd Spence (S.C.) and Albert H. Quie (Minn.). Wiggins was not a member of the committee.



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September 11, 1976

Pages 2453-2496

**Economic Affairs**

Budget Resolution .....2455

*Congress neared final action on a budget for the fiscal year beginning Oct. 1 that called for more spending, higher taxes and about one million more jobs than the plan proposed by President Ford eight months ago.*

Tax Revision Conference .....2456

**Energy and Environment**

Late Action on Legislation .....2457

*With time running short, Congress struggled toward final action on key environmental bills—clean air and toxic substances. And the Rules Committee put off granting rules on two more measures—strip mining and synthetic fuels.*

New River Bill Cleared .....2458

**Foreign Policy/National Security**

Defense Department Appropriations .....2459

Major Weapons Funded .....2460

Foreign Arms Sales Resolutions .....2463

**Consumer Affairs**

Senate Passes Modified Antitrust Bill ...2464

**Politics**

Carter and Ford—A Contrast in Styles ..2465

Candidates' Travel Schedules .....2465

Nonvoters Poll .....2466

National Issues: Welfare, Social Security .2467

*The second in a series of articles detailing the differences between President Ford's and Jimmy Carter's positions on major issues likely to face the 95th Congress.*

Primary Results .....2470

Arizona .....2470

Florida .....2471

Georgia .....2473

Connecticut .....2473

North Dakota .....2473

Primary Outlook .....2474

Washington .....2474

Wyoming .....2475

Filing Completed .....2475

**Health/Education/Welfare**

Labor-Health Appropriations Bill .....2476

Ford Signs Day Care Center Bill .....2476

Supplemental Security Income Program ..2477

**Law Enforcement and Judiciary**

Law Enforcement Agency Authorization ..2479

**Transportation/Communications**

Communications Commission Nominees ..2481

Coast Guard Authorization .....2481

Maritime Authorization .....2482

**Agriculture**

Peanut Subsidies .....2483

*The 95th Congress is expected to consider a general farm bill including a revision of a program that has been criticized as one of the biggest boondoggles in U.S. agriculture.*

**Inside Congress**

Legislative Branch Appropriations .....2492

Horton Released from Jail .....2494

Rep. Hinshaw Status .....2495

Status of Appropriations .....2454

Senate Votes (555-568) .....2487

House Votes (528-535) .....2490

**Legislative Action**

✓ **Committee**

Peanut Subsidy Program (HR 12808) .....2433

✓ **Floor**

Antitrust Bill (HR 8532) .....2464

Budget Resolution (S Con Res 139) .....2455

FCC Nominations Approved .....2481

LEAA Extension (S 2212) .....2479

Legislative Branch Funds (HR 14238) .....2492

Supplemental Security Income (HR 8911) .....2477

✓ **Conference**

Defense Appropriations (HR 14262) .....2457

Tax Revision (HR 10612) .....2456

✓ **Final Action**

Coast Guard Funds (HR 11670) .....2481

Day Care Centers Bill (PL 94-401) .....2476

Maritime Programs Funds (HR 11481) .....2482

New River Preservation (HR 13372) .....2458



Vol. XXXIV No. 37 • Pages 2453-2496 • Sept. 11, 1976

**Budget**

Congress nears final action on budget as House, Senate pass resolutions (2455)

**Defense Money**

Conferees agree to record \$104-billion appropriations for Pentagon (2459)

**Campaign Issues**

Candidates cannot easily avoid pitfalls on Social Security, welfare reform (2467)

**Primaries**

Results in Arizona, Florida, Connecticut; outlook in Washington, Wyoming (2470)

**Peanuts**

Carter's livelihood helps focus attention on \$163-million subsidy program (2483)



## Appropriations in 2nd Session, 94th Congress For fiscal year 1977, in thousands of dollars

AS OF SEPT. 10, 1976

Budget Authority (authority to obligate funds) in this type.  
Outlays (funds provided by these bills to be spent in fiscal 1977) in this type

SOURCE: Congressional Budget Office

	Administration Request	House	Senate	Final Action	Weekly Report Page
Legislative Branch (HR 14238)	\$ 968,733 899,619	\$ 780,267* 727,449	\$ 971,141 880,296		2492
Agriculture and related agencies (HR 14237—PL 94-351)	11,464,892 11,752,613	11,703,438 11,169,399	12,181,232 11,970,830	\$11,542,998 11,211,904	1845
District of Columbia (HR 15193)	396,894 352,197	372,707 333,526	400,422 355,035		
Transportation and related agencies (HR 14234—PL 94-387)	5,220,471 3,737,800	5,280,656 3,737,180	5,395,718 3,903,681	5,296,418 3,842,469	2139
Housing and Urban Development, Space Science, Veterans (HR 14233)	45,306,198 21,078,656	42,982,730 20,711,721	43,336,200 20,750,391	43,284,615 20,721,251	2065
Labor, Health, Education and Welfare and related agencies (HR 14232—PL 94-378)	54,661,665 43,057,210	55,977,862 43,949,818	56,896,639 44,234,401	56,390,858† 44,136,059†	2344
Interior and related agencies (HR 14231—PL 94-373)	5,748,054 3,917,114	5,660,897 3,895,661	5,797,965 3,980,411	5,641,379 3,878,247	1970
State, Justice, Commerce, Judiciary and related agencies (HR 14239—PL 94-362)	6,313,251 4,785,524	6,541,128 4,874,964	6,880,147 4,989,813	6,680,314 4,935,180	1852
Defense Department (HR 14262)	107,936,172 72,534,173	105,397,343 71,535,718	104,014,226 70,928,245	104,343,835† 71,214,699†	2459
Foreign Aid (HR 14260)	5,817,770 2,485,682	4,833,498 2,218,443	5,353,265 2,348,945		1950
Military Construction (HR 14235—PL 94-367)	3,472,400 911,327	3,293,118 903,632	3,426,891 910,035	3,338,759 906,604	1829
Public Works, Energy (HR 14236—PL 94-355)	9,398,895 5,342,126	9,645,609 5,536,110	9,718,885 5,390,175	9,703,713 5,586,224	1756
Treasury, Postal Service and General Government (HR 14261—PL 94-363)	8,004,892 7,721,226	8,267,636 7,979,106	8,301,470 8,015,214	8,313,119 8,022,403	1851
Public Works Employment (HR 15194)		1,138,308 962,300	1,638,300* 987,300*		2328

†Conference committee figures, not yet approved by Congress.  
\*Recommended by House or Senate Appropriations Committee, but not yet brought to the floor.  
\*\*Includes Harry F. Byrd elected as an independent.  
\*\*\*Includes James L. Buckley elected as a Conservative.

	House	Senate
Democrats	286	62**
Republicans	145	38***
Vacancies	4	0

## Budget Conferees Approve \$413.1-Billion Ceiling On Fiscal 1977 Spending

Congress neared final action on a budget for the fiscal year beginning Oct. 1 that called for more spending, higher taxes and about one million more jobs than the plan proposed by President Ford eight months ago.

Both the House and Senate passed resolutions Sept. 9 setting binding levels for outlays and revenues for fiscal 1977. They varied only slightly, and conferees quickly settled the differences Sept. 10, clearing the way for final congressional approval by the Sept. 15 deadline set by the 1974 congressional budget act. The budget resolution does not require the President's signature.

The conferees on the resolution (S Con Res 139) settled on revenues of \$362.5-billion; outlays of \$413.1-billion; budget authority of \$451.5-billion and a deficit of \$50.6-billion.

Ford, in his mid-summer budget revision, had proposed revenues of \$352.5-billion; budget authority of \$431.4-billion; outlays of \$400-billion and a deficit of \$47.5-billion.

