

POSITION STATEMENTS
presented to the
PRESIDENT OF THE UNITED STATES

By:
Congressional Black Caucus
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FULL EMPLOYMENT AND
POVERTY PROGRAMMING
Congressman Augustus F. Hawkins

These remarks are made within the context of and as part of the foundation for a real full employment policy which eventually will ensure that "all adult Americans able and willing to work have the right to equal opportunities for useful paid employment at fair rates of compensation."

While our recommendations deal with specific programs for overall immediate action, we call for a restoration of maximum production and employment, and a reasonable growth rate to replace the currently discredited ones of stunting economic growth, creating unemployment, and neglecting the great priorities of our domestic public needs. In short, we call for economic common sense with social equity.

The inner city cores of our metropolitan areas are economic disaster areas requiring crisis solutions. Declining employment and purchasing power combine to constitute the most dangerous threat facing low-income persons and Black Americans since 1929. We reject any policy based on a trade-off of jobs for so-called price stability. Any thought that by creating more poverty, filth, disease, crime, and unemployment is the way to solve our economic problems is unsound economics and bad morality.

Recent history and poor economic performance indicate economists advising the Administration misconstrue the causes

of inflation and as a result offer the wrong solutions. High interest rates, reduction of funding for critical national needs and social programs, and creating unemployment have not succeeded and are not the answer

The major social and economic gains made by Black Americans during the 1960's are now being eroded by the twin evils of inflation and unemployment. While some progress in education and politics has continued since 1965, the median income for Black families did not grow in comparison to white family income. In fact, the median income has actually declined from 0.61 percent in 1969 to 0.58 percent now. This is even more pronounced since the income of Blacks in the upper end (\$10,000 - \$15,000 and over) rose more rapidly as compared with those Blacks under \$3,000.

In 1973, about 1.5 million Black families (28 percent of all Black families) were below the low-income level. Their number has actually increased over the last four years. The total labor force of Negro and other races totaled about 10 million in 1973. Overall, unemployment was likely to be twice the white rate. In July, 1974, the unemployment rate for Black workers stood at 9.4 percent while that of Black teenagers rose to 35.3 percent.

Inflation has had its sharpest impact on Blacks. Its effect on welfare and food stamp benefits caused poor and welfare

recipients to suffer declines in purchasing power. Food prices for Black consumers since December 1972 increased by 26.4 percent (as compared with 25.9 percent for white consumers).

Continuation of OEO is a minimal economic necessity for the poor and an absolute essential in the war against poverty. Its functions of coordination and representation for the poor - while not consistently exercised - remain as desirable goals to be achieved.

Pending legislation (H.R. 14449) to accomplish this passed the House on May 29, 1974, despite threat of a veto, by a vote of 331 to 53 and is awaiting further action in the Senate.

The proposal, amended to meet certain Administration objections, reduced the total authorization and placed Administration in an existing Department (HEW).

Most OEO programs, however, have been dispersed among various Departments (HEW, HUD, DOL, etc.). The transfer has resulted in fragmentation, ineffectiveness, and reduced funding. Community Action under OEO remains as the only residual hope for many poor disadvantaged persons. It is inconceivable to us that in the face of rising unemployment, OEO which employs 185,000 persons - most of whom were previously on welfare rolls - and serves about 11 million persons will not be continued.

If price stabilization policies are to be instituted along with other economic policies as you have implied, then certainly new or greatly strengthened "manpower" policies should also be

included, especially to avoid further unemployment for specific groups and areas. In such a package, public service employment should have a dominant role. There can be no doubt that in our country, there is a critical need for additional public services in health, housing, environment, law protection, child care, education, and transportation. Resort to loaf-raking, boondoggling, and made-work is unnecessary and undesirable.

Public service employment has these advantages:

1. Combats inflation.
2. Can be adjusted to economic fluctuations and targeted to reach the neediest
3. Can be effectively linked with "manpower training programs"
4. Machinery for administration is already in existence without further bureaucracy
5. Fulfills deficiencies in local community public services in such areas as health, law enforcement, and sanitation.

As to the question, whether we can afford public service jobs, the answer again is obvious. For each one percent of unemployment over 600,000 persons lose their income and the economy suffers a loss of production of needed goods and services. Additions are made to welfare costs, crime rate, and health statistics. In addition, \$12 - \$15 billion in government revenues are lost plus about \$3 billion paid out in unemployment compensation.

On the positive side, when people are put to work in public service, several times their number become employed in the private sector due to the multiplier effect.

Parenthetically, the rejection of public service employment on a cost basis ought to be compared with the ludicrous budgetary outlay recently revealed by Secretary of Defense James Schlesinger in testimony before the House Appropriations Committee (February 26, 1974), admitting that billions (Chairman Mahon estimated \$5 billion) were added to the Defense budget for economic stimulation.

Recommendations: (For Immediate Action)

1. Public service employment of at least 1 million jobs at an annual funding of about \$10 billion with substantial amount of this allocated to Title II of the Comprehensive Employment and Training Act
2. Continuation of OEO and increased funding
3. Taxes reduced for low-income persons, including both income and payroll taxes
4. Stronger enforcement of anti-discrimination in employment laws (EEOC, OFCC, and Civil Service Commission)
5. Expanded child care centers and reduced fees

HOUSING AND MINORITY
ECONOMIC DEVELOPMENT
Congressman Parren J. Mitchell

On August 15, 1974, the House of Representatives passed the Conference Report on S. 3066, the Housing and Community Development Act of 1974. On the positive side, this Bill does address itself to the critical housing problems we confront, even if only on a minimal basis. On the negative side, the Bill carries a formula for distribution of funds which, in our opinion, is grossly unfair to urban centers. To mitigate the negative aspects of S. 3066, we make the following recommendations.

There should be \$22,000,000 placed under HUD management for counseling of tenants in government owned or subsidized housing, such as 235, 236, 221 (D.3), and the 23-H program. At the present time, the government has more than a million units of housing which it subsidizes, in whole or in part. It is nonsensical not to provide counseling services to tenants in such units. The absence of such services can only inevitably result in the rapid physical deterioration of the units. The Office of Management and Budget continues to resist the providing of counseling services at an adequate level. We argue that such resistance is counter-productive to our national

housing efforts.

We believe that it is imperative for our government to honor its commitments to the cities and to citizen groups which spent thousands of manpower hours planning housing projects, only to find themselves coldly rebuffed and indeed, stopped by the impoundment of housing funds by the prior Administration. It is our considered judgement that the 23-H program contained in S. 3066 will benefit primarily senior citizens, not families. Therefore, it is crucial that impounded housing funds be released immediately to address this need.

The Administration must also give serious consideration to a program designed to provide employment for tenants in housing subsidized in whole or in part by the Federal government. Unemployment in governmental housing is as high as 90 percent in most areas. There is no reason why tenants cannot be trained to perform all the duties required for the maintaining of safe, sanitary decent housing. Such a program should anticipate that tenants can be trained to perform any and all jobs - from management to maintenance. It is clear that a combined, cooperative effort on the parts of the Departments of Housing and Urban Development, Health, Education, and Welfare and Labor is mandatory for the ultimate success of such an employment program.

The lack of equal access to suburban housing results in Black citizens being exploited and victimized because unscrupulous realtors know that for as long as the white noose continues to surround the cities, Blacks will pay more for housing because they are locked into cities by covert and overt discrimination in housing. It is urged that this Administration demonstrate moral leadership in this area by advocating, promoting and assuring equal housing access to all citizens. The President should give strong, positive leadership in formulating a new policy under which limited dividends may be made available to those non-profit organizations which operate housing, primarily under the 236 housing program.

In the area of minority economic development, it is becoming increasingly clear that there is a critical need to consolidate the fragmented governmental efforts designed to assist minority enterprise. Under the present arrangement, these fragmented efforts often become conflictingly competitive, and such competition is not in the best interest of minority enterprise. It is, therefore, recommended strongly that there be established an autonomous, agency under which shall be subsumed all present and future governmental operations designed to create, strengthen, and support minority business enterprise.

