Said the spokesman for the Captive Nations Committee, "With the riots and turmoil caused by many college students today, we lose sight of how the majority of our young people really feel about this great land of ours. On July 15, we will have a chance to witness the true spirit of today's youth . . . as these youth groups join in expressing their love and faith in this country of ours as we remember those peoples who have lost their basic freedoms and human rights—the one billion captive peoples of the captive nations behind the Iron, Bamboo and Sugar Curtains.

Admission for the rally will be $1 for adults, children and students admitted free.

---

[From the Phoenix (Ariz.) Republic, July 16, 1969]

U.S. IDEALS ON TRIAL, CHINESE SAYS

(By Connie Cobb)

TEMPE.—American ideals "are being subjected to the most serious challenges and trials in your history," the chief policy adviser to Chinese President Chiang Kai-shek said here last night.

Dr. Ku Cheng-kang, speaking at a rally of the Arizona Branch, National Captive Nations Committee, said mistaken views and "compromising statements concerning Communist aggression" have cast doubts on the United States' avowed dedication to freedom for all.

". . . Especially, those views urging the United States to disentangle from world affairs and mind her own business have blurred the image of the United States," he told about 900 persons in Grady Gammage Auditorium at Arizona State University.

Dr. Ku said these views "have even shaken the world's confidence in the United States as leader of the democratic nations in defending democracy and freedom."

But without the support of "freedom forces," he added, "I am afraid the world may see the extinguishing of the flame of hope in the hearts of the peoples behind the Iron Curtain" and further Communist-inspired "troubles for the free world."

Dr. Ku said the most important factor in the fight for freedom "is to actively support the peoples behind the Iron Curtain in their struggle against tyranny.

"We freedom-loving and democratic peoples must unite and work harder for the early restoration of freedom for all captive peoples and nations," he added.

Walter Chopiwskyj, Arizona committee president, agreed with Dr. Ku that the "more than 1 billion people living in the 28 nations under Communist rule today . . . look to the United States . . . for leadership in bringing about their liberation and independence."

He said observance of Captive Nations Week, through Saturday, serves "as a clear demonstration . . . that the people of this country share with them their aspirations for the recovery of their freedom and independence."

The adult speakers' words were echoed by the youthful patriotic appeals of Impact, That Certain Sound, the International Mia Dancers and the Scottsdale boys' and girls' bands.

---

## COMMENDING LYNDON JOHNSON FOR HIS PART IN THE APOLLO PROGRAM

### HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 29, 1969*

Mr. ZABLOCKI. Mr. Speaker, as we rejoice over and pay tribute particularly to three brave men—Neil Armstrong, "Buzz" Aldrin, and Mike Collins—upon their amazing feat and the successful flight of Apollo 11, we would be remiss if we did not pay special thanks to the man who did more than any other man in America to make this event possible—former President Lyndon B. Johnson.

It is true that the Apollo 11 moon walk was the fulfillment of John F. Kennedy's prophecy that we would put a man on the Moon and return him to Earth within the decade of the 1960's.

However, as in so many things, it remained for Lyndon Johnson to make this dream become a reality.

Undoubtedly, history will record former President Johnson's leadership in our space program as one of his foremost accomplishments.

It was he who insisted on the United States embarking on this program, and who pushed and prodded our Nation into accepting the great challenge of conquering space.

Without his strong and inspiring leadership while serving as Senate majority leader, Vice President, and President, there is every reason to wonder when and even if we would have achieved this goal.

It is my fervent hope that the accomplishments of the Apollo 11 crew will help to lead mankind toward an era of peace and friendship and to solve the common problems of the world.

This would be the truly fitting reward and tribute to President Johnson, Astronauts Armstrong, Aldrin, and Collins, and indeed all their colleagues, associates, and personnel of the National Aeronautics and Space Administration.

A recent Milwaukee Journal editorial, "Lyndon Johnson's Part," succinctly expresses President Johnson's involvement in our space program. It is a pleasure for me to insert the editorial at this point in the RECORD:

[From the Milwaukee Journal, July 22, 1969]

LYNDON JOHNSON'S PART

One American who watched the moon flight from the take-off—to which he was invited by President Nixon—to the conclusion must have taken deep personal satisfaction in it. That was former President Lyndon Johnson, who has been out of the limelight and under a self-imposed silence for half a year since retiring.

No one had more to do with our success in space than Lyndon Johnson. He worked hard for it as a senator and majority leader. He was given chief responsibility for space by the late President John Kennedy, who made the commitment to reach the moon by the end of this decade. As president, Johnson continued his deep interest and support.

It was fitting that he was present at the launching. He said little but what he said credited a wide group of people for the successful space program. And those of whom he spoke, who have been dedicating their lives to the project, know that Lyndon Johnson deserves as much credit as anyone.

---

# SENATE—*Wednesday, July 30, 1969*

The Senate met at 12 o'clock noon and was called to order by the Vice President.

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, who has taught us in Thy word that in quietness and confidence shall be our strength, at this noonday pause in the heat and burden of testing times, strengthen us that we may keep inviolate the sacred altar of our inmost being. Help us, O Lord, not only here where our work is seen and our voice is heard, but also in the solitary place where, in the secret of our hearts, we decide what to do here. Make us conscious of the eternal verities which outlast the deeds of a day. Enable us to bring to our tasks not only our resolute convictions but also the reconciling grace which Thou dost freely give to all who call upon Thee.

Answer in us the prayer of the hymn writer:

"Breathe on me, Breath of God
Fill me with life anew,
That I may love what Thou dost love,
And do what Thou wouldst do."

EDWIN HATCH, 1886.

In the Redeemer's name we pray. Amen.

---

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, July 29, 1969, be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

---

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the joint resolution (S.J. Res. 85) to provide for the designation of the period from August 26, 1969, through September 1, 1969, as "National Archery Week," with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H.R. 8868) to authorize the District of Columbia to enter into the Interstate Compact on Juveniles, in which it requested the concurrence of the Senate.