### In Full Operation

Adoption of the final budget resolution would mark the first full implementation of the budget procedures Congress approved in 1974 to bring some control to its previously fragmented process of setting federal spending. Members in both chambers used debate on the resolution to congratulate themselves for making a success of the new system, which had been partially tested in 1975. (*Trial run, 1975 Almanac p. 120*)

"Perhaps the most important aspect of the final budget resolution of fiscal year 1977 is the fact that it contains the budget of Congress and not that of the President," said House Budget Committee Chairman Brock Adams (D Wash.) Sept. 8. "...The important thing is that Congress faced up to the challenge, decided upon a course of action and followed it through to a successful conclusion despite the doubts of the cynics and the occasional setback."

The final figures, when agreed upon by the two chambers, will set a binding floor under revenues and a ceiling on budget authority and outlays. Any bills that would breach those levels could be ruled out of order.

As Adams noted, the congressional budget differed sharply from the approach favored by the White House, with an emphasis on programs to fight unemployment. Ford had proposed larger tax cuts and a lower level of outlays than favored by Congress, as well as consolidations and reductions in domestic programs. (*Ford budget, Weekly Report p. 111*)

### Few Changes

The overwhelming approval given the two versions of the resolution Sept. 9 was somewhat anticlimactic because they were similar in all major respects to the resolution (S

Con Res 109) cleared in May that set targets for spending and revenues. Since Congress had largely stayed within those targets and the economic recovery had proceeded close to expectations, there was no need to make dramatic changes in the binding totals, the Budget Committees explained.

Many of the adjustments in the second version were due to re-estimates in spending rates for various programs. In some areas, such as defense, totals were down slightly to reflect congressional action on appropriations bills. In others, such as Medicare, adjustments had to be made upward because program reforms and savings anticipated in May had not taken place.

### Uncertainty of Recovery

While both the House and Senate committees remained hopeful about the nation's continued recovery from one of its worst recessions, they made clear they were willing to consider a third budget resolution if economic conditions worsened in the coming months.

"The committee is prepared to consider a subsequent concurrent resolution early next year if the economic data received by then do not indicate that the recovery is proceeding satisfactorily," stressed the Senate committee report, after noting the uncertainty of the recovery underway.

The House report said additional economic stimulus measures should be considered early in the 95th Congress if the slowdown in the recovery experienced in the second quarter of 1976 continued the rest of the year. Even if the resolution's goals were met, unemployment would remain at very high levels, and any great slowdown in the recovery would produce "severe hardships" for millions of citizens, it continued.

Committee economists estimated that the similar resolutions approved by the two houses should result in unemployment of about 7 per cent by the end of 1976 and 6 per cent by the end of 1977, and an average inflation rate below 6 per cent in 1976 and about 5.5 per cent in 1977.

## Senate Action

The Senate passed S Con Res 139 on Sept. 9 by a vote of 55-23 after limited debate in which no opposition was expressed to the budget levels. No changes were made in the

*"Perhaps the most important aspect" of the resolution "is the fact that it contains the budget of Congress and not that of the President."*

—Rep. Brock Adams  
(D Wash.)





resolution reported Sept 3 (S Rept 94-1204). (Vote 567, p. 2489)

The resolution provided for:

- Revenues of \$362-billion.
- Budget authority of \$447.5-billion.
- Outlays of \$412.8-billion.
- A deficit of \$50.8-billion.

Budget Committee Chairman Edmund S. Muskie (D Maine) called the resolution an "economic recovery budget" designed to produce jobs and restrain inflation, and head the nation toward a balanced budget by 1980.

James B. Allen (D Ala.) told Muskie he doubted a balanced budget was possible in either four years or four decades, given Congress' proclivity to spend any additional revenues that became available. Muskie agreed that each senator must be willing to show fiscal discipline to reach such a goal, but was optimistic the projections could be achieved. Another committee member, Pete V. Domenici (R N.M.), told Allen that with the budget process "at least we'll know when we're moving off line" in trying to reach a balanced budget.

The only committee decision questioned on the floor was its decision to omit \$500-million for an extension of the emergency unemployment federal supplemental benefits (FSB) program beyond its March 31, 1977, expiration. The committee had explained in its report that continued improvement in the economy and the funding of approximately 500,000 jobs through the Comprehensive Employment and Training Act (CETA) would relieve the problem of extended unemployment and make an extension unnecessary. An extension had been assumed in the first budget targets. Under the FSB program, unemployment benefits are paid for up to an additional 26 weeks to workers who have used up their 39 weeks of ordinary unemployment payments, when certain conditions are met.

"We are by no means out of the woods" in reducing high unemployment, said Jacob K. Javits (R N.Y.). He wanted to make sure funding would be available if high unemployment made an extension necessary. Muskie and ranking minority member Henry Bellmon (R Okla.) assured him the Budget Committee would "watch this with a very sensitive eye" and that an extension, if necessary, could be accommodated in a third resolution or within the income security levels set by S Con Res 139.

## House Passage

The House passed its version (H Con Res 728) Sept. 9 by a vote of 227-151. (Vote 533, p. 2490)

Its levels, too, were unchanged from those reported by the Budget Committee Sept. 1 (H Rept 94-1457):

- Revenues of \$362.5-billion.
- Budget authority of \$452.6-billion.
- Outlays of \$413.2-billion.
- A deficit of \$50.7-billion.

Debate on the resolution, which had begun Sept. 8, turned into an opportunity for conservative members to discuss the merits of a balanced budget for fiscal 1977 and to press for reductions in the spending levels approved by the committee. The House easily rejected three efforts to lower the budget levels after arguments from Budget Committee members that the amendments were unrealistic, would destroy the fiscal policies carefully devised by Congress through the new budget procedures, and would jeopardize the success of the entire procedure.

## Conferees Agree on Tax Bill

House-Senate conferees on the tax revision bill (HR 10612) settled the last of their 251 differences Sept. 9, clearing the way for final approval by Congress.

After nine sessions that lasted all day and often into the evening, the conference committee approved a bill that was estimated to result in a net gain in tax revenues in fiscal 1977 of \$1.6-billion. That figure was considered a victory for the House conferees; the bill passed by the House in 1975 would have raised that amount, while the Senate version passed in August 1976 would have resulted in a net tax revenue loss of \$300-million. The revenue pickup also met the total set by conferees on the second budget resolution (S Con Res 139). They had called for a \$1.6-billion tax revenue gain in setting the binding floor of \$362.5-billion for fiscal 1977 revenues. (Budget, p. 2455)

In action on major provisions during the week of Sept. 6, the conferees increased the taxes imposed on wealthy individuals by approving several changes in the minimum tax. They included raising the minimum tax rate to 15 per cent from 10 per cent, lowering the existing exemption of \$30,000, and adding new tax preference items to those subject to the minimum tax. Similar changes also were made for corporations.

Conferees also approved new provisions aimed at cracking down on the use of tax shelters to shield income from taxation. The House-passed limitation on artificial losses (LAL) was dropped in favor of provisions that would limit deductions for losses from an investment to the amount a taxpayer actually had at risk, combined with other curbs for each of the tax shelters addressed—real estate, farming, oil and gas, movies, equipment leasing, sports franchises, and certain partnership operations.

The conference bill also included changes in estate and gift taxes. The Senate had included revisions in the tax bill, while a separate bill (HR 14844) approved by the Ways and Means Committee had run into difficulties on the House floor. (Weekly Report p. 2417)

The conferees also decided to restrict an existing exclusion for sick pay, to provide a 20 per cent tax credit for child care and to restrict deductions for attending foreign conventions. (Weekly Report p. 2415)

The House rejected Sept. 9:

- An amendment offered by John H. Rousselot (R Calif.) that would have set revenues and outlays at \$362.5-billion for a zero deficit, by a vote of 111-264. (Vote 532, p. 2490)
- An amendment offered by Delbert L. Latta (R Ohio), ranking minority member of the Budget Committee, to set revenues at \$354.9-billion and outlays at \$399.2-billion, based on a 5 per cent cut in spending in 13 of the 17 budget categories, and a reduction in personal income taxes, by voice vote.
- An amendment offered by Clarence E. Miller (R Ohio) to reduce budget authority for discretionary program spending (as opposed to mandatory spending) by 5 per cent, for a savings estimated by Miller at about \$6.5-billion, by a standing vote of 20-39.