If minority enterprise is to become a viable entity in our economic system, the relationship between minority enterprise and the larger private business sector must be significantly improved. It is, therefore, urged that the President establish a Task Force, the purposes of which will be to explore and facilitate opportunities for minority businessmen in the private sector. For example, this Task Force must assure minority business participation in such projects as the Space Shuttle Program, the Alaskan Pipe Line, and Rapid Mass Transit Programs.

The state of the economy and the recent energy crisis have severely affected minority enterprise. Minority contractors face grave threats and indeed far too many have folded because of the two aforementioned circumstances. We strongly recommend that the Small Business Administration Bill passed by the Congress be approved and signed by the President with all dispatch and that the Small Business Administration be directed to double the goals of its 8-A set aside program for minority entrepreneurs.

Finally, it must be taken into account that the unemployment rate for Black citizens is twice as large as the national rate of unemployment. Obviously, this situation drastically reduces individual savings capacity and therefore minority banks face critical capital reserve problems. It is, therefore, requested that the President use the full power of his office to spur and

increase governmental deposits in minority owned and operated banks.

AFRICA
Congressman Charles C. Diggs, Jr.

It is vital that the United States develop a more rational policy towards Africa - one that takes into consideration both the changing realities in southern Africa, as well as the increasing economic importance of Africa to the United States.

First of all, the changing situation in southern Africa argues for a reevaluation of U.S. foreign policy towards that area.

--Independence in the Portuguese "territories" is inevitable now. For example, in Guinea-Bissau, the first stage of the transfer of power has already been completed, and talks are in progress concerning the second stage. (...The Security Council voted to recommend its admission to the United Nations, and more than 90 countries have recognized it as an independent republic.) Although the United States' support for Guinea-Bissau's admission in the Security Council was commendable, it would certainly be in our best interests to take a forthright leadership role advocating independence and majority rule in southern Africa.

--Majority rule is also imminent in Southern Rhodesia, which is illegally governed by the five percent white settler regime and is faced with a continuing civil war, critical shortages of foreign exchange and spare parts for industry, a tightening of U.N. sanctions violations by many countries, and the threat of the loss of its only access to the sea through the port of Beira in Mozambique.

--South Africa, which maintains a repressive system of apartheid, cannot expect to forever sustain its hold over the 75 percent majority population which is African. South Africa's illegal occupation of Namibia is also tenuous.

Independence and majority rule, then, are coming to southern Africa. A foreign policy which denies the existence of these changing realities and does not take into consideration the aspirations of the future majority-ruled governments of southern Africa is not rational and very short-sighted.

In addition, majority-ruled Africa is becoming increasingly important to the U.S. Economic interdependence between the U.S. and Africa is now a fact of life.

--As indicated in recently-published hearings of the Subcommittee on Africa, U.S. imports (\$1,511.6 million) from Africa (excluding Egypt, North Africa, and South Africa) in 1973 were nearly double our exports (\$856 million) to that area.

--Nigeria has, just this month, become the largest source of oil imports to the United States. And, it must be remembered, that Nigeria's reliable petroleum supply was crucial towards aiding the United States during last year's "oil crisis".

Many independent, majority-ruled African countries are also major producers of minerals needed by the United States. And, some observers feel that the "energy crisis" is insignificant compared to the coming shortage of minerals which the United States faces.

--Zaire supplies 90 percent of our cobalt.

--Zambia is the world's largest copper exporter.

--According to the Bureau of Mines, Malagasy Republic has the highest quality flake and fines graphite in the world. Malagasy graphite is necessary for making crucibles which are used by our domestic steel industry.

Surely these facts serve to illustrate the increasing economic significance to the United States of majority ruled Africa. We hope that this interdependence will be recognized and reflected in the future policies of your Administration.

POST CARD VOTER REGISTRATION

Voting rights can be abridged by denying individuals the opportunity to register to vote. The proposed Post Card Voter Registration Bill, pending in the Congress, would provide a mechanism for the disenfranchised to secure easy access to the voting system.

The proposed Post Card Voter Registration Act would establish a Voter Registration Administration within the General Accounting Office. The Administration would be responsible for implementing a system of postcard voter registration for federal elections. Additionally, the Administration would collect, correlate, and publish information concerning elections and will provide assistance on a non-partisan basis to state officials concerning voter registration by mail and general election problems.

The major impetus for legislation in this area has resulted from the emerging concern over the steady decline in voter participation in our national elections. Voter participation in presidential elections has diminished from 64 percent in 1960 to 55 percent in 1972. Experts have testified that the major causes for the lack of voter participation in elections are the difficulties and the barriers to voter registration. Blacks are acutely conscious of efforts by local officials to limit the time and place of voter registration to a few selected hours or days in a single location. Blacks, especially in rural areas,

cannot secure the necessary transportation to the registrar's office and are forced to sacrifice a day's wages to register under these conditions.

In European democracies registration is almost automatic. Unlike the United States, it is the responsibility of the government to see that its populace is registered to vote.

State laws have been unresponsive to the actual needs of a great majority of our citizens and have been cited as the predominant reason for non-participation by the electorate.

We urge the Administration to support the Post Card Voter Registration Bill which will assist in extending full voting rights to the disenfranchised and protecting those rights of the enfranchised.

NATIONAL VOTING RIGHTS

In a speech before the National Urban League Convention in San Francisco, the President correctly pointed out that electoral politics holds the key to social and economic progress for Black and poor Americans in our society.

We hasten to add that we agree with that assessment wholeheartedly. For Black Americans to actively participate in and to have their voices heard in the major public policy decisions affecting our nation and our lives, we must join the ranks of elected officials at the national, state, and local levels throughout this nation.

If electoral politics is the key to Black social progress, then access to the voting booths of this nation is the mold from which that key is formed. Since the passage of the 1965 Voting Rights Act, some two million Black and poor voters have been added to voting rolls across this nation, particularly in the south. These Black voters, in a demonstration of their commitment to and faith in the democratic process, have gone to the polls in record numbers, and elected more than 1,400 Black officials in the south alone. It is this tremendous growth in Black voter participation that has given rise to what many now call the "new south" - a south based on mutual respect and cooperation between Black and white voters and Black and white politicians.

The 1965 Voting Rights Act will expire next year (August 1975). When this historic legislation was passed, it was designed to eliminate all practices which prevented political participation by Blacks in the south. Section 5 of the Voting Rights Act was specifically written into the law by Congress to assure unhindered access to the polls in those jurisdictions covered by the Act. Section 5 prohibited states covered by the Act from enforcing any new law, practice, or procedure with respect to voting until they obtained a determination from the United States Attorney General that it is not discriminatory in purpose and will not be discriminatory in its effect.

The importance of that rule is borne out by the facts that the Justice Department disallowed 63 changes affecting voting rights in 1971, 50 changes in 1972, and 47 changes in 1973 because they violated Section 5 of the Voting Rights Act. This clearly points out that discrimination against one of our most fundamental rights - the right to freely exercise the franchise - still exists in some states and municipalities throughout our nation.

This Administration has recently gone on record as an Administration of all the people, Black and white alike. We do not think there could be a greater show of concern for the future of Black Americans than by endorsing an extension of the Voting Rights Act and thereby guaranteeing that Black Americans

will be truly represented whenever decisions about the fate of our nation and our community are being made.

FULL VOTING REPRESENTATION
FOR THE DISTRICT OF COLUMBIA
Congressman Walter E. Fauntroy

The District of Columbia Delegate Act provided that there shall be elected from the District of Columbia one person to be known as the Delegate to the House of Representatives from the District of Columbia with the right to debate but not to vote. There is no comparable provision for the Senate.

It is generally accepted that the only way this lack of franchise in the national legislature can be corrected is by Amendment to the Constitution. Accordingly, Joint Resolutions have been introduced in both the 92nd and 93rd Congresses which would permit the citizens of the District of Columbia to elect two Senators and as many House Members as it would be entitled to have if it were a state.

