

U.S. Congress.  
UNITED STATES



OF AMERICA

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 92<sup>d</sup> CONGRESS  
SECOND SESSION

VOLUME 118—PART 12

APRIL 27, 1972 TO MAY 3, 1972

(PAGES 14557 TO 15776)

Taxpayers foot that bill.

And the Subcommittee also discovered that it costs the nation's businessmen another \$18 billion a year to fill out the papers and return them to the government agency that sent them.

You figure that cost in terms of accountants' fees or time the businessman lost from his primary duties while he was filling out quarterly tax forms, business census forms, Social Security forms, unemployment forms, other regulatory agency forms, and wage and price freeze forms.

Now \$18 billion is a lot of money to absorb.

It could put some men out of business.

It discourages other businessmen from hiring additional help.

It robs still others of the time and money they need to develop and expand.

And it encourages business to pass on to the consumer the costs of filling out forms by raising the price on products.

So the public ultimately pays that \$18 billion, too.

What we're talking about, then, is \$36 billion a year . . . a staggering amount of money equal to no less than 15 per cent of the Federal budget for fiscal 1972.

Let me put it this way:

The total costs of governmental red tape this year will be more than all this Government spent last year in health, education, welfare, saving the environment, community development and housing.

Put another way: That \$36 billion would pay for 2,412,000 low cost housing units with two bedrooms each.

Now I'm not suggesting we could cut red tape costs by \$36 billion a year. Obviously, we can't do away with all government forms.

What I am suggesting is the real possibility that the cost of form compliance can be cut by reducing waste, duplication and complexity.

With that in mind, the Subcommittee hearings will focus—as a starting point—on Internal Revenue Service requirements in order to see if form "pollution" and costs can be reduced.

Specifically, witnesses will be asked three general questions:

1. Are the IRS forms too complex for the small businessman to prepare himself or is it necessary for him to hire professional help to complete the forms according to IRS requirements?

2. Is the frequency of the forms (quarterly estimated tax withholding, estimated income tax, and Federal excise tax—plus annual reconciliations of each) such that the small businessman has an undue burden and expense? Is it possible to reduce requirements to an annual or semi-annual basis?

3. Are the administrative tax form requirements of state and local governments duplicative of Federal forms? Why can't we develop a better system of sharing information among the various governmental units?

The witness list will be made up of small businessmen, representatives of small business organizations and accounting firms, and public officials.

Now so far, I've talked of red tape costs in terms of dollars and time. But there are also costs in human terms—worry, frustration, bitterness and resentment—that are harder to measure but equally real.

These are the costs that pit the citizen against his government.

For at a time when too many citizens feel alienated from the nation's leadership and institutions . . . at a time when too many feel that government is remote and unresponsive . . . their only direct contact with it is irritating, frustrating, even demeaning.

To begin with, the avalanche of form requirements indicates to the small businessman that his government really doesn't trust him.

Why else would it require him to swear to his integrity so many times in so many ways?

And then the very complexity and frequency of the requirements seem bound to contribute to the suspicion that government isn't there to help . . . it's there to hinder.

One example: A couple operating a small hospital on the West Coast told Subcommittee aides that they are thinking about quitting because of the paperwork involved in dealing with no less than 23 government agencies.

They told the investigators: "We love the work we are doing, and our hospital contributes to society by restoring people to a useful way of life. But, as much as it grieves us, we're willing to quit."

Since I first mentioned the possibility of hearings into the paperwork burden, I've received countless letters saying essentially the same thing. Whatever the real intent, many people say government *seems* determined to badger and harass and smother the small businessman instead of helping him do a better job for himself and for the general economy.

So the hearings the Subcommittee has scheduled will be aimed, then, at seeking guidelines not only to cutting form pollution, not only to reducing costs by eliminating waste and duplication, but also to restoring trust, confidence and good will between the small businessman and his government.

With government's credibility so under question at this point in time, I think the last mentioned goal is fully as crucial as the first.

#### LOUIS R. PERINI

Mr. BROOKE. Mr. President, only rarely in this life is a person able to make his accomplishments equal his ambitions and goals. I have been privileged to know such a man: His name is Louis Robert Perini.

I knew Lou Perini for many years. We shared a love of sports and a love of the Nation and the Commonwealth of Massachusetts. And we shared a friendship which will be remembered and revered.

It was thus with particular sadness that I learned of the passing of this dear friend on April 16.

But Lou Perini's legacy is an enduring one. How many other men have ever been privileged to leave behind such enduring monuments as the Golden Gateway Center in San Francisco; the Prudential Tower in Boston; the locks and dams for the St. Lawrence Seaway; the hydroelectric power facilities for the city of Quebec; the tunnels at Niagara Falls, Ontario, and the Amistad Dam on the Rio Grande in Texas?

Yet, these are only a few of Lou Perini's many thousands of accomplishments. Lou Perini began his construction work at the age of 16, carrying water for his father's workmen. For 50 years he has been housing people, constructing offices, building better highways and safer factories, all over the United States, South America, Australia, and the Middle East.