Following passage of H Con Res 728, the House passed S Con Res 139 substituting the House provisions.

—By Judy Gardner



## Congress Struggles Toward Final Action on Key Energy, Environmental Legislation

With the time left for legislative action rapidly dwindling, Congress struggled during the week of Sept. 6 to complete action on a number of key energy and environmental bills. Besides the pressure of the planned Oct. 2 adjournment deadline, some of the bills faced possible vetoes by President Ford.

The House took up its long-delayed clean air amendments bill Sept. 8 and adjourned Sept. 10 without completing action. Conferees held two lengthy meetings on toxic substances control legislation, resolving many issues but recessing for the week with some important differences remaining.

House sponsors of a solid waste measure similar to one passed by the Senate rushed their bill through committee in hopes of getting it to conference next week also. The House Rules Committee considered two controversial bills, one regulating strip mining and one providing guaranteed loans for development of synthetic fuels, but postponed final decisions on whether to send them to the floor until Sept. 15.

### Clean Air

The House began general debate in early August on its clean air bill (HR 10498), reported in May. But in what its chief sponsor Paul G. Rogers (D Fla.) called "ludicrous scheduling" by the leadership, the measure had been shunted aside for the rest of the month.

The Senate passed its version of the bill (S 3219) Aug. 5, and time was running short for the difficult conference negotiations that would be required to resolve differences between the complex bills. (Senate action, Weekly Report p. 2107; House committee action, Weekly Report p. 1441)

The measures, the first comprehensive revisions of the 1970 Clean Air Act (PL 91-604), represent over a year's work by House and Senate committees. They extend deadlines and otherwise modify the strict auto and industrial clean-up schedules established in the law, but not to the extent requested by the Ford administration or many of the affected industries.

The House bill was brought back on the floor to begin the amending process after Rogers complained publicly about the leadership's lack of urgency in scheduling, and others charged that the leadership had been influenced by utility industry lobbyists who oppose the measure.

Rogers won an important victory Sept. 8 when the House rejected, 156-199, an amendment offered by Bill Chappell Jr. (D Fla.) to knock out a highly controversial section of the bill aimed at protecting the air over national parks and other regions where it is cleaner than required by national air quality standards. (Vote 530, p. 2490)

Utility and other industry groups had fought hard against this "nondegradation" provision, arguing that it

would stop growth in vast areas of the country and retard progress toward energy independence. President Ford also opposed the provision, for similar reasons. Environmentalists supported the nondegradation concept and had worked for even stronger protection than provided in the House bill.

Chappell's amendment would have deleted the nondegradation provisions from the bill and directed a new National Commission on Air Quality to conduct a one-year study of the issue. The Senate had rejected a similar amendment, offered by Frank E. Moss (D Utah), by a two-to-one margin, 31-63.

The House also turned down Sept. 8 an amendment offered by Andrew Maguire (D N.J.) that would have strengthened the nondegradation provision from the environmentalists' viewpoint and brought it closer in line with the Senate version. It was opposed by Rogers and rejected 107-247. (Vote 528, p. 2490)

The House took up the clean air bill again late in the afternoon of Sept. 9 and worked until 10 p.m. on amendments to the stationary source provisions. Auto emission deadlines were the subject when the House reconvened at 10 a.m. Friday, Sept. 10, with debate on an administration and industry-backed amendment by John D. Dingell (D Mich.) to extend the deadlines and another by Henry A. Waxman (D Calif.) to tighten them. No votes were taken before the House adjourned for the week. The House was scheduled to resume consideration of the bill with votes on those amendments Sept. 15, and possibly get to final passage the same day.

### Toxic Substances

House-Senate conferees on the toxic substances control bill (S 3149) held their second and third sessions Sept. 8 and 9. They recessed until Sept. 14 or 15 with much accomplished and a number of significant differences left to compromise.

The legislation, which would tighten federal regulation of industrial and commercial chemicals and for the first time require premarket testing of potentially harmful substances, died in two previous Congresses because of unresolved House-Senate differences.

This year, the bills are closer. The consumer-environmental-labor coalition backing strong legislation prefers the Senate version, while a major chemical industry group, the Manufacturing Chemists Association, endorsed the House-passed bill. (House action, Weekly Report pp. 2339, 1969; Senate action, Weekly Report p. 764)

Still to be decided when the conferees reconvene is the question of whether the Environmental Protection Agency (EPA) should have authority to withhold suspicious chemicals from the market through administrative action as in the Senate bill, or whether the EPA should go to court for such an action.

Some compromise is likely. But if key House Republicans such as James T. Broyhill (N.C.) are unhappy with the outcome, the chances of a veto may increase. The Ford administration favors toxic substances legislation that is weaker than either the House or Senate bills.

**Solid Waste**

The House Interstate and Foreign Commerce Committee Sept. 9 approved a bill (HR 14496) tightening federal control of hazardous waste disposal, providing grant money for state solid waste management programs, and beefing up EPA solid waste programs. A report (H Rept 94-1491) was filed the same day, and the House Rules Committee was scheduled to consider the bill Sept. 10.

The Transportation and Commerce Subcommittee reported the bill after dropping a provision, strongly opposed by environmentalists, to provide \$2.5-billion in loan guarantees for development of new waste recycling techniques. Staff members on the panel say they have been working with Senate staff to work out differences between HR 14496 and a Senate solid waste bill (S 2150) passed in June. They are optimistic that if the bill clears the House, a conference agreement can be reached quickly. (*Senate bill, Weekly Report p. 1819*)

**Other Bills**

The House Rules Committee heard hours of testimony Sept. 8 on a bill (HR 12112) providing federal loan guarantees for private development of synthetic fuels. Chairman Ray J. Madden (D Ind.) complained that the bill was too complex and far-reaching to be brought up so late in the session, especially when four House committees advocated different versions. A final vote was set for Sept. 15. (*Weekly Report p. 2340*)

Prospects were equally uncertain for an amended version of the controversial strip mining bill (HR 13950), on which the Rules Committee also promised to vote Sept. 15. Supporters said the twice-vetoed bill had been modified to meet the President's objections, and hoped members would be reluctant to vote against it so close to an election. (*Weekly Report p. 2343*)

Also on the Rules panel's schedule for Sept. 10 was HR 15069, a forest management bill that environmentalists consider too weak, particularly on the issue of clearcutting. A conference will be necessary to compromise it with a stronger Senate bill (S 3091) passed in August. (*Weekly Report p. 2450*)

—By Prudence Crewdson

**Senate Action:****New River Bill Cleared**

The campaign to save the New River in North Carolina from inundation by a huge hydroelectric project triumphed Aug. 30 when the Senate passed and sent to the White House legislation (HR 13372) invalidating a federal license for construction of the project. President Ford is expected to sign the measure.

Passed by the House Aug. 10, HR 13372 designated a 26.5-mile stretch of the New River in North Carolina as part of the Wild and Scenic Rivers System. That had the effect of cancelling a Federal Power Commission (FPC) license issued in 1974 for construction of a pumped storage power project involving two dams on the Virginia side of the Virginia-North Carolina border.

The Blue Ridge Power Project, first proposed in 1962, was to be built by the Appalachian Power Company.

American Electric Power, the parent company, threatened to sue the government for about \$500-million in damages because of the cancellation.

The struggle over the New River pitted utility and labor spokesmen who supported the project against environmentalists, prominent North Carolinians and residents of the state's endangered river valleys. Those opponents said the project would destroy the natural ecology of the second oldest river in the world and the farms that supported about 3,000 state residents.

The labor and industry supporters of the project, joined by members of the Virginia congressional delegation, said it would provide needed energy, new construction jobs and new recreation and tourist attractions. The North Carolina delegation, including conservative Republican Jesse A. Helms, was united against the project.

The Ford administration joined the project's opponents shortly before the North Carolina presidential primary in March, with Interior Secretary Thomas S. Kleppe designating the 26.5-mile stretch as part of the wild and scenic system. But legislation still was necessary to resolve the issue, because a federal appeals court upheld the contested license in late March.