Each Member would, of course, have all the rights and privileges as would any other Member of the Congress. That the District has no voting representation is a mockery of the democratic process. While the Home Rule Act corrects a major injustice by allowing the citizens to have a substantial voice in the operation and management of their purely parochial affairs, the lack of voting representation and the lack of Congressional representation in numbers equal to those states with comparable

populations is a substantial injustice; for it denies an effective voice to D.C. citizens at the national level.

In 1877, the first amendment was introduced calling for congressional representation for the District. Since 1915, every President has supported congressional representation. In 1967, President Lyndon B. Johnson submitted a proposal calling for a single voting Representative in the House with authority in the Congress to establish additional Representatives and Senate seats by statute. It was President Nixon who suggested the Delegate Act, which is the present arrangement.

There are ten states which are less populous than the District of Columbia: New Hampshire, Idaho, Montana, South Dakota, Delaware, Nevada, Vermont, Wyoming, Alaska, and North Dakota. Among them, they have 36 congressional representatives - 20 Senators and 16 Representatives. These ten states have 20 percent of the votes in the Senate and nearly four percent of the votes in the House. The District of Columbia has no votes in either body and no representation in the Senate.

Great strides have been made since the establishment of this Republic. Half of the Amendments to the Constitution which were made after adoption of the Bill of Rights address themselves to expanding the voting and representation rights of Americans.

The denial of the right to complete representation by citizens of the District of Columbia in the greatest legislature in the world stands out as a glaring piece of unfinished business in this nation's drive towards a more perfect democracy.

It would be appropriate for the Ford Administration to be closely associated with the passage and ultimate adoption of this Amendment because of President Ford's long and cherished association with the Congress. He is the only President in recent history who can point with honor at his long service in the Congress as a distinguished leader in the House and as President of the Senate. He, alone, of recent Presidents, knows the power of the legislature and thus, the injustice, visited upon the nearly 800,000 residents of the District, who pay an estimated \$900 million in Federal taxes each year, but who are denied a vote.

HEALTH
Congressman Ralph H. Metcalfe

The test of America's commitment to the idea of equality and concern for those of its citizens who are unable to help themselves, is the manner in which this country provides for the health care problems of its underprivileged, its aged, its infirm, its chronically and mentally ill. So far the actions of the Federal government to assist those unable to totally and adequately provide for their own health care leaves much to be desired.

The United States ranks 15th in infant mortality.

The United States ranks 27th in male life expectancy at birth.

Further, high income people are three and one half times more likely than low income people to have an annual routine physical examination;

Children from high-income families are four and one-half times more likely than those from low-income families to visit a pediatrician;

Women from high income families are four and a half times more likely than those from low-income families to visit an Obstetrician-Gynecologist; and one third of women who deliver their babies in public hospitals receive no prenatal care;

Thirty-five percent of inner city children have not received protective immunization as compared with twenty-seven percent of children living in small towns;

Disability due to illness or accident is fifty percent for the poor than for the non-poor;

One-fourth of all people with family incomes less than \$3,000 have chronic conditions which limit their activity; and

Infant mortality rate for non-whites is double that for whites.

The objectives of a national health policy should guarantee: that every individual have access to adequate, high quality medical care; that no family should be forced to suffer severe financial hardship for needed medical care; and that a national health policy, which certainly will utilize large federal expenditures to implement, should curb the high cost of maintaining a healthy population, a cost which from 1967 to 1972 increased at the annual rate of 12.2 percent. Further, the government commitment to Professional Standard Review Organizations should be maintained.

Primary health care M.D.'s comprise less than 30 percent of the nation's doctors. If greater emphasis is to be placed upon improving the delivery and capability of the health system, greater emphasis must be given to training physicians and para medical personnel to make health care more accessible. Greater emphasis must also be given to the training of young Black men and women for careers in medicine.

At the same time, we strongly endorse the full implementation of the Early and Periodic Screening, Diagnosis, and Treatment Program (EPSDT) administered by the Social and Rehabilitation Service of the Department of Health, Education and Welfare. The program strongly emphasizes early identification and treatment of medical problems. An estimated 10 million children under the age of 21 are eligible for care under this program. A preliminary report indicates that the screening rate

may only be 7 percent of those eligible. This program was adopted by the Congress in 1967 and is contained in P.L. 90-248. The failure to implement this program is a national tragedy. We urge a total commitment to its full implementation.

In the President's address to the Congress, on August 12, 1974, he asked "why don't we write a good health bill in 1974...?" We think that we can and we should. We ask that the above be seriously considered in so doing.

NARCOTICS
Congressman Charles B. Rangel

July 1, 1974, represented a sad day in the efforts to eradicate the insidious heroin menace which plagues our nation. For on that day, the government of Turkey announced its decision to resume cultivation of the opium poppy, which served as the source of 80 percent of the heroin which reached this country prior to the imposition of the Turkish ban on opium production.

No law enforcement measure has proven as successful as the agreement reached between the United States and Turkish governments to eradicate the source by placing a ban on the cultivation of the opium poppy in Turkey. There is little doubt that the ban had made a positive and substantial contribution toward eliminating the heroin menace. There has been a dramatic decrease in both the quantity and quality of heroin on the streets of America, and a corresponding decrease in the number of heroin addicts. The Drug Enforcement Administration reports a reduction in the estimated number of heroin addicts by more than 60 percent over the past two years. Correspondingly, the number of heroin overdose deaths and drug related criminal activity has shown a marked decrease.

In New York City (where over half of the nation's heroin addicts reside), the purity of a "bag" of heroin has declined from 7.7 percent to 3.7 percent. The number of addicts admitted to New York correctional institutions has decreased by 36 percent. The New York City police department reports that drug related

burglaries have decreased by 17 percent. All of this progress can be directly related to the cessation of opium production in Turkey. Therefore, the announced resumption of opium poppy production in seven Turkish provinces poses a serious threat to the health and safety of our communities.

On May 9, 1974, a concurrent resolution was passed by the House expressing a sense of Congress (an identical resolution is pending in the Senate) that the President of the United States should

1. immediately initiate negotiations at the highest level of the Turkish government to (a) prevent the resumption of opium production; or (b) assure that adequate control measures have been developed and implemented which would effectively safeguard the United States from a renewed flow of illicit opium and its derivatives originating in Turkey; and
2. if such negotiations prove unfruitful, exercise the authority provided by the Congress under the Foreign Assistance Act to suspend all assistance to the government of Turkey.

We urge the President to support this resolution.

Critics of the Turkish ban claimed that a shortage for opium based medicines has developed because of the ban. A GAO report suggests that present demand for opium based medicines is increasing faster than the supply. However, the

degree to which there is a pending crisis is questionable. The shortage of 1973 was directly attributed to a drought in India which produces essentially all of the opium exported to nonproducing countries for legitimate medical purposes.

Although Turkish opium production is the most important factor in decreasing the supply of heroin in our communities, it is one aspect of a multi-pronged attack upon narcotics addiction that the Ford Administration should wage against drug abuse. The other aspects of the fight against drug abuse also require direct and immediate action.

Below are those areas we think need critical attention

1. Heroin from Mexico

Increased law enforcement operations with the government of Mexico is necessary to prevent the increasing flow of brown heroin from coming across the Mexican border. Brown heroin has been filling the void created by the Turkish ban. In the past 18 months, the amount of brown heroin available has doubled even though the percent of brown heroin seized has increased from 39 percent to 85 percent. The increased heroin coming from Mexico has begun to turn around the downward trend in the estimated amount of heroin in this country.

2. Funding of rehabilitation programs

The domestic emphasis should again be placed on the funding of rehabilitation programs. The present federal drug program budget calls for a

decrease of \$46 million from \$791 million to \$745 million. Of the \$46 million reduction, \$35 million have been eliminated from the rehabilitation area.