In his spare time, he served as president of the Braves National League Baseball Club, selling that club to Milwaukee in 1953, and buying back part interest when they moved to Atlanta many years later. He served as a trustee for the Jim-mey Fund for cancer research, and received honorary degrees from Boston

College, Holy Cross, St. Anselm's College in New Hampshire, and Lesley College in Boston. He also served as a fellow of Brandeis University, and was cited by the National Conference of Christians and Jews for his promotion of racial and religious understanding.

Yet, not all of Lou's accomplishments have been in the public eye. Perhaps his greatest accomplishment is a very personal one: He has given the world seven fine sons and daughters, and 38 lovely grandchildren.

Lou Perini left his mark on the land he loved. A man of such stature will be sorely missed, and I extend to his wife Florence, his children, his grandchildren and friends, my sincerest sympathy and my deepest respects.

#### COUNCIL OF SOCIAL ADVISERS

Mr. MONDALE. Mr. President, a former Secretary of Health, Education, and Welfare, Wilbur J. Cohen, recently delivered a very stimulating address before a colloquium of the National Bureau of Economic Research. Secretary Cohen is now dean of the School of Education at the University of Michigan.

His address "The Quality of Life and Social Indicators" argues very persuasively for the need to enact legislation to help us to spend our always-limited Federal resources more wisely. I am pleased that Mr. Cohen believes that my proposed Full Opportunity and National Goals and Priorities Act (S. 5) would make an important contribution.

Secretary Cohen is but one of a growing number of officials of the previous administration who now endorse this legislation. I feel sure that officials of the current administration may well see the need for such action after they leave office.

Mr. Cohen's speech is a wide-ranging discourse on a number of significant changes in social programs that lie ahead. He talks about new approaches to leisure, continuing education for adults, the need for greater expansion in early childhood programs, the obsolescence of the property tax, guaranteed income, and ethical issues which require decision by society. In particular, he mentions the question of terminal illness and how society needs to determine how to approach decisions relating to the prolongation of life. I am happy to say that my bill to create a National Advisory Commission on Health Science and Society, Senate Joint Resolution 75, which was passed by the Senate last December, would provide an approach toward dealing with such complex questions in the field of medicine.

Mr. President, I ask unanimous consent that this excellent speech be printed in the RECORD.

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

#### THE QUALITY OF LIFE AND SOCIAL INDICATORS (By Wilbur J. Cohen)

It seems to distress some past Secretaries of the Department of Health, Education and Welfare that I really did enjoy the job. As a matter of fact, on several occasions I said

I would have been glad to pay the government for giving me the opportunity to have had that particular experience. Now I have returned to university life, which I also greatly appreciate. I would rank as the two best jobs in the country being a professor and being Secretary of HEW, in that order. Both offer many opportunities to use time in a challenging way.

I am going to present here some thoughts which have developed from these two experiences of mine. I will stress some of the potential research opportunities and developments in the fields that I am particularly interested in at the present time. I am presenting some observations on current policy as well as some observations on what might be done in the development and research of policy and programs in the social arena—in eradicating poverty, improving education, and upgrading the quality of life in general. First, let me indicate three or four developments that have occurred during recent years; throughout this discussion I will be referring to them.

#### A LOOK AT SOME SOCIAL STATISTICS

First, rather strikingly, the amount being expended on health, education, and welfare in the nation from all sources, private and public, has very significantly increased during the last twenty years. The amount that was expended in 1950 for all health, education and welfare, from all sources, private and public, was about 13½ percent of the GNP. Last year it was 21.6 percent and was still going up. Therefore, growth in these expenditures in the past period has been very significant, and I would prophesy, for the coming decade or two, that expenditures for health, education, and welfare will continue to rise, and will approximate, by the end of the decade, something like 25 percent of the GNP.

Secondly, until May, 1971, when we received the information about the increase in the number of people in poverty, one of the most significant developments in the last ten years was the decline in the extent of poverty in the United States as defined by the Census report. We could discuss for several days what the level of poverty means—that is not part of my discussion here because that is another whole area. It is a significant fact that the number of people in poverty has declined roughly from forty million in 1959 to twenty-five million in 1970; a net decrease of about fifteen million and a drop in the population relatively from 22 percent to 12 percent—one of the most significant developments which has not been widely discussed or analyzed.

A third interesting development that has occurred in recent years is a decline in the infant mortality rate. Although the United States is still about fourteenth in rank among the major nations in the world in its infant mortality rate—that is, there are another thirteen countries which have a lower infant mortality rate—nevertheless it is true that our mortality rate has been declining and so has that of other countries.

#### SOME FACTORS IN THE APPRAISAL OF SOCIAL CONDITIONS

Before going on to develop my topic in some detail, I should express, of course, a reservation which many of us have, and I think is increasingly of importance. I am sure many economists and, more particularly, sociologists and psychologists will agree with me that in the last five years there is wider and wider agreement that the GNP no longer is an expression, as it was when I was younger, of the signs of economic vitality and of progress and improvement in the quality of life.

