



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 97<sup>th</sup> CONGRESS, FIRST SESSION

Vol. 127

WASHINGTON, MONDAY, SEPTEMBER 14, 1981

No. 126

## House of Representatives

The House met at 12:00 noon.  
The Chaplain, Rev. James David  
Ford, D.D., offered the following  
prayer:

O God Almighty, Creator of Heaven  
and Earth, may Your breath of life  
touch and strengthen all who turn to  
You for sustenance. May Your Spirit  
lift us when we fall, forgive us when  
we transgress, encourage us to do  
right, and accompany us through all  
the moments of good times and bad.  
Though we admit we too often turn  
away from Your truth and leading,  
You never turn from us. For this con-  
tinued love and renewal that we expe-  
rience each new day, we offer this our  
word of praise and thanksgiving.  
Amen.

### THE JOURNAL

The SPEAKER. The Chair has ex-  
amined the Journal of the last day's  
proceedings and announces to the  
House his approval thereof.

Pursuant to clause 1, rule I, the  
Journal stands approved.

### MESSAGE FROM THE SENATE

A message from the Senate by Mr.  
Sparrow, one of its clerks, announced  
that the Senate had passed without  
amendment bills of the House of the  
following titles:

H.R. 2120. An act to facilitate the ability  
of product sellers to establish product liabil-  
ity risk retention groups, to facilitate the  
ability of such sellers to purchase product li-  
ability insurance on a group basis, and for  
other purposes; and

H.R. 4418. An act to enable the Secretary  
of Agriculture to assist, on an emergency  
basis, in the eradication of plant pests and  
contagious or infectious animal and poultry  
diseases.

The message also announced that  
the Senate had passed a bill of the fol-  
lowing title, in which the concurrence  
of the House is requested:

S. 859. An act to amend mineral leasing  
laws of the United States to provide for uni-

form treatment of certain receipts under  
such laws, and for other purposes.

### HOUSE CONCURRENT RESOLU- TION 163, NATIONAL STRAT- EGY OF PEACE THROUGH STRENGTH

(Mr. WINN asked and was given per-  
mission to address the House for 1  
minute and to revise and extend his  
remarks.)

Mr. WINN. Mr. Speaker, I rise to  
speak in favor of House Concurrent  
Resolution 163 which asks the Con-  
gress to adopt a national strategy of  
peace through strength. This state-  
ment reminds the world of the U.S. re-  
solve to live in genuine peace while  
preserving the integrity of the free  
world. Seven State legislatures have  
adopted this resolution, including my  
home State of Kansas.

Mr. Speaker, it is important for the  
United States to be the leader of the free  
world to demonstrate a real willing-  
ness to oppose Soviet expansionism  
throughout the globe. Soviet leader-  
ship has continually flaunted interna-  
tional law in recent years with direct  
and indirect intervention in Afghan-  
istan, the Horn of Africa, Indochina,  
Central America, and the Middle East.  
The Soviet military buildup, which  
has reached record proportions,  
threatens all free people militarily, po-  
litically, and economically. This activi-  
ty must be halted.

I urge my colleagues to support  
House Concurrent Resolution 163.

### INTEREST RATES

(Mr. McCURDY asked and was  
given permission to address the House  
for 1 minute and to revise and extend  
his remarks.)

Mr. McCURDY. Mr. Speaker, yester-  
day, the interest rate on home loans  
issued by both the Farmers Home Ad-  
ministration and the Veterans' Admin-  
istration rose to an incredible 17½ per-

cent. That represents a 4-percent in-  
crease since the beginning of the year.

It also represents the final clamp on  
the housing industry in my district  
and surely, those of my colleagues.  
High interest rates have closed down  
the construction of new homes all  
across the country.

More importantly, the prospect of  
young people ever securing a home  
loan has become a distant dream much  
like the President's distant dream of  
8.9-percent interest rates in 1982.

Those homebuilders and potential  
homebuyers were among the small  
businessmen, farmers, and government  
employees I spoke with during a visit  
to my district last March. I asked each  
of them if they believed, like the  
President, that the prime interest rate  
would drop to 8.9 percent by early  
1982.

Almost unanimously, they rejected  
such a forecast as too unbelievable.

I would like to suggest today that  
these hard-working Americans showed  
more economic savvy in the early days  
of this administration than the Presi-  
dent's closest advisers.

Perhaps Mr. Stockman would do  
well to walk a few Main Streets in  
Oklahoma.

### REVOLUTION NEEDED IN DEFENSE THINKING

(Mr. GINGRICH asked and was  
given permission to address the House  
for 1 minute and to revise and extend  
his remarks.)