Essential to effective total rehabilitation is job training in a marketable skill which will allow the rehabilitated addict to once again become a functioning part of society.

3. Psychotropic Substances

The Senate must be urged to ratify the Convention of Psychotropic Substances, S. 2544. This would provide regulatory controls on the manufacture, distribution, exportation and importation of substances like barbituates and amphetamines. It has been substantiated that the United States manufactures the psychotropic substances which are exported and find their way back to the U.S. illicit market, primarily through Mexico. The abuse of these substances is becoming more prevalent than the abuse of heroin. In 1973, barbituate related deaths exceeded those related to heroin (1,196 versus 1,017).

4. Opium Alternatives

Federally funded research toward alternatives to satisfying medical needs for opium without increasing supply is needed to begin to eliminate opium importation to the U.S. The GAO study indicates that

the present projected supply will not meet our projected legitimate national need. Presently there is no concerted government effort toward alternative sources. Historically, increasing the supply for legitimate needs brings about an increased supply to the illicit market. A highly promising alternative, paver bracteatum, is among the several alternatives which should be studied.

MILITARY BUDGET, TAX SYSTEM,
AND PRICING POLICIES
Congressman Ronald V. Dellums

Inflation is not the most critical issue facing us today. General economic dislocation, stimulated by a faulty set of national priorities, is the critical problem facing us today with inflation being the most obvious and irritating manifestation. The soaring rate of inflation is a dangerous sign - and so is the extremely high unemployment rate - but both of these indicators are in reality no more than symptoms of serious economic dislocations which have been with us since the beginning of the Vietnam war. The problems become critical today because most remedies suggested and applied have aimed only at reducing inflation specifically or unemployment specifically - and thus were meant to deal only with those symptoms, and not with the overall causes that have disrupted the entire economy.

If anything, the repeated failure of any combination of fiscal, monetary, and income policies to have any apparent long-term impact on either inflation or unemployment should readily indicate that solutions dealing with symptoms only instead of basic causes not only do not work, but that such stop-and-go policy applications cause even greater problems over time.

Thus, we view with alarm the President's statement that he plans to curb inflation mainly through new fiscal restraints -

but, that the same time, he regards the defense budget as sacrosanct. Such a cosmetic policy can mean but one thing--severe Federal spending reductions in critical human needs programs.

Yet, there is no indication whatsoever that Federal spending for health, for education, for job training, for rural revitalization, for urban development, and for the whole range of social programs is inflationary. The same cannot be said, however, for the military budget.

We are not anti-military, nor do we advocate a weak defense posture. To identify opponents of the present defense budget as such is simply rhetorical. The fact is that we cannot see any valid relationship between the absolute size of the military budget and the quality of America's defense. We believe that this country's military should be equal to any other nation in the world. Yet, we do not think that we must allocate annually between \$80 billion and \$100 billion so as to maintain such a commitment.

We further point out that this is not a partisan issue. Neither Lyndon Johnson nor Richard Nixon were able to deal successfully with the link between massive military budgets and economic distortions.

Therefore, while we can agree that there must be reductions in Federal spending, for us the key issue is where those cuts should be made. Instead of the old adage "guns versus butter", we say the phrase should be "guns versus schools" - since one

recent study showed that for each additional dollar allocated to the military budget, the social sector most affected is education. And this trade-off between guns and social programs brings about negative results over both the short and long run. Even at pre-Vietnam budget levels, human needs programs hardly met the demands put upon them; given inflation and the ever-deepening nature of social problems, even maintaining such programs at constant spending levels means that the programs fall behind - and that they will become more expensive in the future when they must again be tackled. Finally, in perspective, the returns to society from investment of a marginal government dollar for, say, a B-1 - or for stationing U.S. troops overseas - are very small; compared to the returns from social programs, they are miniscule.

At the same time, the absolute size of the military budget creates significant inflationary pressures because both defense and non-defense sectors must compete in the world marketplace for the same scarce resources. The more those resources get diverted into the defense sector, the greater the inflationary pressures throughout the entire economy. But, the main thrust of post-Vietnam, post-SALT, post-detente economic policies aim only at the non-defense sector - and more specifically at consumer

consumption of goods and services - while hardly affecting the level of military spending at all.

Therefore, we urge that the major focus in government budget reduction be on the military budget. While we do not believe this to be the appropriate time to recite a long list of military policies and weapons systems we think could be either eliminated or trimmed, we firmly believe that there is tremendous slack in the military budget, slack which could be tightened without any noticeable loss in overall military efficiency.

Any reductions in Federal and private spending will certainly result in higher unemployment rates. Historically, those most painfully affected by a rise in unemployment rates are the poor and minority communities - the "last hired, first-fired". It is mandatory that any strategy seeking to deal with inflation include implementation of a substantial public employment program.

Over the past two years, \$620 million has been spent for public employment programs. The bulk of these funds has gone to employ highly skilled technical people, not the unskilled and underskilled, or the unemployed poor. This fallacy must be corrected if what we perceive as the intent of that program is to be met. In addition, there is widespread criticism of the quality of the work experience provided by these programs.

Planning, consultation and follow-up must be instituted to insure a maximum opportunity for meaningful work experience as well as opportunity for job training. The expectation must be that the assisted worker will subsequently qualify for unsubsidized employment as a result of such public employment.

No matter how large the budget reductions in any sector, such fiscal restraint alone will not cure economic ills. We believe that as much as \$50 billion in new revenues could be generated from tightening up existing tax loopholes, from elimination of government handouts and subsidies to inefficient business enterprises, and from major overhaul of the nature of the tax system itself. We see no equity when the burden of the tax load falls so heavily upon millions of low-and-middle income families.

Finally, we urge that strict attention be given to policies of restoring economic competition. We believe the free enterprise system can function only when the government strongly and actively works to prevent the massing of vast market power and to prevent pricing policies which reduce effective competition. Such government controls have been sadly lacking over the past five years.

Proposals for re-institution of a wage-price control commission deserve some scrutiny. The failure of the previous commis-

sion was due, in large part, to the weakness and myopia of Mr. Nixon's economic advisors. Those advisors remain. For the commission to have any chance of success, there must be explicit intent to curb prices, profits and interest rates as well as wages, and we believe there must be a catch-up period to allow wages to adjust to the recent steep rise in the cost of living.

Taken together, our recommendations of (1) reductions in the military budget, (2) an overhaul of the tax and subsidy system, and (3) strong government actions to promote competition and a fair incomes policy can be the beginning of re-vitalizing our economy.

EDUCATION
Congresswoman Shirley Chisholm

Federal, state, and local governments are haggling over the costs of education and who should pay them; school districts and the courts are struggling with the problem of who should sit next to whom in a classroom; and the policies affecting Black children most are being made for them often without their best interest in mind. America's educational institutions are failing to do the job they were created to perform - and this is true for Black children and White children alike. Poor quality education for Blacks results in marginal, low-paying, dead-end jobs, and in turn, low quality, segregated housing and health services. Those who need education the most - the Black and the poor - are being failed to the greatest extent. At a time like this, it becomes necessary to see clearly how we are being shortchanged and to do something to change these conditions.

With your signing of the Education Amendments of 1974, left on the Presidential desk by your predecessor, you signaled to the nation your concern and support for the education of American children. While we have serious problems with certain parts of the Amendments, this education bill is better than no bill at all, for the Federal commitment to funding public education must continue and must continue to grow.

You are aware of the current crisis in the financing of public education. School districts everywhere across the nation are being faced with the problem of dwindling resources and rising costs. Rampant inflation has produced a situation in which the maintenance without increase of current funding levels from one year to the next will not maintain programs. An education dollar in 1974 will be worth eighty cents in 1976.

Keep in mind that the most severe fiscal crisis can be found in the school districts which have the highest concentration of poor and minority students. In these districts, the impaction of such students makes education much more expensive than in other school districts. There are more children who need special services to make their education of the quality that America's children so urgently need, as you pointed out in your speech to the Congress and in your confirmation hearing.