I am a product of that period when one might say, "Gee, when the day comes that we have a GNP of one thousand billion dollars a year, the millennium will have arrived, and we will have enough money for health and education and welfare and we shall not have any pollution, and we shall not have any

other problems." Well, the one thousand billion dollar GNP has arrived, and it is obvious that we have more problems than when we had a GNP of seven hundred fifty billion. Now, that needs some further analysis and comment, but I believe that during these last five years a tremendous change has occurred which has a significant impact on economic as well as social science research generally.

That change involves shifting from simply economic analysis and quantitative macro-economic aspects to what I prefer to call a quality-of-life analysis. Of course, the quality of life is not as easy to measure as the GNP, despite the fact that we have been really developing the concept of the GNP for only forty years or so. I am sure it may take at least another one hundred or two hundred years to perfect concepts of the quality of life that are going to be generally acceptable. The quality of life is a much more subjective concept than the GNP, but it seems to me to be an even more important index.

#### THE NATION NEEDS A "SOCIAL REPORT"

Now let me jump ahead of my analysis to say that at the end of this discussion I am going to propose a report similar to our annual Economic Report. Just as the Council of Economic Advisers produces its estimates of the GNP and gets into arguments as to whether it is \$1,056 billion or \$1,065 billion, or whether a 9 percent increase in this year can be achieved or not, I would like to see us estimate the quality of life. I propose that we have a Council of Social Advisers and that the executive branch of the government, in cooperation with the legislative branch, produce a social report each year that attempts to analyze the quality of life. Of course, some economic factors would have to be taken into account, but factors other than economic factors would have to be taken into account, but factors other than economic factors would also be given weight. And for those of you who are not aware of the fact that such a report, in a very tentative way was produced at the end of 1968, Dr. Alice Rivlin was in charge of the development of that report, a document called "Toward a Social Report," which was presented to Congress and then neglected by the Nixon Administration and forgotten.

I would also propose that, just as we have a Joint Committee on the Economic Report, which holds hearings each year, there be a Joint Committee on the Social Report, and that its responsibility would be to hold hearings in Congress and throughout the country on the quality of American life and the determination of policy issues and social indicators. It would be desirable to have a public debate on priorities and allocations of scarce resources in the whole field that makes up the quality of life. If we are going to do anything like that, it really means that the whole character of social science research, both in the government and, of course, in the universities, ought to be not only modified, but accelerated in a different direction.

What are some things that perhaps ought to be examined in connection with quality of life? In this discussion I will only consider five or six examples.

#### THE CONCEPTS OF WORK AND LEISURE HAVE CHANGED

One question regarding the quality of life is, "What is work and what is leisure?" I would say that during my lifetime there has evolved a vast change in definitions of what is work and what is leisure. I asked my father how many hours a week he worked when he was a young man, and he said eighty. I have not asked my children that, but I think quite frankly my twenty-two year old son does not know the difference between work and leisure. I think he defines leisure as work and work as leisure, because what he must do is what he wants to do. Perhaps this is true of only a small portion of our present young

people I see on the campuses. Nevertheless, with the tremendous reduction in the hours of work and with the relative affluence of a large number of people, the whole question of leisure for a certain number of people is becoming central to their lives.

Let me illustrate this issue in another way: I talked to my father. When I asked him what was his conception of work and leisure over a lifetime, he replied, "Well, you work from the time you're fourteen to the time you're sixty and you work seven days a week, fifty-two weeks a year, and then when you get to be sixty you retire, and then you don't do anything." He is eighty-four now, and he hasn't followed that example, but that was his conception of life, work, and leisure: concentrate all your work into the period when you are able-bodied, and concentrate all your leisure into the period after you retire.

There has been a vast transformation in that whole attitude. I could put it this way: Now, people are taking their leisure during their entire lifetime; some people enjoy leisure a pretty good 90 to 95 percent of the time. The whole development of collective bargaining, fringe benefits, holidays, indicate this too. The recent act by Congress to change the series of holidays to Mondays is another manifestation of what will eventually come to be, in my opinion, four- and five-day holiday weekends. Long holiday weekends will probably come about during this coming decade or two as part of the whole reduction in the hours of work.

#### EXPANSION OF CONTINUING EDUCATION

I might also point out that there are several collective bargaining contracts which provide that the workers after a certain age, and after a certain period of work, get sixteen weeks off. Of course, in sixteen weeks a person could go back to a university and take one term of college credits, if he scheduled it correctly. The possibilities of adult and community education in connection with that kind of sabbatical is not to be just written off as an idle dream. I would even put it this way: I would predict that by 1985 or so we are going to have large numbers of employees, blue collar employees, who will have substantial periods off in each year in which they could go back to universities or community colleges to get more education.