---

## ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 2785. An act to authorize the Secretary of the Interior to convey to the State of Tennessee certain lands within Great

Smoky Mountains National Park and certain lands comprising the Gatlinburg Spur of the Foothills Parkway, and for other purposes;

H.R. 3379. An act for the relief of Sfc. Patrick Marratto, U.S. Army (retired);

H.R. 5833. An act to continue until the close of June 30, 1972, the existing suspension of duty on certain copying shoe lathes;

H.R. 6585. An act for the relief of Mr. and Mrs. A. F. Elgin; and

H.R. 10946. An act to promote health and safety in the building trades and construction industry in all Federal and federally financed or federally assisted construction projects.

## HOUSE BILL REFERRED

The bill (H.R. 8868) to authorize the District of Columbia to enter into the Interstate Compact on Juveniles, was read twice by its title and referred to the Committee on the District of Columbia.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

## EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. The nominations on the Executive Calendar will be stated.

## AMBASSADOR

The bill clerk read the nomination of Kenneth Franzheim II, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States to New Zealand.

The VICE PRESIDENT. Without objection, the nomination is considered and confirmed.

## U.S. ARMS CONTROL AND DISARMAMENT AGENCY

The bill clerk proceeded to read sundry nominations in the U.S. Arms Control and Disarmament Agency.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, it is so ordered.

## LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

## LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

## THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 330 and 317.

The VICE PRESIDENT. Without objection, it is so ordered.

## GOLD MEDALS IN HONOR OF AMERICAN ASTRONAUTS

The Senate proceeded to consider the joint resolution (S.J. Res. 140) to provide for the striking of medals in honor of American astronauts who have flown in outer space which had been reported from the Committee on Banking and Currency with amendments on page 1, line 9, after the word "program," insert "and to the widow of any such astronaut who is now deceased,"; on page 2, at the beginning of line 4, insert "There is authorized to be appropriated to the Secretary of the Treasury not to exceed $20,000 to carry out the provisions of this section."; in line 23, after the word "Mint" strike out "for" and insert "from the proceeds of the sale of"; and on page 3, line 2, after the word "Administration" strike out "Any revenues received from the sale of such medals shall be deposited in a revolving fund which is hereby established in the Treasury of the United States. After making from the fund any payments required by section 2(c), the remaining moneys in the fund shall be expended for grants for scientific scholarships to such persons; in such amounts, and on such terms, as the Administration considers appropriate." and insert "Any revenues received from the sale of such medals shall be used to pay the cost thereof as provided in section 2(c). Any revenues in excess of sums required to pay such cost shall be paid into the Treasury as reimbursement of expenses incurred by the Government under the first section of this joint resolution. Any additional revenues so derived shall be covered into miscellaneous receipts of the Treasury."; so as to make the joint resolution read:

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in honor of the continuing achievements of American astronauts in space exploration culminating in the landing on the moon, the President is authorized to present in the name of the people of the United States and in the name of the Congress to each American astronaut who has flown a vehicle in outer space under the Mercury, Gemini, or Apollo space program, and to the widow of any such astronaut who is now deceased, a gold medal with suitable emblems, devices, and inscriptions to be determined by the National Aeronautics and Space Administration, subject to the approval of the Secretary of the Treasury. The Secretary shall cause such medals to be struck and furnished to the President. There is authorized to be appropriated to the Secretary of the Treasury not to exceed $20,000 to carry out the provisions of this section.

SEC. 2. (a) The Secretary of the Treasury shall strike and furnish to the National Aeronautics and Space Administration not more than five hundred thousand duplicate copies of such medal in bronze. The medals shall be considered to be national medals within the meaning of section 3551 of the Revised Statutes (31 U.S.C. 368).

(b) The medals provided for in this section shall be made and delivered at such times as may be required by the National Aeronautics and Space Administration, and in quantities of not less than two thousand, but no medals shall be made after December 31, 1971.

(c) The Secretary of the Treasury shall cause such medals to be struck and furnished at not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses, and the Administration shall make payment of such cost to the Director of the Mint from the proceeds of the sale of any bronze medals so struck and furnished.

SEC. 3. The National Aeronautics and Space Administration is authorized to sell the bronze medals at a premium, to be determined by the Administration. Any revenues received from the sale of such medals shall be used to pay the cost thereof as provided in section 2(c). Any revenues in excess of sums required to pay such cost shall be paid into the Treasury as reimbursement of expenses incurred by the Government under the first section of this joint resolution. Any additional revenues so derived shall be covered into miscellaneous receipts of the Treasury.

Mr. DODD. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the amendments are considered and agreed to en bloc.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. DODD. Mr. President, I am pleased that the Senate has seen fit to pay tribute to our space program by passing Senate Joint Resolution 140.

I am especially grateful to the distinguished chairman of the Banking and Currency Committee, and to the leadership for clearing this legislation so promptly.

In introducing Senate Joint Resolution 140, I sought to commemorate our lunar landing as a turning point in the history of mankind, for the flight of Apollo 11 was perhaps the greatest technological event ever witnessed by man.

It was demonstrable proof of what this Nation can accomplish when it sets a goal and initiates a total commitment to reach it.

The astronauts of this mission performed flawlessly. Yet their great contribution would never have been possible without the efforts of those astronauts who preceded them.

In passing Senate Joint Resolution 140, the Senate honors these gallant, dedicated, and courageous men who blazed the trail from the earth to the moon.

I hope the House of Representatives will join the Senate in taking prompt and favorable action on this joint resolution.

Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–33), explaining the purposes of the joint resolution.

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

GENERAL STATEMENT

This joint resolution would provide for the striking of medals in honor of the American astronauts who have flown a vehicle in outer space.