The New River dispute was fought within the FPC until the agency granted the license in 1974, and then shifted to Congress. The Senate passed a New River protection bill in 1974 but it died in the House Rules Committee. After vigorous lobbying on both sides, the panel sent the 1976 bill to the House floor by a vote of 10-6. (*House action, Weekly Report p. 2215; background on issue, Weekly Report p. 1665*)

**Senate Floor Action**

The Senate passed HR 13372 by a vote of 69-16 Aug. 30 after rejecting, 13-72, an amendment intended to gut the bill. (*Votes 534, 535; Weekly Report p. 2437*)

The amendment, offered by William L. Scott (R Va.), would have upheld the FPC license for the Blue Ridge Project. Scott and Harry F. Byrd Jr. (Ind Va.) argued that the project would provide needed energy without cost to taxpayers or damage to the environment. Byrd warned that the bill would have "a chilling effect on the willingness of private enterprise to invest in this type of project in the future."

Sounding very much like the environmentalists he usually opposed, Helms said Congress had to "face up to the fact that the FPC decision is based on data that is eight or ten years old, and that has been outdated by intervening events." He added that attitudes toward conservation and energy had changed, and "our awareness of citizens' rights has been sharpened."

Helms was joined in his support for the New River bill by two other well-known Senate conservatives—James B. Allen (D Ala.) and Barry Goldwater (R Ariz.). Goldwater commented that "of all the votes I have cast in the 20-odd years I have been in this body, if there is one that stands out above all others that I would change if I had the chance it was a vote I cast to construct Glen Canyon Dam on the Colorado.... While the Glen Canyon Dam has created the most beautiful lake in the world and has brought millions and millions of dollars into my state and the state of Utah, nevertheless, I think of that river as it was when I was a boy and that is the way I would like to see it again."

—By Prudence Crewdson

**Conferees Approve \$104.3-Billion Defense Bill**

The House Sept. 9 approved the conference report on legislation (HR 14262) appropriating \$104.3-billion for the Defense Department in fiscal 1977. The vote was 323-45. Senate approval, which would clear the bill for the President's signature, was expected to follow quickly without difficulty. (*House vote 534, p. 2490*)

The bill appropriated the \$948-million requested for production of the first three B-1 bombers, but it barred until Feb. 1, 1977, a production contract for the controversial plane, produced by Rockwell International Corp. Production of the plane, designed to replace the B-52 in the U.S. nuclear strike forces, was favored by President Ford but opposed by Democratic presidential nominee Jimmy Carter. If the winner of the November election wanted to kill the B-1 program without obligating the money appropriated in HR 14262, he would need congressional approval of a bill rescinding the appropriation. (*B-1 compromise, Weekly Report p. 2434*)

The only major weapons requests not funded by the bill were six warships sought by the Navy to counter the threat of Soviet anti-ship missiles. Congress had denied authorization for the vessels because of disagreement between the Senate and House over the relative priority of large, nuclear-powered warships versus smaller, conventionally powered vessels of more limited capability.

The House Armed Services Committee Sept. 8 rejected an administration request to authorize the six ships: a nuclear-powered strike cruiser and a conventionally powered destroyer, both carrying the Aegis anti-aircraft system to escort carrier task forces, and four missile frigates to protect supply convoys and amphibious forces. (*Committee action, box this page*)

**\$14-Billion Increase**

Appropriations Committee Chairman George Mahon (D Texas) told the House that the \$14-billion increase over the fiscal 1976 defense appropriation was necessary because inflation would absorb \$7-billion of the increase and Soviet military strength was continuing to grow.

"I cannot accept a position of military inferiority for the United States," he said, "and I do not believe many members of the House, if any, could." He added that the bill's \$104.3-billion was "sufficient to prevent an erosion of our military position."

But Edward I. Koch (D N.Y.) argued that the conference report did not cut enough fat from the Pentagon request. Citing presidential candidate Carter and House Budget Committee Chairman Brock Adams (D Wash.), he said: "Even the more moderate members of my own party...have advocated a \$5-billion to \$7-billion reduction."

The final appropriation of \$104,343,835,000 was \$1.05-billion less than had been approved by the House June 17 and \$330-million more than was voted Aug. 9 by the Senate. (*House passage, Weekly Report p. 1651; Senate passage p. 2207*)

The administration's amended request of \$107.9-billion was cut by \$3.6-billion, a reduction of 3.3 per cent. Congress

**Ford Warships Request Denied**

The House Armed Services Committee Sept. 8 killed on a voice vote an administration request for a supplemental authorization totaling \$1.1-billion for warships. The funds were denied by Congress in approving the fiscal 1977 weapons procurement authorization bill (HR 12438).

The panel's Seapower Subcommittee recommended approval of the request for four missile frigates (\$521-million)—in addition to the eight already authorized in HR 12438—and for \$170-million to begin work on a nuclear-powered strike cruiser. The subcommittee also proposed authorizing \$420-million of the \$858.5-million requested for an anti-aircraft missile-destroyer.

"We need the ships," insisted Seapower Subcommittee Chairman Charles E. Bennett (D Fla.). He said that the Navy was particularly anxious to begin work on the cruiser and the destroyer; both vessels would carry the Aegis anti-aircraft system to counter the Soviet Union's armory of anti-ship missiles.

But the committee's former chairman, F. Edward Hebert (D La.), a veteran Pentagon ally, dismissed the administration's request as "idiotic, idealistic and impractical." Charles H. Wilson (D Calif.) charged that the request was politically motivated, noting that it had been made just after President Ford's renomination.

had cut President Ford's \$97.9-billion fiscal 1976 Pentagon appropriations bill by \$7.4-billion, a reduction of more than 7.5 per cent. (*Fiscal 1976 appropriations bill, 1975 Almanac, p. 873*)

**Soviet Threat Seen**

Congress' endorsement of the major elements of the administration's request was based on growing congressional suspicion of increasing Soviet military strength, particularly in view of Soviet diplomatic adventurism in Africa and the Middle East. The near success of Ronald Reagan's stridently hawkish campaign to wrest the GOP presidential nomination from President Ford further dampened congressional willingness to impose major funding cuts on the Pentagon.

No major reductions in weapons programs were seriously contemplated by either the House or the Senate. Opponents of various major weapons proposed by the administration—the B-1, a fifth nuclear-powered aircraft carrier, 60 additional Minuteman missiles—argued instead for deferral of funds for the programs until the next administration took office. Only with the B-1 did this tactic partially succeed. Funds for the carrier and the missiles were provided without restriction.

**Provisions**

As approved by the conference committee, HR 14262 appropriated the following amounts for Defense Department spending in fiscal 1977:

Distribution by Program	Amended Administration Request	Final Appropriation
Military Personnel	\$ 25,497,907,000	\$ 25,418,408,000
Retired Military Personnel	8,493,400,000	8,381,700,000
Operations and Maintenance	32,285,400,000	31,655,444,000
Procurement	30,601,400,000	28,416,300,000
(transfer from other accounts)		(82,600,000)
Research and Development	11,054,400,000	10,434,418,000
Special Foreign Currency Program	3,665,000	3,665,000
Related Agencies	28,300,000	33,900,000
<b>Total, Department of Defense (new obligatory authority)</b>	<b>\$107,964,472,000</b>	<b>\$104,343,835,000</b>
(transfer from other accounts)	—	(82,600,000)
<b>Total, Funding Available (transfer authority)</b>	<b>\$107,964,472,000 (750,000,000)</b>	<b>\$104,426,435,000 (750,000,000)</b>

**Distribution by Organizational Component**

Army	\$26,005,882,000	\$25,488,887,000
Navy	37,882,712,000	35,910,529,000
Air Force	31,584,974,000	30,765,835,000
Defense Agencies	3,969,204,000	3,762,984,000
Retired Military Personnel	8,493,400,000	8,381,700,000
Related Agencies	28,300,000	33,900,000