What will they be educated for? I imagine there will arise the whole implication of second careers. It is entirely likely, with the vastness of technological and scientific change, that a person's occupation between twenty-five and forty-five will not be his occupation between forty-five and sixty. It is very likely that people may have one, two, or three occupations during their working lifetime. How do you retrain them? Where do they go? What is to be done? What is the role of our educational institutions, and of the employer and the union in this retraining process, especially if by that time we have the thirty-hour week, and the eleven-month year for work, with the sabbatical every five years?

I might add, there also is the possibility that we may have, as in earlier times, a large number of people whose place of work and home is exactly the same locality. Today you can find many people—husband and wife, father and son—who are running an establishment, whether it is an automobile repair place or a little restaurant or some other enterprise in which they live and work exactly in the same immediate vicinity. Whether this trend will ever become more widespread, I do not know, but it is also connected with other trends that are at work—the decentralization of industry and the concern of people about the time that is involved in travel to and from work.

#### IS COMMUTING WORTH THE TIME?

And here is another area which I believe is worthy of exploration—the whole problem of the time it takes to go to and from work.

I believe that in the near future, because of the tremendous traffic congestion and the lack of adequate planning of our highways and transportation system, we are going to see some very significant changes. There will be more people who do not want to spend one hour going to work and one hour coming back from work. They will avoid the unsafe conditions of driving, the necessity of having two or three automobiles, and the overall exhaustion of commuting to work.

To reduce commuting time from residential areas, many industries and businesses have decentralized. One sees that, of course, in the suburban shopping centers and parking areas throughout our country, which represent the attempt to bring the developments of American industry, business and commerce closer to the consumer. These places of business enable the mother to drop the children off at school, go shopping in the supermarket, and get back home in a reasonable period of time. If we could only work it out so that the father would not have to go twenty miles or forty miles to work, that would be another saving.

#### NEW FACTORS WILL INFLUENCE JOB SELECTION

What I am saying is that, concerning the quality of life, we are probably going to reach a point where people in determining their job opportunities are going to consider factors other than simply the income. We know that with collective bargaining, with continued increase in the GNP, and so on, there are going to be more and more acceptable jobs for people at certain incomes. The deciding element is not going to be so much the wage rate in 1985 as it is going to be the many other factors surrounding the employment; such as, whether an employed mother can come home at 3:00 o'clock to meet her children, whether daddy can come home in the middle of the day, and where he can park.

I believe that these factors will all have very important effects in the future, as income rises and employment conditions revolutionize. This is not exactly a wonderful time to discuss these issues when unemployment this year is over 6 percent, but I assume that President Nixon is going to try to rectify that before September of 1972, for obvious purposes. Therefore, this discussion which is related to the next decade or two overlooks that rather important current point. I believe that these long-term factors surrounding employment conditions are going to play an important part in the quality of life.

#### EARLY CHILDHOOD EDUCATION WILL EXPAND

Another significant thing that I think is going to happen during this decade is a growing acceptance for early childhood education. This acceptance represents a confluence of ideas in which people all agree substantially on the same thing for rather different reasons. I think that this is going to have very serious economic, social, familial and other consequences which are well worth studying. We know that the employment of women has been rising steadily over the last twenty, thirty, forty years, and appreciably since World War II, and every extrapolation of this social tendency seems to indicate a continued rise. It is, therefore, interesting that mothers are very much in favor of day care and nursery schools for their children since they voluntarily wish to go to work. It so happens, if we look at the United States Congress, they are enthusiastically for it too because they would like the women on welfare to go to work and they would, therefore, be very interested in providing day care facilities for the nearly one and a half million mothers who now have children on welfare. I believe there are eight or nine million children on welfare. Any kind of day care for a million, two million, three million of these children is not exactly a small undertaking during the next few years.

#### EARLY CHILDHOOD YEARS ARE CRUCIAL IN DEVELOPMENT

But, of course, the third factor underlying this movement is even more important and underscores the need for more widespread preschool education. Child psychologists, led by Jean Piaget and many others, have been showing increased concern, during the last few years, about the psychological and motivational formation of children in the very earliest years. They emphasize reliance upon education geared to these formative years. A number of people say that 60 to 80 percent of the creativity of a child is formed by the time he is six or eight years of age, and a major proportion of his motivational patterns are formed by this time. If you think that you are over the hill when you are thirty, they demonstrate pretty convincingly that you are over the hill when you are age six, at the point where you enter public school.

There are roughly about 3.7 million children in each age group at the present time under the age of six, and if we want to have an early childhood program that costs a thousand dollars per child or, what I think is a little closer to desirability, closer to two thousand dollars per child, I ask you to make your own computation per million children of how much money it would be necessary to spend if our national priorities were directed in that area. I think they will be.