Under the joint resolution, the President is authorized to present in the name of the people of the United States and in the name of the Congress to each American astronaut, or if the astronaut is deceased, his widow, who has flown a vehicle in outer space under the Mercury, Gemini, or Apollo space program, a gold medal with suitable emblems, devices, and inscriptions to be determined by the National Aeronautics and Space Administration, subject to the approval of the Secretary of the Treasury. The Secretary shall cause such medals to be struck and furnished to the President.

The joint resolution also provides that the Secretary of the Treasury shall strike and furnish to the National Aeronautics and Space Administration not more than 500,000 duplicate copies of such medals in bronze. No medals shall be made after December 31, 1971.

The Secretary of the Treasury shall cause the bronze medals to be struck at not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and other expenses.

The joint resolution includes an authorization for the appropriation of not more than $20,000 to cover the cost of the gold medals. The joint resolution also authorizes the National Aeronautics and Space Administration to sell the bronze medals at a premium, to be determined by the administration, to cover the cost of minting the bronze medals and also to cover the costs of the gold medals.

AMENDMENTS TO THE JOINT RESOLUTION

1. The joint resolution, as amended, permits gold medals to be issued to the widows of deceased astronauts.

2. The joint resolution, as amended, provides an authorization of $20,000 to pay the initial costs of striking the dies and other costs of the gold medals. This cost will be recouped from sale of the bronze medals.

---

## TOCKS ISLAND DAM-DELAWARE RIVER BASIN HYDROELECTRIC POWER DEVELOPMENT

The Senate proceeded to consider the bill (S. 2678) to amend section 203 of the Flood Control Act of 1962 to provide for optimum development at Tocks Island Dam and Reservoir project.

Mr. COOPER. Mr. President, this bill has been on the calendar for some days, for I asked that it be carried over so that I could speak on it briefly. I may say that I probably will be asking for additional time, because I do not believe I can complete my remarks in 3 minutes. I will summarize the statement I have prepared, and ask unanimous consent that my full statement be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. COOPER. S. 2678 has been reported to the Senate by the Committee on Public Works, of which I am a member. It is a bill to amend section 203 of the Flood Control Act of 1962 to provide for optimum development at Tocks Island Dam and Reservoir project. The bill was reported favorably by the committee, and all members of the committee voted to report it, with one exception. I voted against the bill. I wish to give my reasons for doing so.

I will first give a brief description of the Tocks Island Reservoir project. The Tocks Island Reservoir was authorized by the Congress in 1962 as part of the comprehensive plan of development for the Delaware River Basin. It is the largest project in that plan, and is justified by the Corps of Engineers as the "key project" in the development of the water resources of the Delaware River Basin. It would be located on that portion of the Delaware River which divides Pennsylvania from New Jersey and lower New York State, about 5 miles upstream from the Delaware Water Gap—an area designated also as a national recreation area to be administered by the Department of the Interior.

A dam 160 feet high and 3,200 feet long would create a 12,500-acre lake expected to attract millions of visitors annually—for the primary benefit of the reservoir is now recreation. Draining an area of 3,827 square miles, the reservoir would control half the Delaware River Basin runoff above Trenton, N.J. Estimated cost of the reservoir is $214 million. Of that amount, approximately $8.6 million has been obligated, and $4 million is requested in the budget for fiscal 1970. This issue is now before the Committee on Appropriations.

The funds appropriated have been used for engineering and design, which is about half done, and for initial land acquisition. For example, 85 percent of the funds requested this year are for land acquisition, toward the total land and relocation cost now estimated at $83 million. Construction has not begun; work on the outlet tunnel is scheduled to begin in July 1971.

The multipurpose Tocks Island project as presently authorized includes recreation, water supply, flood control, and power benefits, in that order. It is interesting to note that the cost of this project has more than doubled since 1962, as cited in the committee report and my individual views made a part of that report, and that now the chief purpose which enters into the cost-benefit ratio is recreation, which accounts for just over half the annual benefit of $22.8 million.

As originally proposed and presently authorized, the Tocks Island project provides for a conventional powerplant to be built by the Corps of Engineers, having two turbine driven generators of 35,000 kilowatts each and dependable capacity of 38,000 kilowatts "firm power," at a cost of $29 million, reimbursable to the Federal Government from the sale of power.

S. 2678 would modify the 1962 authorization "to permit use of the head and water releases of Tocks Island Reservoir" as part of a much larger pumped storage hydroelectric power project proposed at that site by a group of private utilities. The private utilities proposed to secure a license from the Federal Power Commission which would permit them to build a pumped storage type of power development, using also the water flows from the Tocks Island Reservoir. This pumped storage facility would develop approximately 1,300,000 kilowatts, about 30 times the amount of power that would be developed if the conventional type of power facility now authorized were to be built by the Corps of Engineers. I want to say, in all fairness, that this may be a more economical way of developing the power resource at the site than the proposal of the Corps of Engineers authorized by the Congress, and of course it would provide a much larger quantity of power.

I voted against this proposal for several reasons, and I will try to develop them.

First, there were adequate hearings and very thorough consideration in executive session by the Committee on Public Works. Yet, I cannot escape my conclusion that we deviated somewhat from the best procedures of the Committee on Public Works and of Congress. As the Tocks Island Reservoir was originally proposed, and as a project beginning authorization by the Congress, we had the benefit of very comprehensive reports by the Corps of Engineers, including the specific comments of all affected agencies, and the opportunity to hear in detail the findings and recommendations of the Corps of Engineers and other agencies. The bill now before the Senate was not introduced in the Senate, and in effect we were developing a bill in the committee, a kind of private bill, to permit a group of utilities to go before the Federal Power Commission and say, "We have a blessing from the Congress to secure and develop the power at the Tocks Island Reservoir." I do not believe that is a good procedure.