Mr. GINGRICH. Mr. Speaker, we  
need a revolution in defense thinking  
even greater than the Reagan revolu-  
tion in defense rhetoric and defense  
spending. The weekend decision to  
avoid internal defense budget cutting  
is an even bigger mistake than the ear-  
lier social security proposals. If Presi-  
dent Reagan and Secretary Wein-  
berger will not cut the defense budget  
decisively, then the Congress will have  
to do that job for them.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

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

	1976	1977	1978	1979	1980
Transfers (net).....	1,142	1,152.0	1,656.4	1,822.1	2,000.5
Current account balance.....	-3,152	-1,360.6	1,616.1	998.7	-5,965.6
Long-term capital.....	1,920	3,219.0	1,495.0	2,210.0	3,820.3
Short-term capital.....	1,256	144.0	736.0	-20.0	0.4
Capital account balance.....	3,176	3,353.0	2,231.0	2,190.0	3,820.7
Overall balance.....	24	2,002.4	3,847.1	3,188.7	-2,144.9
Reserves (dollars in millions):					
Foreign exchange.....	\$4,704	\$5,977.0	\$10,112.0	\$13,224.0	\$12,466.0
Gold (average London price).....	1,781	2,133.0	2,806.0	9,862.0	6,246.0

Sources: IMF, IFS, OECD Survey, and Boletín Estadístico Banco de España; Exchange rate (Peseta/U.S. dollar) 1978=66.903, 1977=75.967, 1976=76.663, 1979=67.125, 1980=71.702. ●

~~THE SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 15 minutes.~~

~~MR. GONZALEZ addressed the House. His remarks will appear hereafter in the Extensions of Remarks.~~

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

MR. ANNUNZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

REAGAN JUSTICE?

The SPEAKER. Under a previous order of the House, the gentleman from Michigan (Mr. CROCKETT) is recognized for 5 minutes.

● Mr. CROCKETT. Mr. Speaker, on Thursday, the Washington Post carried a story entitled: "Justice Official's Memo on Yonkers Bias Suit Stirs Controversy," which described a memo circulated by a top-ranking official of the Reagan civil rights division at the Justice Department.

I have obtained the full text of this outrageous document, and submit it today for inclusion in the CONGRESSIONAL RECORD. I believe my colleagues, even those on the other side of the aisle, will be shocked by its tone, and outraged at its racist implications.

The memo, written by Robert J. D'Agostino, the designate for Deputy Assistant Attorney General, recommends that the Justice Department withdraw its participation in a landmark civil rights case involving school and housing discrimination in Yonkers, N.Y. The Justice Department had filed suit charging that the local school board, city officials and the local community development agency had discriminated against the city's 32 percent minority population through a pattern of school construction and closings, alteration of attendance lines, assignment of teachers and selection of sites for subsidized housing in heavily minority areas. The Justice Department is apparently now reviewing this and two other cases to determine whether it will continue to prosecute them.

Mr. Speaker, the memo I place before my colleagues today is one of insensitivity, callousness and racism. It

is written by a man who, if confirmed, will hold a key position in the formulation of policy and procedures in the Department of Justice Civil Rights Division. Yet, by its content and by the use of racist "code words" such as "racial mixing" and "coerced residential integration", it offers evidence of an attitude against effective affirmative action and civil rights enforcement.

Most abhorrent of Mr. D'Agostino's opinions are those expressed by the following:

(B)lacks were "improperly classified as emotionally disturbed." Why improperly? \* \* \* Blacks, because of their family, cultural and economic background are more disruptive in the classroom on the average.

Mr. Speaker, I urge my colleagues to protest this affront to the credibility of our Government's commitment to civil rights.

The memo follows:  
U.S. DEPARTMENT OF JUSTICE,  
Washington, D.C., July 21, 1981.

To: Wm. Bradford Reynolds, Assistant Attorney General-Designate, Civil Rights Division.  
From: Robert J. D'Agostino, Deputy Assistant Attorney General-Designate, Civil Rights Division.  
Subject: *United States v. Yonkers Board of Education et al.*

Yonkers is a most interesting case in that it represents both the end result of a mind set in the educational area and one of the opening shots in a new attempt to remake America through coerced residential integration.

Segregative intent is found in virtually every act taken by school authorities if that act did not lead to the ultimate good as defined by the Justice Department, racial mixing.

The letter of August 25, 1980, to the Superintendent of Schools of Yonkers summarizes the facts relied upon by Justice in bringing suit against the school system. Seven paragraphs deal with those facts.