The bill funded Pentagon manpower at approximately the levels requested by the administration. The only major departure from the President's request was the rejection by conferees of Ford's proposal to cut the Naval Reserve to 52,000, from its current strength of 102,000. Conferees recommended funding the Naval Reserve at an average strength in fiscal 1977 of 96,500, the level recommended by the Senate. The amounts approved by the conference committee would provide personnel levels for Pentagon components at the end of fiscal 1977 as follows:

Organizational Component	Administration Request	Final Appropriation
Army	790,000	789,000
Navy	554,000	540,600
Marine Corps	196,000	192,000
Air Force	571,000	571,000
<b>Total, Active Duty Military</b>	<b>2,111,000</b>	<b>2,092,600</b>
Reserve and Guard Forces	836,500	877,700
Civilian Employees	1,035,800	1,031,000

**Major Weapons Appropriations for Fiscal 1977**

Procurement: (some of the amounts include funds for spare parts or for items that will be procured in fiscal 1978)	Pentagon Requests		Final Appropriation	
	Quantity	Amount (amounts in millions of dollars)	Quantity	Amount
Trident missile	48	\$ 720.3	48	\$ 720.3
B-1 bomber	3	1,037.0	3	1,037.0
M-60 tank	886	472.8	886	462.8
Trident submarine	1	791.5	1	791.5
Attack submarine	3	958.7	3	958.7
Aircraft carrier	1	350.0	1	350.0
Strike cruiser	1	170.0	—	—
Aegis (anti-aircraft) destroyer	1	858.5	—	—
Minuteman ICBM	60	317.0	60	317.0
Missile frigate	12	1,732.9	8	1,179.5
Tankers and tenders (support ships)	4	726.6	3	623.6
A-6E all-weather attack plane	—	—	6	65.8
A-10 ground attack plane	100	575.9	100	575.9
F-14 carrier-based fighter	36	693.7	36	693.7
F-15 fighter	108	1,386.6	108	1,378.0
F-16 lightweight fighter	16	360.6	—	151.5
AWACS radar-warning and command plane	6	474.7	6	474.7
<b>Research and Development:</b>				
ICBM Advanced Technology (including M-X)		84.0		69.0
Cruise Missiles, Navy		182.5		119.8
XM-1 tank		35.6		35.6
F-18 lightweight fighter		346.9		346.9

Among the significant financial and management initiatives contained in the bill were:

- A separate appropriation of \$5.6-million, as recommended by the House, for executive branch oversight of the intelligence community. The separate appropriation was intended to ensure that the Intelligence Community Staff and the National Foreign Intelligence Board maintained policy independence from those intelligence agencies that they were charged with supervising.

- A productivity enhancement program to finance the purchase by defense contractors of capital equipment that would reduce production costs by reducing manpower requirements; \$19.3-million was appropriated for the program and the Pentagon was directed to link future funding requests to specific projects.

- \$6-million earmarked for evaluation of foreign weapons or weapons components for possible use by U.S. forces.

- An administration-sponsored program to stabilize prices paid by the armed services during the fiscal year for commercially sold commodities such as petroleum products. The bill provided \$548-million for a surcharge on prices paid by the services to stock funds—revolving accounts through which the services purchase commercially vended commodities.

The final version of the bill also:

- Rejected an administration proposal to consolidate at the Army's Ft. Rucker, Ala., base all basic helicopter flight training for the services.

- Continued the subsidy for military commissary payroll costs, with an appropriation of \$281-million for fiscal 1977.

- Limited to 60 days the unused leave time for which pay could be collected by a person leaving the service and limited the lump sum terminal leave payment to basic pay, thus excluding additional allowances for housing and subsistence.

- Prohibited payment by the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) for religious, family, child or marital counseling of military dependents, unless the dependent was referred for treatment by a medical doctor.

**Conference Action**

In contrast to the prolonged and hard-fought conference on the weapons procurement authorization bill, the conference on the appropriations measure was completed in three meetings. The conference report was filed Sept. 3 (H Rept 94-1475).

**Strategic Weapons**

The final version had the effect of slowing some strategic weapons projects while endorsing the administration's basic policy of maintaining and modernizing the "triad" of three independent nuclear strike forces comprising land-based missiles, submarine-launched missiles and bombers. Commitment to production of the B-1 bomber was delayed until after the presidential election, and the development of a strategic version of the sea-launched cruise missile was blocked. But the bill funded initial production of a new sea-launched missile and the development of a new land-based missile.

The conference version appropriated \$948-million, the amount requested for procurement of the first three regular production B-1 bombers. But it provided that the funds could be obligated at a rate of no more than \$87-million a

month until Feb. 1, 1977. The effect of the limitation was to delay until February signature of a contract for production of the plane.

For advanced research on intercontinental ballistic missiles (ICBMs), including the new M-X missile, conferees recommended \$69-million, the amount approved by the Senate. The administration had requested, and the House provided, \$84-million. (Both houses had approved the requested \$317-million for procurement of 60 Minuteman ICBMs, the models currently in service.)

For continued development work on the Trident submarine-launched ballistic missile, the bill provided \$569-million, the amount approved by the Senate. Both houses had agreed to appropriate \$723-million for procurement of the first 48 Trident missiles, an amount to which the administration had agreed after its initial request to purchase 80 missiles was thwarted by delays in the missile test program. Both houses had also agreed to appropriate \$729.7-million for construction of the fifth Trident-missile submarine.

For continued research on the Seafarer (formerly Sanguine) system for communication with submerged missile submarines, conferees agreed to \$14.8-million, the amount approved by the House. The administration had requested \$29.8-million and the Senate had approved \$27.1-million.

Conferees accepted the Senate-passed amount of \$119.8-million for development of the sea-launched cruise missile. The administration had requested \$182.4-million and the House had allowed all but \$20-million. Both houses had approved the requested \$79.2-million for research on the air-launched cruise missile.

For research on defenses against ICBMs, conferees approved \$203-million. The administration request for \$224.9-million was cut to \$206.9-million by the House and to \$178-million by the Senate.

**Ground Forces**

Administration requests designed to offset Soviet numerical superiority in tanks and aircraft were, in general, supported by the final version. Production of some items was deferred because of inadequate testing, but the major clash with the administration was over an administration-imposed pause in a program to develop a new tank.

Both houses had recommended \$35.6-million to begin tooling-up for production of the new XM-1 tank. But conferees voiced concern that the administration's modifications in the program could increase its cost and degrade its performance. The Pentagon Aug. 4 delayed until November selection of a contractor for the new tank in order to allow modifications to be made in the tank to permit use of an engine and the armament used in a new German tank. Conferees said the modified program was substantially different from the one Congress approved and that funds for the new arrangement would have to be formally reprogrammed, subject to approval by the Armed Services and Appropriations Committees.

Both houses had agreed to provide \$450.9-million to purchase 886 M-60 tanks, the current front-line weapon. Conferees agreed to reduce the appropriation by \$27.8-million, to be made up by unspent funds appropriated in previous years.

Endorsing the Senate's position, conferees approved an administration request for \$74.5-million to procure 360 non-



nuclear Lance battlefield support missiles. The House had denied all funds for the program.

For the Advanced Concepts Laboratory, an armored warfare think tank, the bill included \$1-million. The Senate had voted \$2-million; the House had denied funding.

All funds for procurement of the Stinger, a one-man anti-aircraft missile, were deleted, but funds for continued development of the missile were increased to \$25.3-million, the policy recommended by the House. Both houses had agreed on funds for continued purchase of the Hawk long-range anti-aircraft missile (\$87.5-million) and the Chaparral short-range anti-aircraft missile (\$59.1-million). They also agreed on funding for development of the SAM D long-range missile (\$179.9-million) and the Roland short-range missile (\$85-million).

### Naval Forces

The bill's major break with the administration's weapons policy was in shipbuilding, on which Senate and House conflict over the relative merits of expensive, multi-purpose nuclear-powered vessels versus cheaper, single-purpose ships led to a standoff having a major impact on the administration's program for the Navy.

Both houses had agreed to provide \$350-million for the powerplant of a fifth nuclear-powered aircraft carrier and \$745.6-million for three attack submarines.