Second, as originally conceived, the power that was to be developed at this reservoir was to be available to rural electric cooperatives, municipalities, and other public bodies on a preferential basis. As proposed by the utilities, they opposed providing any of this power, from a project built at a cost of $214 million of taxpayers' money, being made available to municipalities and cooperatives.

The Senator from Maine (Mr. MUSKIE) offered an amendment in committee, which I joined in and supported, to insist that if this bill is approved at least these private utilities shall provide the cooperatives and public bodies the amount of power that would have been developed under the presently authorized plan, and at no greater cost—about 38,000 kilowatts from the 1,300,000 kilowatts that the private utilities will produce. They opposed even this small concession to public power, but the Public Works Committee did support and agree

to the amendment proposed by the Senator from Maine.

Another issue developed involving conservation values around Kittatinny Mountain, on the New Jersey side of the reservoir and within the national recreation area, on top of which the utilities intend to construct the upper pool of the pumped storage project. There is a small lake there, said to be of unique beauty, known as Sunfish Pond and presumably developed during the glacial period. At first, the utilities had proposed using Sunfish Pond itself as the upper pool of the pumped storage project, and little consideration was given to protecting the lake. But after protests by conservation groups and local residents, and through the interest expressed by Senator CASE and others, that plan was abandoned and the Delaware River Basin Commission and the utilities developed a plan to save Sunfish Pond, which I believe has now been deeded back to the State of New Jersey. We were able to secure in committee amendments, incorporated in section 2 of the bill, which would require the Federal Power Commission, in acting upon the application of these utilities, to take into account the question of conservation, and to include as a condition of any license requirements to protect the recreation and conservation values of Sunfish Pond, and for minimum disruption of the natural environment.

Mr. President, I raise my fourth point now and I shall be brief. I have found during my experience on the Committee on Public Works that the private utilities of this country oppose every public power project. I do not speak against the interests, the legitimate interests, of the private utilities because we need them to develop necessary electrical energy in this country—and they do produce over 80 percent of that energy. Nevertheless, every time a proposal comes before the Congress to develop a public power project, and many of them are needed, the entire group of utility companies in the United States join in opposing such projects.

I simply raise this question. Tocks Island is a public project with an estimated cost of $214 million. When the $26 million estimated construction cost for conventional power is deducted, there still remains $188 million of taxpayers' money which will be used to build this giant project. Now, the utility companies, which oppose every public power project, are very willing to come along and build upon and use an appropriation of at least $189 million. In my judgment, the cost to build this facility could be $250 million before it is completed. The utility pumped storage generating facility could be a very lucrative facility for them, in my opinion, and certainly at rather modest remuneration to the Federal Government.

The Federal Government would receive not less than $1 million a year under the terms written into the bill by the committee, presumably for the period of the license, which would be for 50 years. Under one formula, or computation of hypothetical alternatives, the payment might reach $2 million.

Mr. President, I repeat the reasons for my opposition to S. 2678: First, because this procedure seems to give this group of private utilities a blessing as they go before the Federal Power Commission to apply for a license, seeking approval of their project; second, because of their obstinacy, even on a small amount of power for public use; third, because we found it necessary to write into the bill measures which would try to protect the interests of conservation; fourth, I raise a question—and I hope to give consideration to it in the future—about the payment of $1 million a year from power revenue or perhaps even $2 million a year as proper remuneration to the Federal Government for use of the facilities of the entire project, the great dam, and the reservoir costing the taxpayers at this moment an estimated $188 million.

I believe that in the future we should look at these matters more carefully. I would say, in commendation of our chairman, the Senator from West Virginia (Mr. RANDOLPH), that full consideration was given to this matter, following hearings, by the committee. However, I do repeat that in the future we should examine with the greatest care proposals of private utilities, which oppose all Federal power projects and yet are willing to use for their own business interests the facilities built by the taxpayers.

Mr. President, I shall vote against the bill.

STATEMENT OF SENATOR COOPER ON S. 2678

The Tocks Island Reservoir was authorized by the Congress in 1962 as part of the comprehensive plan of development for the Delaware River Basin. It is the largest project in that plan, and is justified by the Corps of Engineers as the "key project" in the development of the water resources of the Delaware River Basin. It would be located on that portion of the Delaware River which divides Pennsylvania from New Jersey below the New York line, about 5 miles upstream from the Delaware Water Gap—an area designated also as a National Recreation Area to be administered by the Department of the Interior.

A dam 160 feet high and 3200 feet long would create a 12,500-acre lake expected to attract millions of visitors annually—for the primary benefit of the reservoir is now recreation. Draining an area of 3,827 square miles, the reservoir would control half the Delaware River Basin runoff above Trenton, New Jersey. Estimated cost of the reservoir is $214 million. Of that amount, approximately $8.6 million has been obligated, and $4.0 million is requested in the budget for fiscal 1970. The funds have been used for engineering and design, which is about half done, and for initial land acquisition. For example, 85 percent of the funds requested this year are for land acquisition, toward the total land and relocation cost now estimated at $83 million. Construction has not begun; work on the outlet tunnel is scheduled to begin in July 1971.

The multipurpose Tocks Island project as presently authorized includes recreation, water supply, flood control, and power benefits, in that order. The power plant would contain two turbine-driven generators of 35,000 kilowatt capacity each. Operating from a 95-foot head, or elevation of water impounded by the dam, this authorized conventional power development would have an annual benefit of $2,094,000, and its cost of $29 million would be reimbursable to the Federal Government. Like all public power, it would be available of course on a preference basis to cooperatives, municipal systems and other public bodies, at rates sufficient to repay its cost, including maintenance costs and interest on the Federal investment.