Paragraph one deals with school construction policies. Here Justice contends that schools that were built and opened with "greater than 50 percent minority enrollment" were intentionally racially segregated, presumably because there are now over 85 percent minority. I would say that a 50 percent or so minority school would be considered integrated if Yonkers proposed to open one now. The fact that two schools had "no significant number of minority students" until school closing in 1976 is evidence of segregative intent. I say it is just the opposite. Schools were closed in 1976 which resulted in formerly all-white schools becoming integrated. Other schools opened up virtually all-white or minority. Possibly, they were constructed where the students were--neighborhood schools in urban areas were once considered very desirable.

Paragraph two alleges as proving segregative intent both the closing of schools which resulted in other schools being more identifiably of one race and the closings which resulted in intergrating schools. Perhaps the school board was treating schools as "just schools."

Paragraph three deals with assignment of faculty and administrators. Here the affirmative hiring practices of the school board are claimed to be proof of a violation of the Constitution, since the school board assigned a disproportionate number of newly hired blacks and Hispanics to minority schools—not all—just a disproportionate number.

Paragraph four states that blacks were "improperly classified as emotionally disturbed." Why improperly? And by what evidence does Justice presume to impose their views on who is or who is not emotionally disturbed (presumably disruptive in the classroom)? Evidently, Justice's position is that unless equal proportions of blacks and whites are classified as emotionally disturbed, the law violates the civil rights statutes or the Constitution. What hogwash. Blacks, because of their family, cultural and economic background are more disruptive in the classroom on the average. It seems that they would benefit from such programs.

Paragraph five dealing with counseling given to minority students claims a disproportionate number were steered to inferior vocational programs then to expanded general programs on the high school level. Disproportionate to their school achievement? Disproportionate to their needs? Creation of flexible or special programs to handle special needs of economically and socially disadvantaged children now becomes evidence of segregative intent.

Paragraph six deals with faculty and facilities. Insofar as there was unequal treatment of blacks and whites, a violation is present. However, the paragraph goes on to criticize the fact that the schools provided less in the way of academic curricula to blacks. Another logical reason for that is that fewer blacks were precollege. Certainly, that was true up until the last few years.

Paragraph seven deals with the failure to adopt a plan which the board had no obligation to adopt, but which would have, in the opinion of Justice, better mixed races, perhaps, by busing everyone somewhere else.

It is quite obvious from the list of alleged offenses that violated the Constitution and the Civil Rights Acts that the Yonkers School Board is in an impossible position. They were damned if they did and damned if they didn't.

In the housing area, Justice is demanding that Yonkers build 1100 units of low-income or subsidized housing regardless of the burdens in "non-minority impacted areas." Evidently, the power of the purse now resides ever more firmly in the federal courts as guided by Justice—an interesting gloss on self-government. What is the nature of Yonkers' violation? They were stupid enough or altruistic enough to voluntarily participate

Start

in programs to build low-cost and subsidized housing on sites approved by HUD in areas that housing was thought to be needed. The Justice position is, evidently, that the building of these housing units in areas of high minority concentration were constitutional violations requiring additional construction on Justice approved sites. Allegations of Title VIII violations are thrown in so as to have the benefit of the effects test. This case should be compared with the Manchester, New Hampshire case where it is our contention that Manchester violated the Constitution by refusing to voluntarily participate in a low-cost or subsidized housing program after the town thought it might.

I believe that a thorough review of the *Yonkers* case is demanded by this Department. I see absolutely no reason to pursue this case in its present form. If it is the Reagan Administration's position to attempt to create law that will mandate the building of low-income housing projects when communities do not want such projects, then we should proceed, otherwise we should not.

The *Yonkers* review should be made in the context of a complete rethinking of our position in the housing cases including *Manchester*.

#### GRANVILLE CAYCE III

The SPEAKER. Under a previous order of the House, the gentleman from Kentucky (Mr. HUBBARD) is recognized for 5 minutes.

Mr. HUBBARD. Mr. Speaker, Hopkinsville, Ky., recently lost a prominent business, civic and church leader with the death of Granville Cayce III.

Even though he was only 32 at the time of his untimely death, Granville Cayce III had become an active businessman and civic leader, and was a church deacon.

I would like to express my sympathy to his widow, Karen Sholar Cayce, to his parents, Granville L. Cayce, Jr. and Billie Lee Watson Cayce, and his two brothers, Breck and Mike Cayce.

