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And always, during the decades ahead, every effort should be made by the United States to enlist the cooperation, the technical help and the financial support of any nation that is willing to contribute to the adventure that must finally be seen as the collective achievement of all mankind.

THE BANK CREDIT SQUEEZE

Mr. GOODELL. Mr. President, I urge the Federal Reserve Board to take prompt remedial action to deal with disturbing indications of an unusual stringency of credit in the large commercial banks.

The Federal Reserve Board has been pressing forward with its tight money policy to combat inflation.

One indication of tight money may be seen in the decline of the banking community's free reserves. These have declined since the end of last year by 27 times, to a present figure of minus \$1.35 billion.

Another indication of tight money may be seen in the decline in the ratio of banks' liquid assets to total liabilities—less capital accounts. This ratio has declined by 21 percent since the end of 1968.

Vigorous monetary and fiscal measures are clearly needed to combat the inflation that now threatens our economy.

We must accept the fact that these measures, to be effective, cannot be wholly painless.

We must equally be aware, however, of the risks of putting on all the monetary brakes at once. The effects of monetary actions may take anywhere from 6 months to 2 years before they are fully felt. Monetary policy is a powerful and useful instrument, but we must be careful not to overdo its use.

I would like to call particular attention to the fact that the present condition of tight money is hitting one sector of the economy—the major banking institutions and their customers—particularly hard.

There have been disturbing indications of an unusual stringency of credit in the larger commercial banks. David Rockefeller, chairman of the Chase Manhattan Bank, in testimony before the House Banking and Currency Committee this June, spoke of the potential dangers of the current situation. He cited a serious problem his own bank was facing in honoring its loan commitments while meeting minimum liquidity requirements. Other large banks are apparently experiencing the same difficulty.

This is a disturbing problem because so many businesses—many of them too small to borrow directly in the money market—depend upon the large commercial banks for their immediate credit needs to finance current operations.

This is a matter which has not received sufficient attention.

This is a matter on which the Federal Reserve Board should take prompt remedial action.

Various remedies have been proposed. One is to relax the 6¼ percent interest ceiling set by Regulation Q for large denomination bank certificates of deposit. This, it has been suggested, would enable the large banks to compete more effectively for funds in the money mar-

ket, without increasing the overall supply of credit.

Another suggested remedy is to infuse a small amount of additional credit on an emergency basis into the banking system, subject to appropriate restrictions.

It is up to the Board and the administration's monetary experts to determine which particular remedy would be the most workable.

My purpose is to point out the existence and seriousness of this problem, and to urge that a solution be promptly sought.

THE PESTICIDE PERIL—XXXIV

Mr. NELSON. Mr. President, an editorial published in the *New Republic* of July 19 describes one of the major difficulties in establishing effective pesticide regulations: "Political Sanguinity in Washington."

Regulations and controls on the use of persistent, toxic pesticides do exist, but as brought out in recent hearings before the House Subcommittee on Intergovernmental Relations, enforcement is all but nonexistent. Examples of negligence and abuse of Federal regulations included a cockroach killer whose label warned on one side to "use only in well ventilated rooms" and on the other side directions to "close all doors, windows, and transoms"; authorization for an insecticide pellet vaporizer for use in restaurant kitchens, although the danger of food contamination had been cited by the Public Health Service and the Food and Drug Administration; and the continued presence of thallium rodenticides in some retail stores despite the cancellation of its registration in 1965.

Some States have already dealt with the pesticide threat by placing their own bans on the use of DDT, and many other States, in agreement that State action is necessary in the absence of Federal leadership, are currently considering measures to control DDT and other persistent pesticides.

I ask unanimous consent that the *New Republic* editorial be printed in the RECORD.

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

BALD EAGLES AND PEOPLE

The gradual extinction of the bald eagle and debilitating convulsions common among California grape pickers have a common cause—pesticides. The seven-year-old prophecies of Rachel Carson's *Silent Spring* are becoming realities as the billion-dollar pesticide industry goes on to peddle its wares unperturbed by actual or proposed federal regulation.

Two venerable Southern-agricultural institutions—the Senate Agriculture Committee and the Agriculture Department—are responsible for the industry's political sanguinity in Washington. Together they have successfully stymied any federal moves to control the sale and use of pesticides which, along with fertilizers, are responsible for the production of bumper crops on the limited acreage set by the farm subsidies program—another sacred cow of Southern agriculture. Year after year, the Senate Agriculture committee has killed Senator Gaylord Nelson's (D., Wis.) proposed ban on the interstate sale of DDT.

For a quarter of a century, the Agricultural Research Service of the Agriculture Department has vitiated the Federal Insecticide, Fungicide and Rodenticide Act, which empowers it to register, prescribe labels for, and if dangerous, seize pesticides. Recent hearings before Rep. L. H. Fountain's (D., N.C.) subcommittee on Intergovernmental Relations have uncovered evidence of what is, at best, negligence and, at worst, venality. Some small samples:

A cockroach killer with a warning on one side of "use only in well ventilated rooms" and directions on the reverse side beginning with "close all doors, windows and transoms. . . ."