Senate bill 2678 would modify the 1962 authorization "to permit use of the head and water releases of Tocks Island Reservoir" as part of a much larger pumped storage hydroelectric power project proposed at that site by a group of private utilities. The utility pumped storage plan would use the Federal reservoir as its lower pool, construct an upper pool on top of Kittatinny Mountain within the National Recreation Area near Sunfish Pond, and could generate 1.3 million kilowatts—a very large capacity—through daily pumping from the Federal reservoir to the diked impoundment on the mountain, with releases either back to the reservoir or through the turbines between the dam and the river below. In the latter case, the drop from the main reservoir level through the so-called "tandem turbines" to the river below the dam would constitute "use of the head and water releases" of the public project which the bill would authorize to the private utilities.

I point out here that the bill S. 2678 would authorize a single applicant and no other to develop the pumped storage power resource adjacent to, connected to, and using water from, the Tocks Island dam being built with public funds. That is, in the language of the bill at the top of page 2, the "applicant presently seeking approval to undertake such development before the Delaware River Basin Commission"; namely, Public Service Electric & Gas Co., Jersey Central Power & Light Co., and New Jersey Power & Light Co., which are jointly held and represented and referred to by themselves and others as the New Jersey electric utility companies.

The report on which the Congress based its authorization found (1) "pumped-storage power facilities at this site suitable for development as either a Federal or non-Federal project," (2) that such a project would decrease the cost of other functions of the Tocks Island project, and (3) that analysis of benefits and costs show that pumped storage power would probably be feasible as either a Federal or non-Federal venture. Pumped storage was not authorized in 1962, however, and the present bill does not authorize Federal development of pumped storage in the event the New Jersey utilities do not obtain a license or decide not to proceed, nor does it even authorize pumped storage development by any other group.

The Committee held hearings on this subject on March 18 and 19. In general, the hearings dealt principally with conservation issues raised by the pumped-storage proposal, including the preservation of Sunfish Pond. As I understand the testimony of the conservation groups and local residents, they still oppose the pumped storage plan even though Sunfish Pond itself will be preserved and has subsequently been returned to the State of New Jersey.

Later, the full Committee met in executive session on April 15, May 15, May 26, May 27 and June 19, and explored much more exhaustively the effect on costs and benefits of the proposal, and the position of the rural electric cooperatives and municipal systems entitled to preference in the distribution of public power from the presently authorized conventional Federal power plant. During this time, the Committee modified, amended, and I am sure improved the proposal before it, then in the form of a "Confidential Committee Print." The bill introduced on July 22, together with the Committee Report on S. 2678, is a result of those long and intensive discussions, following specific instructions for additional information. In retrospect, it might have been better to have held hearings on the specific language of a bill, receiving the testimony of the Corps of Engineers, Department of the Interior, Federal

Power Commission and others on that specific language, and making available the comparative cost-benefit data developed by the Committee inquiry to municipals, cooperatives, conservationists and others, including the principal proponents such as the New Jersey utilities and the Delaware River Basin Commission. But I am satisfied that the proposal was not early recognized as so complex or controversial, and that the Committee indeed gave it very thorough attention.

It has been stated that the effect of the bill is to amend existing law to permit the New Jersey utilities to apply to the Federal Power Commission for a license to construct and operate hydroelectric facilities at the Tocks Island project. At that time, the FPC will request comment from appropriate Federal agencies, including the Corps of Engineers. The Corps has testified that a definitive finding must await development of more detailed plans and careful analysis of costs and benefits, and that submission of making such a comparison and definitive finding. The Corps stated similarly before the Senate Appropriations Subcommittee that the private power company plans were not firmed up in sufficient detail to permit an evaluation of the merits.

In endorsing the general proposal of the New Jersey utilities, the Executive Director of the Delaware River Basin Commission testified that the Commission's amendment of its comprehensive plan did *not* constitute an action on the actual detailed proposal of the utilities, which it had not received. The Federal member of the Commission, then Secretary Udall, had filed a non-concurrence on the same grounds of insufficient information and lack of a detailed plan.

If this bill should be adopted by the Congress, the record should be clear that specific appraisals must be made on the basis of facts not yet at hand. But I am concerned that the action of the Committee, and of the Congress if the bill passes, will be interpreted or represented as an approval of pumped storage power development at Tocks Island by the New Jersey utilities, rather than authorization to make application to the FPC which, with all other concerned agencies, must then make a judgment in the public interest on the facts developed and on the merits.

The bill S. 2678 does include amendments to the original proposal which are significant and important.

First, it provides that the charge payable by the utilities for use of the Tocks Island project shall not be less than $1 million annually. Information developed during Committee consideration indicated a net annual power benefit to the utilities of $4,316,567, so that under FPC practice the annual payment to the Federal government might be $2.15 million for 50 years—but that is based on the Susquehanna alternative, later cast in doubt.

Second, section 2 of the bill provides, at my suggestion, that the Secretary of the Interior, who has responsibility through the National Park Service for the Delaware Water Gap National Recreation Area, shall insure that planning and construction of any pumped storage project shall not impair the recreation and conservation values of Sunfish Pond, and shall be accomplished with minimum disruption of the natural environment. It provides further that any license issued by the FPC shall include conditions considered necessary by the Secretary to accomplish this purpose.

Third, section 6 of the bill, while not including the time limitations and study of optimum power development suggested by the Corps, does provide protection to the United States for costs incurred in anticipation of pumped storage developed.

Fourth, and highly important, the amendment offered by Senator Muskie in which I joined, incorporated in section 3 of the bill, requires that there be reserved to the preference customers entitled to public power from the project as now authorized, an equivalent bloc of power and energy at a cost no greater than would have been available to them from the Federal power plant. In a letter to me dated 14 April 1969, the Corps cites the Department of the Interior estimate of that cost at 5.5 mills per kilowatt hour, compared to payments now by REA preference customers in the area of 8.5 to 9.7 mills.