#### PREPARATION IS NEEDED TO PLAN PRESCHOOL FACILITIES

What would be some of the impact of this? Assume for the moment that during the decade of the seventies, each year we would enroll an extra one million children in early childhood education programs, so that by the end of the decade all children from two to five would be covered. It would not only have a tremendous impact on potential expenditure figures, but the demand for teachers in this area would shift immediately from the surplus that exists at the present time to a vast shortage. The desirable ratio of teachers to students in the early childhood period is more like one to five, as compared with one to twenty-five and one to thirty in the elementary and secondary school systems. What I am saying is that the tremendous teacher surplus which now exists could overnight not only be transformed into a vast teacher shortage, but it might also, in my opinion, result in further increases in the price of labor in the elementary and secondary teaching area, which would further affect the problem of financing education.

#### NEW TAXES MUST FINANCE EDUCATION

This brings me quite logically to my next point. I do not believe that expanded preschool education along with other changes in the educational system can be implemented as long as our elementary and secondary education systems depend largely on the residential property tax. Millages for local education are being defeated now much more extensively than any other time in American history. And property tax millages are going down to defeat not merely in poor areas, but in middle-income and upper-income areas.

I happen to be one of those who has been criticized for urging reliance on payroll taxes for financing social security. But I would like to advise my economist colleagues that, if they would only spend half the time attacking the property tax that they spend attacking the payroll taxes, we would be further along in our improvements of education. Through the payroll tax we have obtained vast improvements in social security and health, which the economists would not have obtained for us if they had relied on general revenue financing.

But I do not believe that we can so largely rely in the nineteen seventies on the property tax. Eighteen thousand school districts in this country are relying in various degrees upon the property tax, and I would

think that there is no question that we have to shift over in this decade to a greater degree of federal financing and state financing of elementary and secondary education.

If you want to go in the direction of incorporating two, three, or four million more children in the two-to-five age group into the educational system, if this is to be at a relatively much higher per pupil cost than for elementary or secondary school, because of a much higher ratio of teachers to students, it is obvious that we are talking about an expenditure in the vicinity of five, ten, fifteen, or twenty billion dollars more per year, at present prices in the educational system. All of which could not possibly be financed through the property tax, which, I need not say, is the most undynamic, unresponsive, unreceptive kind of a tax for anything like a dynamic system of education. I believe, therefore, that financing is an area for particular concern for economists in dealing with the quality of life. If we want to make very important improvements all the way from early childhood education through elementary, secondary, higher, and adult community education, we must understand that we are not going to get the extra ten, twenty or thirty billion dollars more per year needed at present prices, ten or fifteen or twenty years from now by such a large reliance on the property tax. That type of financing would mean further deterioration in the whole educational system.

#### WHY ARE MILLAGES DEFEATED?

Why are the millages being defeated more than ever before? I have one perception of it from my own experience in trying to get a millage passed. Whenever I spoke to people who were over the age of fifty-five or sixty, they would say, "Well, I'm going to be on a pension. If the millage goes up, I don't have any way to get the increased income. Now you younger fellows, if your costs go up, you can go out on strike and get an increase, but I can't. Therefore, I'm going to vote against the millage. It's up to you younger people to find a way to finance education. I've paid my education taxes for the last thirty or forty years. Now it's your turn."

I have noticed more and more, that as the proportion of our aged population increases, the resistance to the residential property tax has increased. Since the proportion and number of aged is going to increase continually during the next decade or two, I prophesy even greater resistance to the property tax during this coming decade than we have seen during the last.

#### IS THERE A GENERATION GAP IN FINANCING EDUCATION?

This brings me to another observation. There is a conflict, or a generation gap, occurring in connection with financing higher education. Student unrest in recent years has helped cause this situation. It's not hard to understand that when an educator goes to a taxpayer and says, "Look, we want to appropriate more money for our university," the response very likely will be, "More money for what? To burn down buildings? To break windows? For students to riot when they should be studying?"

Even with the past quiet year, I would argue that we are going to have a very difficult time during this next ten-year period getting more money for higher education until we resolve some of the tensions that exist in the educational system vis-a-vis the young people and the old. There is no question in my mind that the lawmakers do not feel great enthusiasm for the people who are marching, for the people who are demonstrating. Whether or not such demonstrations lead to changes in our social system, I do not think they will lead immediately to greatly increased financial appropriations for the universities.

There is another aspect to this generation gap which is worthy of a comprehensive

study by someone. The last studies I have seen on the proportion of people over age fifty-five who vote in elections indicate that around 55 to 60 percent vote. The last analysis I have seen of participation by people eighteen to twenty-four who can vote is around 20 percent. Well, I shall leave you to draw your own conclusions about the impact on legislators who, after all, provide the money. I think there needs to be some very careful attention paid to the research in voting behavior in relation to these educational expenditures and other important elements of educational policy, if we expect in the coming years to be able to get more money into the educational field.

#### THE CREDENTIAL SOCIETY FACES A CHALLENGE

That brings me to another current problem. The various studies that have been made by distinguished people about investments in human capital, about the value of education in terms of lifetime earnings, indicated that investment in education produced a very, very significant contribution to our economy and to our public policy discussion. But, in the last few years, I have sensed a whole new development in which there is grave questioning as to whether educational attainment is an index of either intelligence, vocational ability, status, prestige, or even income in our society. I notice more and more frequently the attacks on the credential society.