Granville Cayce III was vice president of Cayce Mill Supply Co. in Hopkinsville. He was an active member and leader of the local Jaycees chapter, and in 1980 received the coveted Jaycee of the Year award for his work in the local chapter.

He was a leader in the efforts to raise funds and oversee construction of a new Jaycee multipurpose building. He was an active member of the local fair board and United Way fundraising efforts. He was also an Eagle Scout and remained active in Scouting activities.

Granville Cayce III was a deacon at the First Christian Church and was a Chi Rho leader at the church.

Mere words cannot relate the full story of this man and the mark that he left on his community. Granville Cayce III will be missed. I take this occasion today to offer my condolences and those of all my colleagues in this House who, directly or otherwise, mourn the passing of a civic and church leader.

#### CANADIAN-UNITED STATES RELATIONS

The SPEAKER. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 5 minutes.

Mr. FASCELL. Mr. Speaker, with the world so troubled, and the United States involved in so many turbulent areas around the world, it is all too easy to become complacent in the happy situation we have historically had in our relations with Canada. We are more than just neighbors; in many undertakings both large and small, we have been partners as well. Canada and the United States share close military ties both in NATO and in the North American Aerospace Command. Our defense procurement arrangements date back to World War II. The two countries also cooperate on a wide range of international problems, of which southern Africa and the Middle East are only the most current examples.

As chairman of the House delegation to the Canada-United States Interparliamentary Group, I am particularly pleased that our friendship is a continuing one: We have as a recent example the outstanding assistance Canada provided some of our people in Iran. It is the highest compliment to our relationship that while we were deeply grateful for the assistance, we were not surprised that so considerable and courageous an action should have come from Canada.

There is, unfortunately, a list of problems which currently exist between our two countries. Some of the problems involve complaints of Canada against us, and some of them involve complaints we have against them. All of them are complex, and they are proving persistent. At this point, I regret to have to note, there appear to be signs that tension and even tempers are beginning to rise on both sides of the border.

Attention on our side is centered on Canada's new national energy policy and on the squeeze it puts not only on American energy companies in Canada, but on trade, investment, and general business prospects for a range of American firms. Moves by Canadian companies to take over American ones in this country have also caused a reaction here.

I suggest that if we understand our own reaction to a handful of Canadian takeover efforts in the United States, we can also understand Canadian concerns when almost three-quarters of Canada's energy industry is in foreign hands. In fact, some 80 percent of that foreign participation is American.

We can also understand Canadian concerns about a number of other problems: The Garrison diversion project, which would help irrigate North Dakota but which Canadians fear would threaten Canadian fisheries; the Eastport refinery project, which would put a refinery in Maine but which would send oil tankers and the

concomitant risk of spills, into Canadian waters; the Ross Dam project, which would provide additional electricity for our Pacific Northwest but would flood 7 more miles of Canadian territory; acid rain, which both our countries unhappily produce but of which we dump more on them than they dump on us. The list could go on.

To be sure, we have a list of our own concerns and complaints about measures taken or being contemplated by Canada. Several of these measures affect international investment or trade and appear to be at variance with established international norms.

But my purpose is not to present an exhaustive list of either side's complaints. It is rather to illustrate the range and complexity of the problems and issues between us. None of them is likely to go away quickly or easily; if they were easy, they would have been solved already.

So, along with the traditional friendship which we have understandably tended to take for granted, we also have to accept that problems of proximity, inevitably arising from the 5,000 miles of border we share, will continue to exist. It is not a matter of simply making the problems go away, but of determining how they should best be managed.

My concern and my call is that we bear in mind our heritage and history of friendship and cooperation, and seek resolution of our differences within that framework. Let our message to our Canadian friends be that we value their friendship, understand their concerns, and will work together to resolve or alleviate their grievances; and let that message also make clear we will look for a like attitude from them, so that their undoubted right to define and pursue their national interests will not impinge on our no less legitimate rights under international law.

There always exists the possibility of legislation to balance off the perceived injuries inflicted by another country. We know too well, however, how easily what begins, or is intended, as simple redress sets off a series of measures and countermeasures resulting in an upward spiral of retaliation which ends by proving nothing but which takes us further than ever from solution.

For now, as long as prospects for mutually acceptable solutions exist, let us avoid this temptation, and call instead for our Government to exercise creative and vigorous diplomacy, clearly and firmly backed by public and congressional will, and to tackle these problems and resolve them in a way that both honors the traditions and preserves the prospects of friendly and constructive relations with our good neighbors to the north.

The SPEAKER. We have passed the time of the gentleman from California (Mr. DANNEMEYER). Does the gentleman