A principal facet of the Senate-House stalemate involved construction of ships to carry the Aegis anti-aircraft system designed to protect U.S. fleets against the Soviet Union's vast array of anti-ship missiles. The administration had asked for two ships carrying the system, a nuclear-powered strike cruiser favored by the House and a conventionally powered destroyer supported by the Senate. Unable to agree on these ships, Congress authorized neither. Conferees accepted a Senate proposal to mount the Aegis system on the 15-year-old nuclear-powered cruiser *Long Beach* at a cost of \$371-million.

Both houses had agreed to fund eight missile frigates to escort supply convoys and amphibious forces (\$1.1-billion). Conferees agreed to reject a House-passed provision that would have canceled four missile-launching hydrofoil patrol boats that had been funded in previous years.

For six A-6E all-weather attack planes, the conference committee provided \$65.8-million, the amount approved by the Senate. Conferees followed the House in deleting all funds requested (\$102.8-million) for six US-3A planes to transport men and equipment to aircraft carriers. Conferees also agreed to terminate the Rockwell-manufactured Condor television-guided missile program, thus endorsing the position of the House.

Both the Senate and House versions approved funding for procurement of 36 F-14 carrier-based fighters (\$571.2-million), 30 A-7E attack planes (\$212.5-million) and six EA-6B electronic warfare planes (\$116-million). Both houses also approved \$346.9-million for continued development of the lightweight F-18 carrier-based fighter.

### Tactical Air Forces

The weapons procurement authorization bill had denied all funds requested for the purchase of the first 16 models of the F-16 lightweight fighter, but increased to \$174.9-million, from \$23.4-million, the amount for advanced procurement of components for planes to be purchased in future years. The change had been proposed by the Senate Armed Services Committee, which argued that the F-16 purchases would not occur until 1978.

The conferees approved the funding as authorized, but strongly criticized the arrangement as a violation of the principle of "full-funding"—the practice, followed by the Appropriations Committees, of considering only funding requests that covered the entire cost of a weapon. They warned that by partially funding the initial group of F-16s, Congress obscured the total cost of the program, thus making congressional oversight more difficult.

Conferees also agreed on minor adjustments in funding 108 F-15 fighters, recommending \$1.3-billion. Both houses had approved the amounts requested for 100 A-10 ground attack planes (\$537.7-million) and for six AWACS radar warning and command planes (\$384.6-million).

### Airlift

For advance procurement of a new tanker/cargo plane that would use a commercial wide-body jet, conferees approved \$28.8-million. The Air Force had requested, and the Senate allowed, \$37.2-million; the House appropriated \$11.7-million. Conferees said they sought to slow down the program because the Pentagon was reviewing its current reliance on airlift to reinforce U.S. troops and allies abroad and was considering placing more emphasis on sea transport and on permanently stocking a larger amount of equipment overseas.

The Senate and House had approved the amounts requested for development of a new, short takeoff/landing transport (\$29.3-million) and for modification of the giant C-5A transport, including a rebuilding of the plane's wing (\$43.5-million). Both houses also had denied \$29.3-million requested for modification of civilian jetliners to facilitate their conversion to military duty in time of emergency.

### Communications Systems

For communications scattered across several funding accounts, conferees agreed to an overall reduction of \$85.9-million, nearly splitting the difference between the \$112-million cut by the House and the \$60.2-million cut of the Senate.

For the Defense Satellite Communications System II, the bill approved \$179.9-million of a requested \$200.1-million. The Senate had allowed \$195.4-million, the House, \$172.6-million. Conferees agreed to the House action cutting to four the requested six satellites for the system.

Conferees also followed the action of the Senate in approving the requested \$30.6-million for development of a newer, more advanced Defense Satellite Communications System III. The House had allowed only \$10.6-million.

For development of an airborne command post to control U.S. forces in case of a nuclear war, the bill appropriated \$69-million, the amount approved by the Senate. The administration had requested \$79-million and the House allowed \$65.2-million.

### Intelligence Programs

The House had cut intelligence and intelligence-related programs by \$149.7-million (including \$28.3-million for the CIA retirement fund that had not been authorized when the House acted). The Senate restored \$104.2-million of the cut. The conference version reduced intelligence and intelligence-related programs by \$89.7-million. It included the \$28.3-million requested for the CIA retirement fund.

### Personnel Costs

The bill endorsed two major elements of the administration's package of personnel cost reductions by 1)

limiting to 60 days the amount of accumulated leave for which a person leaving the service could collect pay and 2) not funding the 1 per cent "kicker" on cost-of-living increases in military retired pay. Repeal of the kicker was contingent on congressional action to impose the same reduction on pay increases for federal civilian retirees, a move backed by the Senate Aug. 8 during action on the legislative branch appropriations bill. (*1 per cent kicker repeal*, p. 2492)

Conferees provided \$8.4-billion for pay of military retirees, thus rejecting a Senate move to delete \$346.2-million for anticipated cost-of-living increases. The bill included no funds for the 1 per cent "kicker" on cost-of-living increases in retired pay.

But conferees followed the House in rejecting another major element of the administration's program, the phase-out of the subsidy for payroll costs of military commissaries. The administration had requested a three-year phase-out and the Senate had approved a phase-out over six years. The final version included \$281-million for the commissary subsidy in fiscal 1977.

Following action by the Senate, the bill included \$18.3-million for Army enlistment bonuses and \$7-million for Army personnel sent to their home towns to serve as recruiting aides. Conferees announced that Congress would take no further action on the administration's July 28 budget amendment requesting \$39.3-million for enlistment bonuses.

Reasoning that alcohol abuse was more widespread in the military than drug abuse, the House had directed the Pentagon to shift half of the \$56.4-million currently spent on drug-abuse programs to combat alcoholism. Conferees directed the Pentagon to halt the random urinalysis of military personnel to detect drug use and to channel the funds thus freed to the alcohol-abuse program.

### Operations and Maintenance

The bill included \$548-million for an administration program to protect against inflation the amounts budgeted for training activities and maintenance vital to the services' combat-readiness. The funds would enable the services to pay a surcharge on prices paid to the stock funds. The cash balances generated by the surcharge would allow the stock funds to absorb the cost of commodity price increases in the course of a fiscal year. This would ensure that the services could actually purchase the amount of supplies for which they had been budgeted. In recent years sharp price increases after passage of an appropriations bill had led to cuts in the amount of supplies that the services could actually afford.

—By Pat Towell

### Sept. 30 Deadline:

## Resolutions to Block Foreign Arms Sales Introduced in Senate

Activating a procedure he devised in 1974 to give Congress an opportunity to veto proposed sales of U.S. weapons to foreign countries, Sen. Gaylord Nelson (D Wis.) Sept. 7 filed 37 concurrent resolutions to block the shipment

of \$6-billion worth of U.S. arms offered for sale by the Ford administration to 11 foreign governments.

Under the veto procedure, Congress has 30 days from Sept. 1—the date President Ford submitted the proposed contracts to Capitol Hill—to halt the sales. The concurrent resolution process—requiring a majority vote by both houses—does not give the President authority to reject Congress' decisions. (*Nelson arms sale veto amendment, 1974 Almanac p. 533*)

In related action, Sen. William Proxmire (D Wis.) Sept. 1 submitted 24 resolutions to disapprove \$5.3-billion worth of sales to five governments covered by the Nelson measures.

A long-time critic of the U.S. role in the international arms race, Nelson told the Senate that the 1976 Ford package of contracts represented the equivalent of 13.7 per cent of all arms sale shipments made by the United States since 1951. (*Sales figures, 1975 Almanac p. 356*)

"I do not expect or wish to see all the sales stopped," Nelson said, explaining that his resolutions would give the Foreign Relations Committee and other panels time "to hold hearings and call administration witnesses to explore in detail the underlying rationale for so extensive an arms sales plan...at this particular moment."

Among the contracts submitted by the administration was the proposed sale of 160 F-16 jet fighters to Iran at a price tag of \$3.8-billion and an order from Saudi Arabia for \$701-million worth of military equipment, including 850 Sidewinder air-to-air missiles and 650 Maverick air-to-ground missiles.