In the area of postsecondary education, more attention and funding must be given to Black colleges and universities by the Federal government.

Until recently, postsecondary education for Blacks has been largely provided by the historically Black colleges and universities of this nation. They have served and continue to serve this nation as a national resource. These 107 institutions enroll

more than 180,000 students and graduate more than thirty thousand students annually. These institutions still produce the majority of Black graduates with a sizeable number of their students coming from low-income families.

Policy implications for these institutions have implications for all institutions of higher learning, for they portray the conditions of Blacks, minorities and similarly situated students in our society.

We think it is rather clear that the most important program to Black institutions is Title III of the Education Amendments of 1972, the Developing Institutions Program. Its funding has been increased to \$120 million in the current FY 75 budget from \$52 million in FY 73. The increases were only possible because of strong support from the White House. Continuing support for this program is needed at the highest levels.

There is a major fear that the Federal Student Financial Aid Program will be shifted primarily to support relatively higher income groups than in the past. If this should happen, it will stop in its tracks whatever progress has been made in increasing the numbers of Blacks in higher education.

If there are needs which higher income groups have, they must not be met at the expense of the Federal government's

support of equal opportunity. Fully 70 percent or more of Blacks in colleges cannot continue without financial aid. All of the current financial aid programs are needed in addition to the new Basic Opportunity Grants and the new Student National Loan Market Program. The area of student aid is very critical because the gap between the number of Blacks and Whites with college degrees in the 25 to 34 year age group has widened over the past decade despite the increases in Black enrollment.

National leadership in the office of the President must be provided to ensure a commitment to real equal educational opportunity with achievement for all students in this nation. A commitment by the Executive Branch to include these institutions more representatively, and the programmatic activities of departments and agencies other than the Department of Health, Education, and Welfare are critical and imperative.

We request that in the development and subsequent changes in the education policy of the Administration that the President allow us to provide him with our insights as to the direction that policy might take.

CRIME AND CRIMINAL JUSTICE
Congressman John Conyers, Jr.

The national nightmare that propelled the President into office has inundated us with examples of the mortal diseases that plague the institutions responsible for administering criminal justice in this country. Plea bargaining, now considered an indispensable part of that system, is recognized as a lever which allows the powerful to trade their offices for the truth, with minimum inconvenience. This device has long been used, in the name of efficiency, to exploit powerless nonwhites - often with little regard for whether they actually committed the crime charged or not. In this city alone, the same federal judge who praised a former attorney general guilty of lying to Congress for his public service, has delivered stern lectures in citizenship to Black defendants convicted of crimes that pale by comparison.

Equal access to the courts, a right secured by the Constitution and consistently supported by case-law, is hardly a reality today as the means designed to guarantee these rights continue to evaporate. The ability of Blacks to compete economically for equal legal services is nonexistent (in 1973, the median income for Blacks was \$7269, compared to \$12,595 for whites) and the human resources picture is no more cheerful. A report just released shows that in the south - where a majority of Blacks reside - the ratio of Black lawyers to residents is 1:16,000, while it is 1:450 for whites. There are no Black federal judges in the south, compared to a Black representation

nationally on the federal bench of 7 percent, and 1 percent at all judicial levels. This is a sobering statistic, considering that Blacks constitute 13 percent of the Nation's people. The prospect of future Black visibility in our courts, other than as victims, is dim, for the same report revealed that Blacks comprise only 3 percent of the student bodies of the 17 major law schools in the south.

These few examples are symptomatic of a rigid pattern of economic and institutional racism that characterizes the system that, above all others, is supposed to represent absolute equality in opportunity and treatment.

The state of the subsystem euphemistically called "corrections" is just as deplorable. The National Advisory Commission on Criminal Justice Standards and Goals understated the problem eighteen months ago:

The pervasive overemphasis on custody that remains in corrections creates more problems than it solves. Our institutions are so large that their operational needs take precedence over the needs of the people they hold. The very scale of these institutions dehumanizes, denies privacy, encourages violence, and defies decent control. A moratorium should be placed on the construction of any large correctional institution. We already have too many prisons. If there is any need at all for more institutions, it is for small community-related facilities in or near the communities they serve.

What was the last Administration's response? The appropriations request of the Bureau of Prisons for fiscal year 1975 provides a disappointing but predictable answer. Half of the total

budget remaining after "Salaries and Expenses" - which ate up nearly 70 percent of all funds requested - is earmarked for sight acquisition, planning and construction of four large prison complexes. In contrast, the request for 217 positions and \$5.05 million for vocational training expenses - 2 percent of the total budget - represents a cut of 53 positions and nearly \$1 million from fiscal 1974.

The correlation between poverty and crime is still inescapable. The prison population confined for robbery and violent crimes associated with the urban ghetto has doubled in 10 years, and now makes up 41 percent of all those behind federal bars - a jump of 22 percent since fiscal 1963. What do these two factors mean to the poor Black. Simply stated, they mean that such a person now fed into the federal corrections systems for a crime stemming from economic deprivation is at least half as likely to be rehabilitated and twice as likely to commit more serious crimes and become a recidivist. Have the bloody uprisings at Attica, Orangeburg, Soledad and the Tombs taught us so little?

The Law Enforcement Assistance Administration, which the Nixon regime touted as the panacea for the soaring crime rate, has proved thus far to be little more than a funnel to states for bigger police arsenals, and, as such, is cosmetic rather than corrective. Indeed, after six years of operation, LEAA's

house is hardly in order. Funds budgeted for planning and evaluation have not increased significantly, and the Administration is now under the leadership of its fifth Director in practically as many years. The General Accounting Office reported to the House Subcommittee on Crime last April, that a spot check of LEAA evaluation mechanisms indicated that they are hardly sufficient to gauge how disbursed funds are being spent, let alone how effective those expenditures are in reducing crime.

The few facts just outlined are merely the tip of the iceberg in terms of indicating the seriousness of the whole problem area of crime and criminal justice. It is of particular concern to us because our people are more consistently the victims of its oppressive cycle. It is a fact that Blacks enter the system at a rate of twice their proportion to the total population. We must join our efforts to break this vicious circle of human tragedy and waste. Most importantly, we must avoid the easy rhetoric of "law and order" and begin in earnest to seek and implement real solutions.

IMPROVING THE STATUS
OF BLACK WOMEN
Congresswoman Barbara Jordan

If the status of women compares unfavorably to that of men, the status of Black women is even more severe. Black women are more likely to be in the work force than their White counterparts in order to supplement the income of their husbands. About forty-nine percent of the Black mothers with children under five were members of the labor market in 1973, seventeen percentage points higher than the comparable proportion of White mothers. Because their work experience is relatively low, unemployment among Black women stood at eight percent last July, compared to 4.8 percent for White women.

Pending in the Congress are numerous proposals to improve the economic status of women: equal credit, flexible hours in Federal employment, insurance availability, pension reform, family planning services, and coverage under national health insurance for maternity and fertility related health expenses.

Because the income of Black families remains disproportionately low compared to White families, retirement benefits and old age assistance is critical for the elderly Black woman. Pending in the Congress is legislation which would provide full Social Security retirement and disability coverage for homemakers.

Approximately forty million women are entirely dependent upon their husbands' earnings. Under current law these women are also dependent upon their husbands' earnings for computation of their retirement benefits. By extending Social Security coverage to homemakers, the wife could receive retirement benefits in her own right. In addition, should the homemaker become disabled, she would be eligible to receive disability benefits. The extra income would prevent situations in which the husband must forego his own wage to take care of the family or in which he must pay for homemaker services out of his limited income. This measure provides much needed reforms which, if enacted, would alleviate one of the most severe forms of economic discrimination against women: failure to recognize homemaker services as a valuable contribution to the nation's economy.