While I believe in the maximum development for public purposes of Federal projects—in this case public power from pumped storage if that is the best development of Tocks Island—the Muskie-Cooper amendment at least preserves for cooperatives and municipal systems the power to which they are entitled by the 1962 authorization of the Congress. In effect it reserves for them the power benefits from reservoir, as these benefits would have been developed by the conventional Federal plant. And since the utilities claim their plan will be much more efficient, and in any event will generate 20 or 30 times as much power, this condition should impose no great hardship on them. Without the amendment, this power benefit from the Federal dam itself, as distinguished from pumped storage alone, would be turned over to the private utilities for sale at their market rates.

Section 3 of the bill specifies also that the Delaware River Basin Commission be considered a preference customer—as it would be if determined to be a "public body" for the purposes of Section 5, the preference provision of the Flood Control Act of 1944. The Secretary of the Interior would allocate among the preference customers, including the Commission, the relatively small bloc of reserved power, and the Delaware River Basin Commission has submitted an impressive list of power requirements. The Commission would not, of course, sell or distribute power, nor thereby provide any "yardstick" by which public power generally encourages more economical rates for consumers.

I am sure the Delaware River Basin Commission does good work, and it is a pioneer in its field. So I pointed out that it has, in addition, another avenue to economical power for its needs. The March 1, 1961, Agreement of Exchange between the State of New Jersey and the New Jersey Power and Light Company included provision for the company to transfer water, at the replacement cost of pumping energy, needed for public water supply by the State. After the Delaware River Basin Commission came into existence, taking over responsibility for water supply in the States it serves, the New Jersey utilities suggested, in connection with their Tocks Island pumped storage application, that if the State of New Jersey would assign to the Commission its contractual rights to have the utilities supply transmountain pumping, and assuming the utilities would have available the power and energy from the head of the dam and the downstream releases (as provided in S. 2678), the utilities would make available to the Commission 20 megawatts of dependable power and 281.5 million annual kwh on an *incremental* cost basis. This arrangement is referred to in the January 12, 1966, statement of the utilities proposing pumped storage to the DRBC, in their statement at the August 17, 1967, hearing before the DRBC, and last May 8 before the Senate Subcommittee on Public Works Appropriations, even more clearly than during the hearings of our Committee.

I point out, and it should remain clear, that this power "on very favorable terms" or at "only the modest incremental cost thereof" as the utilities have stated, arises from the obligation of the utilities under their 1961 contract with the State of New Jersey, which can be assigned to the DRBC. It does not represent, and apparently never represented, preference power to cooperatives and other public bodies entitled under the 1944 Act to power from the authorized Federal plant.

That the offer to the DRBC of power at its incremental cost—which I understand may be on the order of 3 or 4 mills—grew from the 1961 agreement was made clear by the drafts of the bill first considered by the Committee, which specifically provided that the power and energy to be made available on "favorable terms" to the Delaware River Basin Commission would be considered power and energy provided pursuant to the agreement of March 1, 1961. The bill before the Senate contains no such provisions. I assume that the contractual rights of the State of New Jersey, and the opportunity for the DRBC to secure in this way very low cost power, are preserved.

I make this point because there has been some confusion about it—perhaps not intentional—and because it seems to me that under Section 3 of the bill, power at an estimated cost of 5.5 mills could be allocated to rural electric cooperatives and nearby municipal systems, and that in addition the Delaware River Basin Commission could secure power at 3 or 4 mills from an assignment by the State of New Jersey of its rights under the 1961 agreement, as proposed by the utilities.

I hope all these elements—the increased cost of Tocks Island, its justification based now primarily on recreation benefits, the number of families to be displaced by the project and by the National Recretation Area, the conservation values offended by the pumped storage plan, the position of rural electric and municipal preference customers, the need of the DRBC for low-cost power, the effect of private pumped storage development on costs and benefits, and the proper charge for use of the reservoir by private utilities—will be considered by the House Committee, and if the bill passes, by the Federal Power Commission, the Secretary of the Army, and the Secretary of the Interior.

I have opposed the bill because it appeared at first, and may still represent, an effort by the private utilities to secure de-authorization of the public power portion of a Federal project—one of the very few ever authorized in the Northeast high electric cost area. I opposed it as an effort, to "take over the most profitable part of this multiple-purpose project while allowing the taxpayers to finance flood control and other non-reimbursable features."

During my service in the Senate over a period of more than 20 years, I have observed that the power companies oppose all public power projects—I think without exception. The private utilities attack, fight, and attempt to delay all Federal projects that include public development of hydroelectric power resources—they do so at every step. That is their right. But in this case—and it is rare in the Northeast as my friends from Maine know so well—the Congress has authorized a project that includes a very modest amount of public power.

The original proposal of the utilities for pumped storage would have de-authorized that public power, and the present proposal may result in the same net effect—if there is long delay or if no power is allocated under section 3 to cooperatives. At best, and with the significant improvements included in the Committee bill, the power company plan uses a Federal installation, one to be constructed at large public cost, as the necessary base for what is conceded to be a highly efficient and presumably very profitable generation plant of massive capacity. The site has been called ideal for pumped storage hydro-generation of peaking power. It is also located in the heart of the Delaware Gap National Recreation Area. Obviously there are conflicting values to be resolved. But if the remaining conservation issues are to be laid aside, if the site is ideal for pumped storage generation and peaking

power is in keen demand, if the Tocks Island reservoir itself remains feasible and, together with the recreation area, is worth its cost in public funds and in the removal of thousands of families, I would favor public development of the entire project—pumped storage and all—with the benefits accruing to the public from public power, water supply, recreation and flood control.

I do not believe in dividing these great public works projects so that private companies have a free ride—or if not a free ride return to the government only half the net benefit they derive from use of the Federal project, as calculated under some formula for an alternative which they consider practicable. I do not consider the electric utilities necessarily more efficient than the Army and our rural electric cooperatives. I think it has been established, in Kentucky and elsewhere, and again in the TVA area, that they are not.