Hearings on the Iranian deal are tentatively scheduled for Sept. 16, and the Saudi Arabian transaction is expected to receive committee scrutiny Sept. 24 because of the concern over the Maverick's offensive capability. The administration's proposed arms sales package follows:

(amounts in millions of dollars)

Israel	\$ 241.4
Saudi Arabia	701.6
Iran	4,458.0
Pakistan	79.5
South Korea	116.7
Norway	100.0
Philippines	61.4
Australia	confidential
Germany	38.8
Morocco	88.9
Singapore	109.7

Nelson expressed particular hostility to the F-16 sales, asserting that "it will take a great deal of convincing to prove to me that the United States must commit itself this month" to the sales. "Telling Congress that this decision is in the national interest just will not wash," he added.

Recalling that the weapons sales program originally was intended to supply U.S. NATO allies, Nelson said that Iran and other so-called Third World countries currently were the principal buyers. "Such sales have major foreign policy implications, but there is little if any evidence that the administration has given adequate thought to the long-range diplomatic or military considerations of the weapons transactions," he said.

Both Nelson and Proxmire criticized the "chaotic manner" in which the contracts had been submitted to Congress.

—By David M. Maxfield

## Senate Passes Modified Antitrust Bill, 69-18

Overcoming a second filibuster, the Senate passed and returned to the House Sept. 8 an antitrust enforcement bill (HR 8532) Congress has been struggling with all year. The Senate passed its compromise version, drafted informally to short-circuit further delaying tactics, by a vote of 69-18. (Vote 559, p. 2487)

The measure authorizes state attorneys general to bring antitrust suits ("parens patriae") on behalf of citizens, requires large companies to notify the government of planned mergers and strengthens the government's antitrust investigatory powers. It is backed by consumer and state attorney general groups, and opposed by business groups.

The House and Senate had passed differing versions of the legislation by early August, and a conference was planned to resolve differences. But James B. Allen (D Ala.), who led a time-consuming filibuster against the Senate bill in June, threatened to filibuster again on the motion to appoint conferees and on the conference report. (Weekly Report p. 2424)

To avoid two filibusters so late in the session, Senate and House sponsors worked out a compromise version which was introduced in the Senate Aug. 27. The Senate invoked cloture on it Aug. 31 and reached agreement to take a final vote Sept. 8.

Before approving the compromise bill, the Senate rejected 22-66 a substitute proposal offered by Allen which would have retained the original Senate version of the bill and thus required a conference. (Vote 558, p. 2487; original Senate action, Weekly Report p. 1591)

The bill still faces two uncertainties—the House and President Ford. Several members of the House Judiciary Committee complained that they did not approve the final "compromise" bill, and that provisions important to them were left out. Of utmost concern to those members were House provisions that would have imposed an absolute ban on contingency fees for outside attorneys in state *parens patriae* suits and permitted single instead of triple damages for "good faith" violations in *parens* suits.

The dispute between those members and Committee Chairman Peter W. Rodino Jr. (D N.J.), who supports the Senate compromise bill, may be aired in the House Rules Committee before the issue goes to the floor.

"I have serious doubts that the Senate proposal can clear the House floor and the President's desk in its present form," Tom Railsback (R Ill.) said Sept. 2. "They are playing a dangerous game in asking us to accept what we have already rejected," warned Robert McClory (Ill.), a senior committee Republican.

Senate sponsors insisted that they gave up more than did their House counterparts. "I hope we can meet across a conference table in the next Congress to discuss even stronger antitrust laws, and tighter amendments to the one we will vote on today," Edward M. Kennedy (D Mass.) said Sept. 8.

Although talk of a Ford veto persisted, backers of the antitrust bill pointed out that his running mate, Robert

Dole (R Kan.), voted for the bill. Dole had voted against the original Senate bill in June.

### Provisions

As passed by the Senate Sept. 8, the "Hart-Scott-Rodino Antitrust Improvement Act of 1976" (HR 8532) included the following major provisions:

**Title I: Antitrust Civil Process Act Amendments.** Authorized the Justice Department's Antitrust Division to issue civil investigative demands (CIDs), in the course of investigating potential antitrust violations, to natural persons and third parties (such as competitors or suppliers) and to compel production of oral testimony and answers to written interrogatories. CIDs also could be issued in connection with investigations of planned mergers and regulatory agency proceedings. (Existing law limited the reach of CIDs to documentary evidence obtained from corporations being investigated for violations, not including illegal mergers.)

**Title II: Premerger Notification.** Required notice to the Antitrust Division and the Federal Trade Commission (FTC) 30 days in advance of mergers involving companies worth \$100-million or more and companies worth \$10-million or more, providing the transaction involves acquisition of more than \$15-million in stock or assets, or 15 per cent of the voting securities of the acquired company. A 20-day extension could be granted. Material filed with the government under this provision would be exempt from disclosure under the Freedom of Information Act.

**Title III: Parens Patriae.** Authorized state attorneys general to bring triple damage suits in federal court on behalf of state citizens injured by violations of the Sherman Antitrust Act.

- In cases involving price-fixing, the state could prove the amount of damages to be awarded "in the aggregate by statistical or sampling methods, by the computation of illegal overcharges" or other reasonable system approved by the court—instead of proving the exact amount of each individual claim.

- States could notify citizens of a *parens* suit by general publication, but courts could require other forms of notice.

- States could not pay outside attorneys conducting *parens* suits a contingency fee based on a percentage of the expected damage award or on any other basis, unless the court approves the amount as reasonable. Courts could award reasonable attorney's fees to a prevailing defendant if the state suit was brought in bad faith.

- Recovered damages must be distributed according to court order or treated as general state revenue.

- The U.S. Attorney General would be required to notify state attorneys general of federal antitrust cases that could inspire state *parens* suits, and to provide state attorneys general with relevant materials upon request.

- A state could pass a law invalidating the authority to bring *parens* suits. Suits could not apply to violations committed before enactment.

—By Prudence Crewdson

## Carter and Ford Offer Contrasting Styles

With the summer preliminaries behind them, President Ford and Jimmy Carter moved into the final, eight-week phase of their campaigns for the presidency.

The contrast in the ways they moved could hardly have been more distinct. Carter, the Democratic challenger, stuck with tradition and gave a rousing, emotional Labor Day speech on Sept. 6. Then he headed into a strenuous week of travels to industrial cities of the Northeast and Midwest.

Ford, the Republican incumbent, attempted to capitalize on the prestige of the presidency. He remained at the White House and left the travel up to his running mate, Kansas Sen. Robert Dole. But he still found time to use the Rose Garden and the press briefing room to score some partisan points against his opponent.

Neither side was without its problems. Carter ran into some unexpectedly vehement opposition from anti-abortion groups in North Philadelphia and Scranton, Pa. Dole was pushed onto the defensive by reports of oil-company contributions to past campaigns.

Even as the campaign was hitting its stride, a sense of expectancy prevailed as plans continued for the first of four televised debates. Philadelphia was chosen as the site of the first debate between Ford and Carter, to be sponsored by the League of Women Voters and held at 9:30 p.m. Sept. 23.

Carter went on the attack immediately in his speech from the steps of the house in Warm Springs, Ga., where President Franklin D. Roosevelt had died in 1945.

Playing the Roosevelt theme for all it was worth, Carter compared Ford with the Republican President, Herbert Hoover, in 1932. "This year, as in 1932, our nation is divided, our people are out of work and our national leaders do not lead," said Carter. "Our nation is drifting without inspiration, without vision and without purpose."

The former Georgia governor took his hardest slap at Ford in a comparison with Harry Truman. "When Truman was in the White House, there was never any doubt who was captain of the ship," he said. "Now, every time another ship runs aground—CIA, FBI, Panama, unemployment, deficits,

welfare, inflation, Medicaid—the captain hides in his stateroom and the crew argues about who is to blame."