The number of children whose mothers work or look for work has continued to rise, even though the total population of children in the United States has declined substantially since 1970. By March 1973 there were one and one-half fewer children in families, but 650,000 more had working mothers. Among Black families the number of working wives with preschool age children, who worked at year-round, full-time jobs increased dramatically from 26 percent to 41 percent between 1969 and 1972. This

increase was not only above the increase for White wives with young children (from 21 percent to 24 percent), but also ahead of that for other Black wives with school age children (from 49 percent to 57 percent).

To assist Black working women there is pending in the Congress comprehensive Child and Family Services Program legislation which would expand the availability of child care centers for working mothers. The Bill recognizes and specifically provides that child care programs must be totally voluntary, and must build upon and strengthen the role of the family as the primary and fundamental influence on the development of the child. The Bill assures that parents will have the opportunity to choose among the greatest possible variety of child and family services - including prenatal care, nutrition assistance, part-day programs like Headstart, after school or full-day development day care for children working mothers, in-the-home tutoring, early medical screening and treatment to detect and remedy handicapping conditions and classes for parents and prospective parents.

The Black Caucus is aware of the opposition of the prior Administration to previous child development bills, but it remains hopeful that, in a spirit of cooperation, meaningful legislation can be enacted.

TRANSPORTATION
Congresswoman Yvonne B. Burke

The energy shortage and the necessity of environmental protection in urban areas have combined to warn this country of the urgent need for more and better public transit. There is general agreement on the need for Federal assistance in the area of urban mass transit. Recognition of this need has been demonstrated by the House passage of H.R. 12859, the Federal Mass Transportation Act of 1974. We are hopeful that this important legislation will soon be passed by the Senate and shortly thereafter signed into law by the President. The major question on this Bill revolves around the amount of funding to be authorized. That is the key question.

The members of the Congressional Black Caucus represent highly urbanized areas. Some of us represent areas where existing rail transit systems are running up large deficits. These cities desperately need Federal assistance in the form of operating subsidies if reasonable fares are to be maintained. It has been estimated that these cities may have to double their existing fares to meet their budgetary deficits. Other members of the Caucus come from cities such as Atlanta, Houston, Detroit, Cleveland, Los Angeles, and Baltimore which are greatly in need of new transit systems.

Less than 30 years ago, public transportation was a way of life for almost every American. But today public transportation basically services those in the lower income brackets - the young, the elderly, the handicapped and the low and moderate income worker - in short, those who can least afford such an increase. It is they who are most dependent on public transportation.

We recognize and concur in the President's concern for inflation, but an investment in mass transportation, more than anything else in the Federal budget, will directly and positively affect the economy by providing immediate employment both in the manufacture of vehicles, either buses or rail cars - and the construction of the system itself. The best way to limit Federal expenditures in the area of mass transportation is construction in the shortest number of years. Construction costs increase 9 percent each year action is deferred. For example, the San Francisco Bay Area Rapid Transit District suffered an increase in cost of over 60 percent of its original budget; the District also had to extend its date of completion five years over its original estimated date of completion.

The urban centers cannot depend completely on automotive travel. According to the Environmental Protection Agency, "increased pollution and traffic will cripple cities if the

number of automobiles increases at the same rate as it has over the last five years." If there is any further shortage of energy, our cities will be totally dependent upon outdated systems of public transportation.

We urge the President to take a realistic view of mutual needs and costs over the next six years in considering the dollar amount for long-term planning to meet our transportation needs.

MASS COMMUNICATIONS
Congressman William L. Clay

It is important for the present Administration to give meaning and continuity to its pledge to be "an open, candid Administration" - a necessity identified by President Ford on Friday, August 9th. American people need guidance from an effective Executive who intends to work for an open Administration. In his speech before the White House news corps, the President said that he would go before people often for "a little straight talk among friends." The following policy recommendations allow the implementation of needed techniques and methodologies designed to develop credibility by structuring an interactive media - a communications design that allows decision-makers to receive measurable feedback from a broad national constituency. Implementation of these steps will consciously build the Black community into the structure and performance of the U.S. communications industry.

1. The new White House press secretary is Jerry F. ter Horst, Washington bureau chief of the Detroit News (which owns WWJ-AM-FM-TV Detroit) and once president of local chapter of Sigma Delta Chi and active in National Press Club affairs. Assistant press secretary is J. W. (Bill) Roberts, former Washington Bureau Chief of Time-Life

stations (now McGraw-Hill stations) and former president of Radio and Television News Directors Association. The new White House staff should include Blacks on the press secretary's staff and the White House news corps needs to include more Black journalists from radio, television and the press.

2. In March 1974, at the National Association of Broadcasters Convention in Houston, Texas, Richard E. Wiley, new Chairman of the Federal Communications Commission called for a "New Ethic" including a rededication to principle, a rededication to excellence, a rededication to decency, a rededication, indeed, to the public service. The President must move knowledgeable and trained Black communications technocrats into policy making positions at Federal Communications Commission, Office of Telecommunications Policy, Corporation for Public Broadcasting, International Radio Board, Federal Trade Commission and the Senate Commerce Committee (Senate

Communications Subcommittee), House Commerce Committee (House Communications Subcommittee). Authorities on cable policy making boards and commissions must include Black persons.

3. In testimony during confirmation hearings for his appointment, James Quello, new Federal Communications Commissioner, endorsed, in principle, government subsidies to Black persons gaining broadcast licenses. In November 1973, a three judge appeals panel in the District of Columbia circuit court ruled in the popularly known "Channel 9" (Orlando, Florida) case that the Federal Communications Commission would have to give special consideration to minority ownership in deciding which group should be awarded a broadcast license. The decision, written by Senior Circuit Judge Charles Fahy and joined by Chief Judge David C. Bazelon, and Circuit Judge Spottswood W. Robinson, III, said that while it neither recommends nor requires any quota system for awarding broadcast licenses,

"We hold only that when minority ownership is likely to increase diversity of content especially of opinion and viewpoint, merit should be awarded. The fact that other applicants propose to present the views of

such minority groups in their programming, although relevant, does not offset the fact that it is upon ownership that public policy places primary reliance with respect to diversification of content..."

(The Federal Communications Commission indicates that this decision will be appealed to the U.S. Supreme Court.) The President should publicly support these concepts and establish boards/committees to research the implementation of these ideas.

4. Preparation for the Nation's Bicentennial celebration is underway, yet the Black community is starving for information. Recommendations should be made to actively include the National Association of Television and Radio Artists (Cecil Hale, President) and its membership (primarily Black D.J.s, television personalities and record industry) in circulating information concerning local, state and Federal preparations for the Bicentennial celebrations.
5. Congressman Charles C. Diggs, Jr., Chairman, House Subcommittee on Africa, pointed out in a speech prepared for the 19th annual convention of the National Association of Television and Radio Artists in Los Angeles, California (August 5-11, 1974), there is scant media attention to the developing situations in Africa and

Cecil Hale, NATRA President, stated that with America's current reduced emphasis on foreign news, Africa which "has never been a priority item, now is threatened with even less attention." He referred to a statement made by Ambassador Leonard Kibinge of Kenya during the August 6th workshop on "African Economic Themes and the Mass Communications Media," and organized by the African Bibliographic Center (Washington, D.C.), wherein Ambassador Kibinge described coverage of events on the African continent as "crisis-oriented." In October 1973, Secretary of State Henry Kissinger, emphasizing the significance of his proposed African trip, stated "We want to see what useful role the United States can play in a continent which is undergoing very rapid change, and which has many problems...." Remember when former President Nixon failed to meet with Nigerian Head of State Yakubu Gowon in October 1973. General Gowon was and still is head of the Organization of African Unity. Three years ago, the President of the United States proved unable to meet Zambia's Kenneth Kaunda when he was head of O.A.U. Very little news and information emanates from the Chief Executive regarding his position toward the developing countries, in particular the continent of Africa. The Chief Executive must be open

to structured comments from information specialists in the public and private sectors for news and information on international affairs, in particular African affairs.