What does a Ph.D. mean? What does an M.A. mean? What does a B.A. mean? There are more and more people who have doubts about degrees. I believe if we interviewed the thousands of Ph.D.'s in physics and engineering who have recently been terminated by Northwest, we would not find a very enthusiastic response about the value of their degrees over the long period.

I believe that this whole question of the level of educational attainment in relation to both income and satisfaction as far as lifetime objectives about the quality of life are concerned, will need basic re-examination. There are more and more jobs today in which, despite the trend toward credentialism, future college credentials will no longer be recognized as the basis for advancement. I can point out employers who do not want to employ college graduates on the basis of what has happened in the last few years. They would rather take a high school graduate and put him into an in-service training program in the company than have him study four years in Madison or Ann Arbor. They believe that they are better able to produce the results they want than Ann Arbor, or Columbia, or Berkeley.

Many of my colleagues question the validity of the credential society, in which the prestige and status of certain degrees has been equated with a certain level of income and a certain status in society. It appears that this type of assurance of status is rapidly deteriorating. Whether the trend will continue during the decades of the seventies and eighties I only offer as a further question for exploration.

#### MORE CHOICES WILL ARISE IN EDUCATION

In any case, the movement away from credentialism probably means that we are going to have more different kinds of options for education in the future than we have had in the past. This alone will mean a whole gamut of different kinds of analyses and different kinds of programs. Suppose we were to have an educational system in which each community offered five different kinds of elementary education, and every parent could choose which one he wanted. I do believe that more options in education and in health and welfare should be offered to people. But suppose, just for the sake of discussion, that we were going to have four different patterns of elementary education beginning at age one: a Montessori School in the community, an open-walled school with many

ethnic groups, a school that was very highly structured, and one that was completely experimental. I could give you other variations. There are obviously parents who want their children to have nontraditional experiences. These are not largely available at the present time. Now suppose in this next decade we did want more options in the educational system. What would be the cost implications, what would be the organization implications, what would be the problem with regard to training teachers? We would have to turn the twelve hundred schools of education in the United States upside down to take advantage of that kind of a new restructuring in our educational system. Yet the idea is not really an impossible one.

#### ONE TYPE OF SCHOOL IS NOT THE BEST FOR EVERYONE

If we are an affluent society and if we respect variations in human personality and different aspirations, why do we not have different kinds of schools? The concept of the monolithic public democratic school has served an important purpose in drawing together the citizens of this country into the American melting pot, but a monolithic structure is very unreal in the kind of society that we have now. I would offer the suggestion that some exploration of options in the school system are well worth study and well might be related to his whole question of the quality of life, which is really directed, in my opinion, toward giving people more options about the things they think are important: more options in their jobs, more options in their vocations, more options in their educational systems. That seems to me to be important if we are going to be able to deal with these kinds of quality-of-life questions.

#### WE MUST ELIMINATE POVERTY

I believe the most important social and economic issue we face during this decade is the question of eliminating poverty. Every single question, economic, social, and political, that I touch upon in my professional and personal life always comes back to the issue of poverty in this country. I do not care if we are talking about the disadvantaged in the educational system, the access to health services for the disadvantaged, infant mortality, delinquency, or some other problem; we cannot deal effectively with those problems until once and for all we eliminate poverty from this country. No matter how we try to deal with the other problems, we are always faced with the situation that if that person had money and that person were able to satisfy himself with a certain minimum standard of life and education and housing, his other problems would be able to be dealt with in a much more effective way. While the problems of poverty are interlinked with social responsibilities for housing, access to good health and health insurance, and educational organization, it is a terrible shame in our country to put the burdens of having an inadequate health system on doctors alone, or an inadequate educational system on educators alone, or bad housing on HUD alone, when the interrelated factor of inadequate income is so important.

Therefore, I believe that coming to grips with the issue of poverty and the national income guarantee and these other things we have discussed is the number one priority of the decade of the seventies. That is why, I myself, with all my reservations about President Nixon's welfare reform, believe that this is the beginning of the most significant development of the decade of the seventies, the beginning of a new kind of policy with regard to an income guarantee.

Having said that, I would like to say that there are very important limitations. The biggest attack on poverty in this country outside of the work, free enterprise, wage, price, profit system is, of course, the social security program. If the social security pro-

gram were not in effect today, there would be eleven million more people below the poverty line than the twenty-five million that I indicated earlier in this talk. The OEO program, the antipoverty program for 1964, has probably taken three people out of poverty since 1964. While I support vigorously things like legal aid to the poor and other OEO components, as a measure of reducing poverty in the economic sense, it has been ineffective. As a matter of fact, I could make an argument that it probably put more people in poverty than it took out.