Insecticide pellet vaporizers being authorized for use in restaurant kitchens, despite the danger of food contamination pointed out to the ARS by the Public Health Service, the Food and Drug Administration and other federal, state and private agencies.

The dearth of ARS initiative, implementing its legal power to check company sales records and initiate multiple seizures of dangerous pesticides. For 22 years ARS has persisted in seizing only the lethal stocks in one or two individual stores. Despite 400 reported cases (with perhaps ten times that number going unreported) of thallium poisoning in 1962-63 (mostly of children), and their own cancellation of thallium's registration in 1965, thallium rodenticides may still be purchased in many retail stores.

A propensity to favor the products and complaints of certain companies. For example, Shell Oil company has registered, among 48 separate pesticide products, a "no pest strip" which only after several years of prodding by the Public Health Service, was finally required by ARS to carry a warning against its use in rooms where elderly people or infants are present. But it took only four days for ARS, upon receiving a complaint from Shell, to cancel the registration of a competing strip produced by a smaller company.

The coincidence of interests between the pesticide manufacturers (Shell, Dow Chemical, Union Carbide and American Cyanamid are among the major ones) and pertinent regulatory agencies of the federal government has only made state action that much more inevitable as the specter of ecological disaster becomes more visible.

DDT, the best known (its developer won a Nobel Prize for his feat) and most prevalent form of pesticide, has been singled out for special attention. New York stopped using it in city parks when its Director of Horticulture found natural predators, including the ladybug and the praying mantis, capable of doing a better, safer and cheaper job of controlling insect pests. Michigan, Arizona and California, finding their milk, fish and other food stuffs contaminated have placed controls on the use of DDT. Wisconsin has just completed several months of nationally audited hearings on pesticides. Their final report should encourage a number of other states to take action.

The focus of concern for pesticide regulation, however, may soon return to the federal level. The seizure of 4,000 pounds of DDT-contaminated salmon in Michigan last April prompted HEW Secretary Finch to appoint a commission to inquire into the benefits and dangers of various pesticides. Its final report is due next November. Meanwhile, the Department of Agriculture last week suspended the use of DDT and 8 other similar compounds for 30 days, pending another "review."

TIME IS SHORT FOR STUDENT FINANCIAL HELP

Mr. MONDALE. Mr. President, the need for full funding of the Federal student financial aid programs has never

been more serious than at the present time. The crisis that is presently before the students and their families is very simply stated: How to begin or continue a college education without the financial aid that, in effect, has been promised to them by the Federal Government.

Student motivation for a college education is not the issue. The problem that confronts the student who has planned for and committed himself to a college education is overwhelmingly one of finances.

The House of Representatives is at present considering the appropriations for the student financial aid programs in the overall 1970 fiscal year appropriations bill for the Department of Health, Education, and Welfare. I am particularly hopeful that, at the very least, the \$16 million cut, by the Appropriations Committee, from the requested budget for the Educational Opportunity Grants program will be restored. The effect of this cut would be to reduce further the aid available to low-income freshmen.

Mr. President, I further call the attention of Senators to an article written by Eric Wentworth, and published in the Washington Post of July 26, relating to the financial aid programs and the special circumstances facing applicants for Insured Student Loans.

I should hope that we in Congress can better fulfill our commitment to students and their families by more adequately responding to their needs for higher education financial aid.

I ask unanimous consent that the article be printed in the RECORD.

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

CAPITAL EDUCATION: U.S. AID SQUEEZE HITS CAMPUS

(By Eric Wentworth)

Countless young Americans confident Uncle Sam would help them through college are getting a lesson they weren't bargaining for. Call it Fiscal Botany 1A: The Government money tree, blighted by inflation, bears little fruit.

Needier students expecting Federal grants and direct low-interest loans are finding the funds in critically short supply. When they and their better-heeled brethren try the much-touted program of Government-guaranteed bank loans, they run into shortages there as well.

With less than two months before the fall term starts, Congress is deluged with demands to keep the faith and find the means to bail these students out. But there's no assurance at this point the lawmakers can turn the trick.

The first big test should come next week when the House is scheduled to debate the Health, Education and Welfare Department's money bill.

The House Appropriations Committee has increased the outlay for direct Federal loans to \$188.2 million from the \$161.9 million asked by the Nixon Administration, placing the funds available at roughly last year's level. The increase, however, comes to only about two-thirds the colleges' certified needs.

Furthermore, the committee has made it largely at the expense of money for direct Federal grants to low-income freshmen in the 1970-71 year. Money for such grants this year, appropriated earlier, falls far short of the sum of a year ago.

Prodded by hard-lobbying education groups, House liberals will likely try to boost the direct-loan funds as well as other outlays

during the floor debate. If they fail, the often more-generous Senate may add some money when it gets around to the bill. But time is short.

Time is short, too, for efforts to resuscitate the guaranteed bank loan program which the Nixon team, like its predecessor, has counted on to make up for skimpiness in direct Federal aid. With its interest rate ceiling at 7 per cent while the commercial prime lending rate has soared to 8.5 per cent, this scheme is drawing at best a lukewarm reception from most bankers.