6. The Corporation for Public Broadcasting, Public Broadcasting Service and National Public Radio pledge extended coverage of public events, issues and ideas, cultural programs intended to make the arts understandable and engaging, international programs for cultural enrichment and to further understanding among people around the world and special programs that meet the needs of specific regions or groups, e.g., racial minorities, adult education, public school instruction, and other that may become apparent. Early in 1974, Black persons and organizations showed that these media services were not fulfilled as far as delivery to Black people. We recommend that President Ford take positive steps to review this situation and assure an "open candid" media involving Black persons and organizations in the origination and distribution of aforesaid services.
7. At the midwinter workshop of the National Newspaper Publishers Association (January 23-26, 1974), Dr. Carlton

B. Goodlett, publisher of the San Francisco Sun Reporter and president of the National Newspaper Publishers Association stated:

We equate the importance of "fair advertising" with fair housing and fair employment practices, especially when that advertising money is derived from those who feed at the Federal trough. We must make a crusade of demanding that advertising agencies employ and obey this emerging concept of "fair advertising," which reaffirms Black America's right to anticipate that a fair share of the advertising expenditures derived from the Black purchasing dollar be returned to the Black community in the form of advertising in its most prominent communications medium - the Black Press.

These are some of the issues that have been raised concerning the mass media, the communications industry and the development of an informed citizenry. The only way that the present Chief Executive and his Administration can avoid the past Administration's gross violations of the public trust is to open the doors of the White House and develop a significant constituency with the American public and within the international communities.

Lines of accountability and communications designed to include African-Americans must be established. The Frank Wills of the world watch quietly, but closely.

ECONOMICS
Congresswoman Cardiss Collins

One segment of our population has survived statistical inflation: the inner-city unemployed. It seems that their numbers are incapable of exaggeration. The recently released Census Bureau report on the social and economic status of the Black population conservatively states that "Blacks and other minority-group Americans were twice as likely to be unemployed in 1973 as whites" while economists are calling 1973 a good year. In Chicago, and in many other areas of the country, unemployment has reached astronomically high levels. Unofficial surveys place the unemployment percentage on the Westside of the city at 30-45 percent. And yet, that particular area of the city is slated to receive little in the way of Comprehensive Employment Training Act funds. The fact of the matter is that the entire city will receive some \$15 million less in 1975 than it received in 1972. Combined with inflation, cuts of this type represent a back-peddling from the Federal job training commitments of the 1960's.

In 1973 the official unemployment rate for Blacks in Chicago averaged 8.7 percent. But to see and hear of the masses of discouraged workers who have entered the "free market" of despair we cannot help but agree with those who maintain that "forty-five

percent unemployment may be an understatement."

Economic hopelessness is not common only to Chicago's West-side. It is a way of life for millions of disadvantaged people throughout our country.

America must design and implement a new system that can effectively tackle problems which incubate in depressed areas with high concentrations of joblessness. The use of existing agencies, such as the Economic Development Administration, would be a viable avenue for support. For example, venture capital funds under this program can be used to purchase land, develop public works projects, and generate seed capital for major developments.

Mr. President, you came to Congress last week and expressed your desire to work for all Americans. We concur in your view that "good government clearly requires that we tend to the economic problems facing our country in a spirit of equity to all of our citizens in all segments of our society." In order to achieve this goal and your objective of balancing the budget, we believe that every Federal dollar spent must maximize its benefits.

Such maximization has a greater probability of occurrence only if the government continues to support social programs that will economically strengthen America's needy populace. To do less would be to further encourage the ills from which our society has tried for the last decade to escape.

GENERAL REVENUE SHARING
Congressman Louis Stokes

The State and Local Fiscal Assistance Act of 1972, commonly known as General Revenue Sharing, can be utilized as a valuable fiscal tool in alleviating the impact of the present inflationary spiral now facing this country.

Although we have had only two years of program experience, it has become apparent that certain essential changes must be made prior to the expiration of that legislation December 31, 1976.

Without belaboring some of the conceptual differences regarding the Revenue Sharing program, as a practical matter it is recognized that these funds can be utilized to meet the inflationary problems created as a result of the high unemployment rate and expensive cost of consumer goods in the inner cities of large urban communities. The proposals contained herein are mechanisms to insure that Revenue Sharing will be distributed in as equitable a manner as possible, still maintaining the original legislative intent of program flexibility.

In keeping with that legislative intent, these recommendations will provide a strong mandate to state and local officials to use these funds in an equitable manner. With sufficient federal and citizen guidance, Revenue Sharing funds may be used to soften the inflationary impact upon those Americans who are at the bottom of the economic ladder.

The following recommendations will have a direct impact upon the equalization of both the Revenue Sharing distribution and the final expenditures:

1. That the Revenue Sharing formula be adjusted so that poor urban communities receive a larger portion of fund allocations.

The present Revenue Sharing formula places a 145 percent per capita maximum on the account of funds which a local unit of government may receive. This means that cities which have been characterized by urban blight, high unemployment, and who suffer most from inflation are restricted to the 145 percent maximum instead of their formula share. Typically, such cities include Detroit, Baltimore, St. Louis, Boston and other similar urban communities.

2. That the 20 percent minimum be removed so that wealthier communities receive only their formula share.

A 20 percent floor limitation means that thousands of wealthy communities such as Beverly Hills, California; Shaker Heights, Ohio; Grosse Pointe Farms, Michigan; Edina, Minnesota; and Fox Pointe, Wisconsin, get more than their formula allocation. Such a formula directs money away from those cities having the greatest need.

3. That a need factor be incorporated into the formula.

This recommendation will serve to soften the inflationary spiral which has a more devastating impact on some geographical areas than others. It would also address some of the same issues discussed in recommendations one and two, i.e. placing monies where the need is.

4. That a provision be enacted to compel the Bureau of the Census to correct the 1970 undercount of minorities.

The Bureau of the Census has admitted that it undercounted minorities by 7.7 percent in the 1970 census. The undercount has resulted in substantial losses of Revenue Sharing dollars to many of the larger metropolitan cities. No effort has been made to correct this undercount or to replace the Revenue Sharing funds not received by virtue of this undercount. A report prepared by the Research Department of the National Urban League estimates losses for these metropolitan cities during the five year period as follows:

New York	- \$6,732,020
Chicago	- \$2,454,689
Los Angeles	- \$1,071,789
Philadelphia	- \$1,704,039
Detroit	- \$1,635,149
Washington, D.C.	- \$1,476,194

Houston	- \$ 526,956
Baltimore	- \$1,082,530
Cleveland	- \$ 597,442
Dallas	- \$ 404,906
St. Louis	- \$ 516,178
Atlanta	- \$ 298,006

5. That the President issue a Presidential directive to Treasury and the Office of Revenue Sharing relative to enforcement on civil rights provisions.

Since public employment is a key in lessening the impact of anti-inflation measures on blacks and other minorities, strong civil rights enforcement is needed to assure that minorities are not excluded from state and local jobs.

The Office of Revenue Sharing's civil rights performance has been severely criticized by civil rights groups, the Edwards Subcommittee of House Judiciary, Senator Muskie in his hearings on Revenue Sharing, and internally by OMB.

6. That the civil rights sanctions for noncompliance be made as strong as other noncompliance provisions.

For example, recipients have 60 days after notification by the Secretary of the Treasury to take corrective measures where reports are due, or trust funds have not been set up, etc., before future payments, or even all subsequent payments are withheld.

Yet, a recipient using the monies in a discriminatory manner has a reasonable time to correct the violation, or risks having to repay only those funds used in a discriminatory manner. Furthermore, the intercession of the Attorney General is required to take appropriate action after an initial violation of the discrimination provision has been shown. However, the Secretary alone is authorized to make findings and seek corrective action where other violations occur.

7. That citizen participation be made mandatory.

There is no requirement for citizen participation under the present legislation. The Act now requires that funds be spent in the same manner as the city's own revenue. In most instances, this means a public hearing which is often pro forma, and does not afford meaningful citizen participation.