The social security program is not only our biggest antipoverty program, it was also the first income guarantee program. What is social security if not a national guaranteed income program for people in the categories specified in the law. Granted, it is not universal. Granted, it is not for everybody, but it is an income guarantee. Congress says in the law, when a person reaches age sixty-five, or sixty-two or sixty under certain conditions, he gets this amount of income and if the administrator does not give it to the applicant he can go to court and get a court order requiring the Social Security Administrator to pay that money. Now, if that is not an income guarantee, I would like to know what is. What I am saying is that, after thirty-five years, we are on the verge of extending that principle outward and downward in such a way that I think by the end of this decade we are going to have a program in this country of income guarantee for everyone, and that it will be very consequential and meaningful. This will probably require an additional transfer of something above twenty billion dollars a year at present prices. I do not think the program is going to start at that level. The Welfare Reform Bill starts at about a five billion dollar level, maybe a little bit less if you subtract some of the other costs that are really presentday costs. But let us say, for the sake of argument, it is only four billion dollars. Well, nevertheless that is a start. It is a down payment, and I am willing to take the down payment if there is some indication of a commitment to moving in that direction this decade. I believe this will happen.

#### WHAT EXPENDITURES WOULD FOLLOW A GUARANTEED INCOME PROGRAM?

Of course, if we get to the point where we are putting another ten, or fifteen, or twenty billion dollars in income redistribution, it will have a very consequential effect of increasing the proportion of the GNP committed to these programs. I think there will be much interest in how that money is used. If you want to start your investigation now, I can tell you what purchases of things like eyeglasses for children will increase. There is no question in my mind that, when you give more money to women with children, they are going to buy eyeglasses for their children as soon as they are needed, even at a very young age. There will probably be somewhat more milk consumed than before, as indicated by a Canadian study. There will probably be more physician services for children. I could describe a series of probable changes and expenditures that would be related to this increased income. I think that would be a very important area for analysis.

#### WHAT WORK INCENTIVES ARE NEEDED FOR A GUARANTEED INCOME PROGRAM?

But the most important question which still needs to be answered is, "What kind of incentives are needed to induce employable people to work if they participate in an income guarantee program?" That was not the large issue in social security because most of the people in social security were unemployable; the aged, the disabled, and death cases. Now in relation to employable people, the whole question of incentives needs to be developed. In the social security amendments of 1967, there was a work incentive of disregarding the first thirty dollars a month for welfare recipients plus one third of any addi-

tional amount above that. Now, are those the right work incentives? I wonder myself.

I do not think there has really been any good study yet on what the impact of work incentives really is in different parts of the country; on male heads of families, on female heads of families with young children, with older children, by age, by race, by ethnic group. Many older people have some idea that, when you give a person a work incentive of 50 per cent, that will be sufficient. Maybe it will, maybe it will not. I think that we need many more studies on the interrelationship of work incentives to level of payments and the social characteristics of various groups before we make a final determination as economists or citizens as to what might happen.

#### WE ARE UNDERGOING A PERVERSIVE SOCIAL REVOLUTION

What I have tried to say is that we are undergoing a revolution. But I use the word revolution in a deep and pervasive sense. I do not mean it in the sense of violence, and I do not mean it in the sense of militancy, and I do not mean it in the sense of confrontation. I believe that we are in a period of time when values, objectives, goals, insights, interpersonal relations, institutional factors, are undergoing a great deal of stress and strain, and people are changing their attitudes toward all sorts of things that previously were taken as an obvious good.

Just take the issue of the nonreturnable bottle. A big controversy can start on that kind of a question; the nonreturnable bottle with all its ecological and environmental aspects, with its effects on marketing, distribution, and cost, and with its effects on public sanitation, and so on. A little bottle can kindle a six hour exploration on the very values of human life. Do you want to live with returnable or nonreturnable bottles? The ramifications are simply terrific. And need I mention things like water pollution, air pollution, parking and second cars, and freeways? It is easy to see we are in a revolution of values and a revolution of ideas.

I think, therefore, economists, must begin to change the area and emphasis of their research from the macroeconomic, from large-scale quantitative studies, to what I call the whole area of the quality of life. The quality of life, an esoteric, ephemeral, subjective kind of a concept, but nevertheless one that is very real. People over thirty especially notice the impact of the concept when young people start right off and say that all traditional values are wrong. What do you say? I believe that such questions as pure air, pure water, relationships with minority groups, the kinds of schools for children and objectives for leisure time activity are extremely important.

#### ETHICAL, MORAL AND QUALITATIVE ISSUES WILL BESET US

I will take one more example to show how complicated it is to deal with the quality of life. Take terminal illness of you want to take a really complex issue. We are getting at a point in our economic ability, our medical science, and our social consciousness where it is possible to lengthen for a day or a week or a month, on the average, the life of every person who is about to die. Should we do that?