A House Education subcommittee chaired by Rep. Edith Green (D-Ore.) has been groping through meager statistics and sometimes conflicting advice for the best approach to this problem. The Administration, for its part, has wallowed in tedious internal debate on what it should recommend.

Meanwhile, the National Council of Higher Education Loan Programs warned Mrs. Green's panel Thursday that about one-third the students seeking guaranteed loans for the first time this fall could expect to be turned down. In round numbers, that could mean up to 200,000.

The District of Columbia, with a \$2.4-million pool of guaranteed-loan money from 10 of the city's 14 banks, is in better shape than some locales, though director Robert A. McCormick complains the savings and loan associations have yet to kick in.

McCormick reckons, however, that the 1 million in the pool for first-time borrowers may have to meet a demand more than double that amount.

Requests for the higher-interest guaranteed loans are flooding in, naturally enough, from young people facing little or no chance of getting direct Federal grants, loans or work-study help. Locally, McCormick reports, many are low-income students.

The whole spectrum of student-aid resources, moreover, is being stretched as never before because an ever-larger number of needy students has been persuaded to pursue higher education. And they are heading for college at a time when tuition rates and other charges—reflecting the institutions' own efforts to make ends meet in the face of higher costs—are mounting anew.

Locally, tuition at George Washington University will be up \$100 to \$1800 this fall; at Georgetown University, up \$200 to \$2100; at Catholic University, up \$200 to \$1900. The University of Maryland is raising tuition and basic fees by some 25 per cent to \$506, and boosting its charge to out-of-staters by \$50 to \$500.

Most deserving students who fail to receive the direct or indirect Federal aid they seek will probably attend college anyway this fall. They'll require greater sacrifice by their families, they'll look harder for part-time jobs, they'll be more Spartan in what they wear and eat.

But that's hardly the point. What counts is what they'll think about a Government which may well have led their hopes too high in the first place but in any event is falling to fulfill them. Their thoughts, undoubtedly, will be one more ingredient in the bubbling brew of student unrest that has already brought many campuses near the brink of breakdown.

**WILLA MAE THOMAS:
PEOPLE HELPER**

Mr. HARTKE. Mr. President, from time to time we hear about the unusual efforts of an individual to make the world a happier home for all of us. Miss Willa Mae Thomas, of Indianapolis, is such a person. For the past 16 years she has worked tirelessly to foster a spirit of international good will. This she has done by helping approximately 3,000 high

school and college students from foreign countries to find homes while they pursue their studies in Indiana schools. Her work has inspired those around her. I believe that her story, published in the Indianapolis Star, will prove similarly inspirational to a national audience. I therefore ask unanimous consent that the article be printed in the RECORD.

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

"WILLA THOMAS DAY" TO HONOR STUDENTS' FRIEND

(By Dennis J. Hoffman)

Miss Willa Mae Thomas could be called Indianapolis' ambassador to the world.

During the last 16 years she has helped approximately 3,000 high school pupils and college and post-graduate students from foreign countries find homes while they pursue their studies in Indiana colleges and universities.

Although she receives no pay for her work, Miss Thomas meets the students at the airport, makes certain they have proper clothing for Hoosier weather, and answers any questions they may have about life in this country, in addition to finding housing for them.

In an attempt to repay her for her years of services Mayor Richard G. Lugar has proclaimed July 20 as "Willa Thomas Day" and some of her friends are planning a testimonial dinner in her honor at 3 p.m. that day in the Atkinson Hotel.

For the four students who died during their stay here, she was left with the responsibility of making burial arrangements.

Miss Thomas also arranges for complimentary tickets for her students to see a fair, circus, sporting event or musical concert, if a student cannot afford the price of the ticket.

She has persuaded Mayor Lugar to present honorary citizenship certificates to her students.

"I tell the students I can help them with any problem they have except money," Miss Thomas said. "I don't have any and I don't expect any."

Miss Thomas has a scrapbook of letters from grateful students who remember how she made them feel welcome here. Many send her cards at Christmas while others have mailed gifts.

The students, from Japan, Southeast Asia, the Philippines, Europe, Africa and Latin America, phone her at all hours of the day and night with their problems and, like a dutiful mother, she offers common-sense solutions to her adopted family.

Miss Thomas sends letters of welcome to the foreign visitors before they arrive and gives going-away dinners when their student days are over. She helps those who want them, to find jobs and has been instrumental in getting scholarships for others.

She visits those who are sick or hospitalized, taking them a rose which is "all I can afford." She sends them birthday cards, attends their weddings and graduations, throws wedding and baby showers when appropriate. On holidays such as Christmas and Thanks giving she finds for those living in dormitories, homes where they can have a home-cooked meal.

As a child, Miss Thomas considered leaving her home in Mississippi to become a Baptist missionary to Africa. Today she still is very active in church affairs. She is religion editor of the weekly Indianapolis Recorder and she frequently checks up on her student family to make sure they're attending their respective churches regularly.

Miss Thomas decided to work with the foreign students after she received a warm welcome while attending a religious conference in Europe.

"The people I met in every country I