8. That recipient governments be required to publish copies of the Planned Use Report at least 60 days before that report is submitted to the Office of Revenue Sharing.

As the legislation and regulations now read, a recipient government may publish the report in the morning paper, mail the report to the Office

of Revenue Sharing in the same afternoon, and still be in compliance with the legislation. Since the stated purpose of the report is to provide citizens with an opportunity to comment, a definite period needs to be established to provide for effective citizen input.

9. That the recipient government be required to justify changes made in the Actual Act Report when those changes are at variance with the Planned Use Report.

Both reports are essentially useless as tools to check the action of local officials. They may in fact have no relationship to final expenditures because of the delay between the time funds are received and the two year period in which recipients must spend or obligate funds. Since this is all that the legislation presently provides, these Reports must be made to reflect spending reality.

The above recommendations are made to you as ways in which Revenue Sharing can be effectively used as a final tool to lessen the inflationary impact on urban communities which are hardest hit by our present catastrophic economic conditions. These communities are daily confronted with the greatest need,

where unemployment has now reached astronomic percentages. At the same time their wealthier suburban sister cities are able to utilize Revenue Sharing monies for band uniforms, municipal golf courses, painting buildings, and park cleaning. The above recommendations, therefore, are essential in equalizing Revenue Sharing and lessening the impact of inflation and a recession of epidemic proportions on the inner city resident, the poor, blacks and other minorities. Federal initiative, both from the Executive and Legislative branches of government, in a spirit of cooperation, is their only hope.

MASS TRANSPORTATION AND AMNESTY
Congressman Andrew Young

Of the many problems facing this nation, certainly few would disagree that inflation is, indeed, the most critical dilemma before us today. The need for dynamic and sustained action and the implications for Federal budgetary discretion are clear to all. Moreover, our mutual endeavors in meeting this crisis must necessarily focus on restoring some measure of priority and reason to overall Federal spending.

No Member of Congress would seek to undermine or weaken our defense posture. Likewise, if we are to discern and eliminate wasteful or unnecessary Federal expenditures, no area of the budget should be immune. Our finite resources must be allocated prudently, recognizing differences between truly productive programs which meet human needs and contribute to healthy economic growth and those which do not, by and large, stimulate the domestic marketplace. Clearly, we are concerned about defense spending, and suggest that this huge budget request must be subject to the same scrutiny and frugality as any other. Inflationary, non-productive spending in the areas of weapons technology and foreign military assistance simply must be brought within the limits of reason now if we are really serious about curbing inflation.

Certainly one area where Federal expenditures are badly

needed and justified is public mass transportation. It is 1974 and we are yet to make the kind of meaningful national commitment which is so desperately needed in this area. My colleague, Congresswoman Burke, has forcefully addressed this problem in her remarks, pointing up not only the social and economic needs of our citizens, but also the fiscal necessity of effectively meeting this growing problem now. Energy shortages and the increasing need for environmental protection in our congested urban areas conspire to make the construction and maintenance of efficient public mass transit systems a national priority. Adequate funding and an equitable distribution formula must be minimal expectations in this regard. In addition to meeting genuine social needs in a way which can generate other important social goods, a genuine commitment to meeting our public transportation deficiencies promises to bring together city dwellers and suburbanites - rich and poor, black and white - in a creative common cause.

Finally, Mr. President, we cannot ignore this country's crying need for moral leadership at this crucial point in our history. The agonies of Vietnam have come home to us all, even in the sad facts of Watergate and its many mutations. Cynicism and moral decay will prevail unless a fresh and convincing moral

tone is provided here and now. This mood is not erased by the spectre of de facto amnesty for convicted felons who held public trust. Messrs. Agnew and Kleindienst may well be followed by others, including Richard Nixon. But vengeance, even when righteous, will not heal. If we are really going to bring about a reconciliation among America's citizens, let us begin by forgiving. But let us finally be big enough and wise enough to forgive those young men who acted, not out of greed or avarice, but out of deep moral and religious convictions, and grant a general amnesty for those who refused to participate in the saddest spectacle of our history. Let us finally bring the boys home - to their families and loved ones, to their lost lives, to a nation which needs all its people working together to meet great challenges.

We can only conclude with the words of President Franklin Delano Roosevelt: "Governments can err, Presidents do make mistakes, but the immortal Dante tells us that Divine Justice weighs the sins of the cold-blooded and the sins of the warm-hearted in a different scale. Better the occasional faults of a government living in the spirit of charity than the consistent omissions of a government frozen in the ice of its own indifference."

STATEMENT OF HON. ROBERT N.C. NIX
ON THE FORD ADMINISTRATION

I join with all American citizens in extending my best wishes to our new President, Gerald R. Ford. President Ford has assumed his high office under novel and difficult circumstances. As a member of Congress, I feel it is my duty to pledge him my full support and co-operation during this transition period. As an American citizen, I wish his Administration success in meeting the challenges that confront our nation.

I must state, however, that Mr. Ford's record during his twenty-five years in Congress leaves me with grave doubts as to whether he will pursue policies and programs that will meet the needs of the American people as I see them. It was because of this record that I voted against the confirmation of Mr. Ford as Vice President. As I said then, I believe him to be a decent and honorable man. But the nation needs more than decency and honor - it needs strong and progressive leadership.

When President Ford was in Congress he voted against progressive measures and for special interests. He tended to favor the interests of the wealthy over the interests of the poor and the disadvantaged. He favored the welfare of big business over the welfare of working men and women. On the whole, his record must be considered regressive and hostile to the human needs of our citizens.

As Republican leader in the House, Mr. Ford quite naturally advanced Republican viewpoints and Republican measures. Whether he can and will overcome this narrow and standpat background now that he is President is for the future to determine. I, for one, will measure his performance on the vital issues of the day against both his own record and the needs of our people as I see them.

As benchmarks with which to judge the policies of President Ford, I would point out several issues on which I find his past record discouraging:

1. Civil Rights - President Ford's past record on civil rights must leave minority citizens apprehensive about his commitment to equal justice. In 1966 he voted against open housing. In 1970 he voted to weaken the voting rights bill. And in 1972, he voted to weaken equal opportunity employment legislation.
2. Education - In 1965, Mr. Ford voted against Federal aid to schools with low-income students. In 1962 he voted against loans and grants for college students. He has voted against improvements in Federal education programs and he has voted to slash appropriations for education.
3. Housing and Urban Development - The new President's record in this area is not encouraging to the people who live in our cities. He has voted throughout his

career to limit or reduce Federal efforts to improve housing. He has voted against rent supplements for the poor, against Model Cities and other urban renewal programs, and against passage of the last major housing and urban development bill in Congress in 1970.

4. Poverty - Mr. Ford has voted consistently to weaken, reduce, or eliminate Federal programs to help our poorest citizens lift themselves to a decent standard of living. He voted against the Economic Opportunity Act in 1964, and since that time has voted time and again to gut the antipoverty program and to cut appropriations for it. He has voted against food stamps for the poor and against child development programs.
5. Labor - Mr. Ford, in the past, has favored the desires of big business over the needs of working people. He has consistently voted against increasing the minimum wage and against extending its coverage. He has voted to keep anti-labor right-to-work legislation on the books and to deny food stamps to families of striking workers.
6. Health - With many Americans unable to afford decent health care for their families, the President's record on health legislation is not encouraging. He voted against Medicare in 1965. He has supported vetoes of

such legislation as the Hill-Burton hospital construction program and the Emergency Medical Services Bill. And he has supported slashing appropriations for the Department of Health, Education and Welfare.

I have listed only a few of the issues on which I find the record of President Ford hostile to the needs of the people of our cities, of the poor and the disadvantaged, of working people, and of blacks and other minorities. I hope that in his new position of high responsibility, he will adopt policies that are more progressive, more forward-looking, and more responsive to the needs of all our citizens. In that effort, I wish him well.