Consider the allocation of scarce resources. Consider the quality of life. Consider our access to medical care. One and three quarter million people die every year. Let us say that for a million of them, just for the sake of argument, we could continue the life of each one for a week on the average, which would mean a day for some and a year for others. Should we do it? Should we set up any guidelines? Is there any way to appraise the situation? Let us say that the effort required 10 percent of all our medical care

resources and that, if we did it, we could not devote that 10 percent to prenatal and postnatal care. Is that the right social decision to make? Who should make the decision, if there was going to be a conscious decision? A decision is made to some extent now, willy-nilly, by parents, by children, by doctors, by hospitals: one could tabulate the quantitative results of all these individual decisions and do some research.

I do not have any answer to this question. It is a highly involved moral, ethical, medical, financial, organizational issue of vast implication. But if your concept about quality of life includes giving everybody a chance to live, that is one thing. If your concept includes that people ought to be able to decide when they are going to terminate their lives and then write down on a piece of paper, "When I get cancer and somebody under some accurate method determines that it is fatal, then stop giving me oxygen and so on each day." It could be worked out, I presume. I do not know how it would work. But these ethical, moral, qualitative issues are going to beset us even more in the next ten or twenty years than ever before in the history of the world. That is one of the reasons why I so urgently recommend that we begin to shift our emphasis from the Council of Economic Advisers to the Council of Social Advisers, from the Economic Report to the Social Report, from the Joint Committee on the Economic Report to the Joint Committee on the Social Report, thus becoming a nation that is beginning to investigate, to study and be concerned about these social problems.

#### NORTH VIETNAM THE AGGRESSOR IN SOUTH VIETNAM

Mr. TOWER. Mr. President, my admiration for President Nixon's firmness in the pursuit of peace in Southeast Asia is matched by my mystification at the position adopted by the Senator from South Dakota (Mr. MCGOVERN).

It is, after all, North Vietnam which is the aggressor in South Vietnam. There are 12 North Vietnamese divisions involved in battles outside their own territory and not a single ARVN soldier is in North Vietnam. I would hope that Senator MCGOVERN and all other Americans would condemn Hanoi for its aggression, rather than condemning their own Government for lending support to the South Vietnamese Army in providing for its own defense. Constant efforts to undercut the President while he is attempting to withdraw American soldiers safely from a war he inherited, only serve to bolster the enemy's morale.

North Vietnam is not going to achieve its goal of assuming control of South Vietnam either on the battlefield or at the negotiating table. I hope they do not achieve the goal, instead, by succeeding to divide the Congress and the American people.

President Nixon has made it clear to Hanoi and to the supporters of Hanoi that there will be no reward for Communist aggression anywhere in the world. His willingness to adopt this position, and the willingness of the American people to support him in this position, are the strongest guarantees of eventual peace in this world.

If Communist aggression is rewarded in Vietnam, it will be pursued elsewhere. But if it is stopped in Vietnam, it will be discouraged everywhere.

Those who would surrender in Vietnam to achieve a short-term peace now, would risk wider war as a long-run reality.

The President recognizes this and he has given Gen. Creighton Abrams the difficult task of continuing U.S. troop withdrawals safely, of protecting those Americans which remain, and of assisting the South Vietnamese in resisting the Communist invasion. I have confidence in the President and I have confidence in General Abrams. I hope the American people and Congress will back the President and back Abe.

#### BARBERSHOP QUARTET IN TUNE WITH AMERICA

Mr. PROXMIRE. Mr. President, recently I received a letter reacquainting me with a style of music that for generations has played to toe-tapping audiences throughout America. The barbershop quartet is truly an important part of America's musical heritage, for it is one of only three forms of music native to America. The faithful fans of barbershop harmony have carried on through the years and today this bright and happy music is having an energetic revival. The letter I received came from the Society for the Preservation and Encouragement of Barbershop Quartet Singing in America. I would like to quote from part of that letter because it gives evidence of the great spirit and fraternal concern which is an integral part of this international society of 33,000 members and 700 chapters.

Mr. Barrie Best, executive director of the society, explained the activities of this musical association when he wrote in this way:

In addition to perpetuating our style of music, our chapters provide wholesome family entertainment for millions of persons each year in their various communities and assist in the raising of hundreds of thousands of dollars annually for philanthropic and community projects. One example is our Society's unified service project in support of the Institute of Logopedics in Wichita, Kansas, which is the world's largest center for communicative disorders and habilitation of the multi-handicapped. Since adopting the Institute in 1964, the Society has raised, through personal donations from members and special concerts, more than \$800,000, and expects to surpass the million dollar mark this year. This money has been used to aid multi-handicapped children who need financial assistance, as well as for research projects in the use of music in assisting the multi-handicapped to become normal communicative citizens.

Mr. President, it is only fitting that we salute this musical association, for it was in the month of April, 34 years ago, that 26 men gathered for the first barbershop songfest in Tulsa, Okla. Since that April 11 in 1938 the organization has grown into an American institution, and its birthday should be noted by all who appreciate merry music. I think all of us will agree that this is the kind of joyful, talented, yet public spirited organization in which all Americans can take pride. With the discord in the world today, it is a pleasure to rediscover the harmony of the barbershop quartet.