Carter also invoked the memory of President Kennedy, who had spoken at Warm Springs during his 1960 campaign. Slightly modifying the Kennedy slogan of 16 years earlier, Carter said that it was time "to get our country on the move again."

His biggest applause from the crowd on the lawn of Roosevelt's "little White House" came from this statement: "As a political candidate, I owe nothing to special interests. I owe everything to the people."

### Presidential Offensive

Deliberately emphasizing his incumbency, Ford remained in Washington over Labor Day, combining work with relaxation—but making no speeches.

There was an element of irony in the President's posture at this stage of the campaign. Harry Truman is one of his acknowledged idols, and Truman made history in 1948 by touring the country, "giving 'em hell" and snatching victory away from Republican Thomas E. Dewey.

Ford, far from emulating his hero, delayed the start of his campaign until a week later, when he was scheduled to kick it off in his home state of Michigan. During Labor Day week, he did not make any openly political utterances until Sept. 7, when he appeared twice before White House reporters, and Sept. 8, when he held another impromptu press conference. Ford's first appearance on Sept. 7 was a bill-signing ceremony in the Rose Garden of the executive mansion. He used the occasion to defend himself against Carter's past criticism of his vetoes.

As he signed a bill on child day care standards—he had vetoed a previous version—he said: "It is a better bill because my veto exerted a balancing influence on the deliberations of the Congress in this important area. Without this constitutional check and balance, the original bill might now be law and making day care services more costly to the taxpayer and increasing the federal intrusion into family life."

A few days earlier, in a speech in Kansas City, Mo., Dole had answered Carter's criticism of the vetoes with some comparative arithmetic. He said that Ford had averaged 26.5 vetoes annually during his two years in office, whereas the average for Truman had been 35 a year and for Roosevelt, 52 a year. As Georgia governor between 1971 and 1975, Dole said, Carter had averaged 38 vetoes a year, with 53 his last year in office.

Ford made a second appearance Sept. 7 in the White House press briefing room, read a statement denouncing the North Vietnamese government for being "callous and cruel" and demanding a "full accounting" of some 800 American servicemen still listed as missing in action in Southeast Asia.

He appeared again on the south lawn of the White House on Sept. 8 at another quickly summoned press conference.

### Candidates' Travel Schedules

Following are the tentative schedules of the Republican and Democratic presidential candidates for the week starting Monday, Sept. 13, as made available by their campaign offices Sept. 9:

#### Ford

Sept. 15—Ann Arbor, Mich.

#### Carter

Sept. 13—Birmingham, Ala.; Norman, Okla.; Phoenix.

Sept. 14—Billings, Mont.; Bismarck, N.D.; Sioux Falls, S.D.

Sept. 15—Minneapolis; Crystal Lake, Minn.; Dearborn, Mich.

Sept. 16—Indianapolis; Baltimore; Washington, D.C.

## Nonvoters on the Rise

For the first time since 1924, a majority of eligible voters may stay away from the polls in this year's presidential election, a comprehensive survey of non-voting Americans has concluded.

Contrary to a common belief, however, the principal reasons for the low turnout will not be procedural impediments such as registration laws or getting to the polls. The principal reasons will be disenchantment with candidates and alienation from the political system.

The survey, released Sept. 5, was conducted by Peter D. Hart Research Associates Inc. of Washington, D.C., for a nonpartisan project, the Committee for the Study of the American Electorate. The committee is financed by businesses, unions and foundations.

Hart's pollsters had 90-minute interviews with 1,486 nonvoters nationwide between July 16 and July 31. Nonvoters were defined as voting-age persons who had voted in two or fewer previous federal elections; who had not registered this year; or who said their chances of voting Nov. 2 were less than 50-50.

Using a similar definition for political dropouts—people who had voted occasionally since 1968 but do not intend to vote this year—Hart estimated that some 10 million voting-age Americans had dropped out of the electoral system in the past eight years. "These are people who participated in the electorate in 1972 or prior to that time and who since then have become disillusioned with politicians and dispirited with the direction of the country," he said.

The proportion of young nonvoters is far larger than the proportion of young people in the population as a whole, Hart found. Forty-six per cent of the nonvoters are under age 35, compared with about 33 per cent of the total eligible population.

About 55 per cent of the eligible voters voted in 1972, continuing a decline that began after 1960, when the figure was 64 per cent. But much of the drop in 1972 was due to the extension of the franchise to 18-21-year-olds. Had the 18-year-old vote not become law, a Hart spokesman estimated, the 1972 turnout would have been about 58 per cent.

Persons interviewed for the survey were given lists of 21 reasons for not voting and were asked to rank the importance of the reasons.

Sixty-eight per cent said they believed that "candidates say one thing and then do another."

Fifty-five per cent said they thought "it doesn't make any difference who is elected, because things never seem to work out right."

Fifty-two per cent rated as important their belief that "Watergate proved that elected officials are only out for themselves."

Which politicians, living or dead, do the nonvoters admire most? The dead won by a landslide. John F. Kennedy was the choice of 50 per cent; Franklin D. Roosevelt, 20 per cent; Dwight D. Eisenhower, 10 per cent; and Harry S. Truman, 10 per cent.

And this year's nominees? Both President Ford and Jimmy Carter were the first choice of only 1 per cent.

On Sept. 4, Ford had decided neither to discipline nor to dismiss FBI Director Clarence M. Kelley for accepting gifts and favors from the agency he heads. On Sept. 7, Carter said he thought Kelley should be dismissed; but he declined to say whether he would dismiss him if he were elected President.

At the Sept. 8 press conference, Ford attacked Carter for "flip-flopping" on the issue and for showing "lack of compassion." Kelley's wife was dying of cancer at the time Kelley accepted the gifts and favors.

## The Abortion Problem

After his campaign kickoff in the South, Carter headed into the ethnic enclaves of the North in an effort to build support among Catholic blue-collar workers. But he continued to encounter hostility because of his refusal to endorse a constitutional amendment banning abortion.

Because the abortion issue was not on the agenda of a Sept. 7 meeting at a Catholic church in North Philadelphia, the meeting was moved to a Lutheran church. And that night, Carter was jostled by a shouting crowd of anti-abortionists outside a hotel in Scranton.

Not until Sept. 8, when he visited "Polish Hill" in Pittsburgh, did Carter receive a genuinely cordial welcome from a predominantly Catholic crowd.

Ford, in an apparent shift in his position, said at his Sept. 8 press conference that he supports the abortion plank in the Republican platform. The plank endorses a constitutional amendment. Previously, Ford had stated his personal opposition to abortion—as had Carter—but had not supported a constitutional amendment.

Two reported Senate campaign contributions from Gulf Oil Corp., one in 1970 and the other in 1973, distracted attention from Dole's vice presidential campaigning.

Throughout the week, press reports appeared about a \$2,000 contribution to Dole from Gulf in 1970, for distribution to other Republican Senate candidates that year, and about a \$5,000 Gulf contribution to Dole in 1973 for his 1974 Senate re-election campaign. Dole denied knowledge of the contributions.

But he acknowledged being questioned by a federal grand jury March 8 about Gulf's contributions to Senate Minority Leader Hugh Scott (R Pa.).

Claude C. Wild Jr., the former Gulf lobbyist who had distributed the money, changed his story Sept. 8 and apologized to Dole for saying earlier that he had given him the \$2,000. He did not mention his allegation that he had given Dole's former administrative assistant \$5,000 for the 1974 campaign. The former aide said he had no recollection of receiving the money.

Ford said Sept. 8 that he was satisfied that Dole had received no questionable or illegal campaign money as a senator. And the Republicans hoped the matter would end there, without further damaging reverberations.

## Carter's Taxes

The Democrats, too, had their personal money troubles. Carter disclosed Sept. 3 that he had paid federal taxes of 12.8 per cent, or \$17,484, of his 1975 income of \$136,138 and that he had received a \$41,702 tax credit for installing a new peanut sheller.

The disclosure brought a biting attack from Dole, who questioned Carter's dedication to tax reform. Carter said the tax break "illustrates vividly the need for tax reform." ■

—By Mercer Cross