I have opposed this bill because I suspect it could result in a windfall to the utilities which have pressed for it so long and expertly, and which are its chief sponsors, together with the Delaware River Basin Commission for whom the utilities made their original plan very attractive.

It is for these reasons that I voted against the bill in the Committee, and vote against it today.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. SCOTT. Mr. President, I appreciate the concern of the Senator. I am very glad he is not opposed to the bill.

Mr. COOPER. I am opposing it. I recognize however, that it will pass; everyone else on committee voted for it. I shall vote against the bill, as I did in the committee.

Mr. SCOTT. I am very glad the Senator is expressing his opposition, but that he is good enough to recognize that the action of the committee was overriding.

I want to say that my concern about Tocks Island and the Delaware Valley recreation area is very great. It has represented many years of work by Members of Congress in both bodies.

I do support and urge favorable action on the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91-328), explaining the purposes of the bill.

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

PURPOSE OF THE BILL

The purpose of this legislation is to modify the congressional authorization for the Tocks Island Dam and Reservoir, to be located in the Delaware River, between Pennsylvania and New Jersey, to clarify the authority of appropriate Government agencies to consider an application providing for the use of Tocks Island project water releases as part of a proposed comprehensive pumped storage hydroelectric power development by certain New Jersey electric companies.

The existing Tocks Island authorization provides for use of those releases by a conventional Federal powerplant. The modification clarifies the authority of the licensing agencies to consider a proposal that such releases be used by New Jersey companies, instead, as part of a comprehensive pumped storage development.

ANALYSIS BY SECTIONS

*Section 1.*—Amends the provisions of the Flood Control Act of October 23, 1962, Public Law 87-874, relating to the Tocks Island Dam and Reservoir, Delaware River Basin, to permit the head and water releases of that project to be utilized as part of a comprehensive pumped-storage hydroelectric power project by certain New Jersey electric companies having an application now pending before the Delaware River Basin Commission. Language in this section makes the use of such releases as part of the aforesaid proposal subject to the provisions of this act, the Delaware River Basin Compact and the Federal Power Act. In the event the DRBC and the FPC license the combination power proposal, this section provides that the annual payment required by section 10(e) of the Federal Power Act to be made for the use of Government property at Tocks Island shall be not less than $1 million. Exact amount of such annual payment will be determined by the Federal Power Commission.

*Section 2.*—This section effectively prohibits use of Sunfish Pond, a small pond atop Kittatinny Mountain, as an upper reservoir of the comprehensive pumped-storage project. It incorporates by reference those provisions of the Delaware River Basin Commission amendment of its comprehensive plan for the Delaware River Basin which provide that Sunfish Pond shall not be so used and its recreation values not significantly impaired, that construction of the alternate upper reservoir be accomplished with minimum disruption of the natural environment, that the project penstocks, powerhouse and transmission lines extending therefrom on the western slope and top of Kittatinny Ridge be underground, and the area restored and landscaped.

*Section 3.*—This section provides that power equivalent to that which would have been available to preference customers from the presently authorized Federal conventional plant, if built, will be made available to them by the licensee. The Delaware River Basin Commission is considered a preference customer for this purpose. The Secretary of the Interior is to allocate the equivalent of such power among such preference customers on an equitable basis.

*Section 4.*—This section directs the licensee to furnish power to the United States free of cost for operation and maintenance of the Tocks Island Dam.

*Section 5.*—This section requires the Tocks Island project and, if built, the companies' proposed combination power development both to be constructed in a manner that will not preclude Government installation of the authorized conventional powerplant at any time.

*Section 6.*—Pending a decision as to the development of the hydroelectric features of the project, and in order that there will be no delay in the prosecution of the Tocks Island project, the Corps of Engineers will proceed with planning and construction of the project so as to permit either Federal or company development of the conventional power potential. This section provides that the companies and the Government shall enter an agreement or agreements as necessary providing that, in the event a license is issued to the companies for combined power development, the companies shall pay the cost incurred by the United States to preserve the suitability of Tocks Island Dam for installation of both the combined power development and the authorized powerplant; and that in the event a license is not issued for the combined power development, the companies shall pay the cost incurred by the United States to preserve the suitability of Tocks Island Dam for installation of the combined power development. The section further provides that in the event the companies and the Government fail to reach timely agreement regarding the amount of such payment to be made by the companies, the amount shall be set by the Secretary of the Army subject to review by the Federal Power Commission.

GENERAL STATEMENT—TOCKS ISLAND DAM

The Tocks Island Dam and Reservoir is the key project in the comprehensive plan for the development of the water resources of the Delaware River Basin, authorized by the Flood Control Act of 1962. It is the largest project in the comprehensive plan and the only mainstem dam on the Delaware. The damsite is located at the downstream end of Tocks Island in the Delaware River about 5 miles upstream from the Delaware Water Gap and about 7 miles northeast of Stroudsburg. The dam will rise 160 feet about the river bed, be 3,200 feet long and contain about 9 million cubic yards of earth and rock. A spillway 383 feet wide will be cut in the New Jersey abutment. The project will serve four authorized purposes of flood control, water supply, recreation and power.

Tocks Island Reservoir, with a drainage area of 3,827 square miles, will control virtually half the Delaware River Basin runoff above Trenton, N.J. There is an urgent need for relief from flood damage at important centers such as Easton, Reigelsville, New Hope, and Yardley, Pa., and Belvedere, Phillipsburg, Trenton, and Burlington, N.J. Operating in conjunction with other projects in the basin plan, the reservoir would have reduced the stage of the August 1955 flood at Trenton by about 7.3 feet.

Combined with the remaining authorized Delaware River Basin projects, long-term storage provided by the Tocks Island Reservoir will meet the basin water supply needs to the year 2000. It is expected to satisfy the immediate water needs of the Trenton, N.J., Philadelphia, Pa., and Wilmington, Del., areas. Reservoir storage capacity will also be used to augment low flows in the Delaware River.

The 12,500-acre lake to be created by the project and development of its directly related recreation facilities will accommodate an initial estimate of 4.2 million visitors annually. There is an existing demand for the recreation facilities at this time. Ultimate attendance for directly related project recreation, estimated at 9.6 million visitors annually, will be accommodated by future incremental development of facilities.

The conventional power capacity authorized by the 1962 act consists of 46,000 kilowatts (20,000 kilowatts dependable, the rest available only part of the time), and average annual energy of a little under 300 million kilowatt-hours, based on certain river-flow ranges. Later studies by the corps indicate that available water may be released from the dam at higher rates over shorter periods of time, without requiring downstream reregulation, thus permitting a larger installed capacity. The current design thus calls for an installed conventional capacity of 70,000 kilowatts (38,000 kilowatts dependable on the basis of short-term peaking operation, and the rest interruptible), with an average annual generation of a little over 300 million kilowatt-hours.

The direct economic impact of the project will be important. Recreation development will stimulate business related to tourism and recreation. Improved water supply and stream quality will better the economic climate for industrial development. Pike and Monroe Counties, Pa., bordering the west side of the reservoir, are in the Appalachia region and will receive economic benefits during and after construction of the project.

The cost of this needed, highly important water resource development has increased from an estimated $90 million at the time of authorization to an estimated $214 million in 1968, excluding interest during construction.

REFERRAL OF POWER DEVELOPMENT MATTER TO PUBLIC WORKS COMMITTEES

The surveys and investigations staff of the Committee on Appropriations, House of Representatives, recently prepared a report on

the complexities and problems associated with the Tocks Island project for the use of that committee. Based upon the findings of this investigation, that committee in its report on the fiscal year 1969 Public Works Appropriation bill (H. Rept. 1549, 90th Cong.), stated that one of the issues requiring resolution before the Tocks Island project plans and economics can be finalized concerns use of the project water releases as part of a proposed comprehensive pumped storage development by the New Jersey companies, instead of for the authorized conventional Federal powerplant. In addition, the Senate Committee on Appropriations in its report on that bill (S. Rept. 1405) urged an early review by the legislative committees and such amendment in the original Tocks Island authorization as may be deemed appropriate.

NEW JERSEY COMPANY PROPOSAL

For several years three New Jersey electric companies (Public Service Electric & Gas Co., Jersey Central Power & Light Co., New Jersey Power & Light Co.) have had an application before the Delaware River Basin Commission for expansion of their existing Kittatinny Ridge-Yards Creek pumped storage project. Kittatinny Ridge, in New Jersey, stands between Yards Creek below on the east and the Delaware River, including Tocks Island, below on the west.

The proposal set forth in the pending application before the DRBC calls for combining the Kittatinny Ridge-Delaware River pumped storage potential and the water releases of Tocks Island Dam in a single comprehensive pumped storage development of 1.3 million kilowatts. The design permits discharges through the company-proposed underground powerhouse adjacent to the dam to be made either back into Tocks Island Reservoir or downstream as the flow requirements of the river and the Tocks Island project require. The specific facilities attached to the pumped storage project works which would utilize the so-called conventional releases of the dam, consist of certain additional conduits and valves and three small turbines attached to the main shafts of three of the five, large pumped storage turbines. These additional, attached facilities, which would produce essentially the same power and energy as the authorized conventional powerplant, can be installed in such manner as not to preclude later installation of the authorized conventional plant and use by it, instead, of the conventional releases.

Due to certain opposition to the use of Sunfish Pond on Kittatinny Ridge as one of the upper pools of the pumped storage development, the Delaware River Basin Commission last year amended the provisions of the comprehensive plan for the Delaware Basin which relate to Tocks Island to prohibit use of Sunfish Pond for pumped storage purposes. By that amendment the DRBC also provided that, subject to the enactment of appropriate legislation, as here, the multipurpose concept of the Tocks Island project permits combined development of its available conventional and pumped storage hydroelectric power potential as proposed by the companies. Each of the four Delaware River Basin States unanimously approved the amendment; the Federal member of the five-man DRBC filed a formal exception in the interest of preserving maximum freedom by Federal agencies to consider the combination power development matter further. The committee received no unfavorable comment on the company proposal from any of the agencies, however.

The record of the committee's hearings shows that the company proposal is decidedly attractive and deserving of detailed consideration by the licensing authorities of the DRBC and the FPC. In this connection the corps testified to the committee:

"Based on data available in 1966, the Corps of Engineers made a preliminary comparison of the relative merits of the alternative plans of power development.

This early comparison indicated a definite advantage, from the standpoint of first cost, in favor of the utilities power plan, and that the modified plan could likely offer a more optimum development of the power potential of the site. * * *

In addition, non-Federal construction of power facilities at the project would be contingent on issuance of a license by the Federal Power Commission. The coordinating procedure followed in processing a license application through the Federal Power Commission would afford an appropriate means of making such a comparison and definitive finding. Under this procedure, the Federal Power Commission would submit the plan of the power companies to the Corps of Engineers and other Federal agencies for review prior to the issuance of a license."

As noted in the sectional analysis, the committee has taken particular care to insure that the company proposal will preserve Sunfish Pond. The record shows the company, instead, will construct a single additional pumped storage upper reservoir immediately adjacent to the existing Yards Creek Upper Reservoir on Kittatinny Ridge. Early this month the companies donated Sunfish Pond and 68 acres of its surrounding woodlands to the State of New Jersey, free of charge.

PUBLIC HEARINGS

The Subcommittee on Flood Control-Rivers and Harbors, held 2 days of public hearings, March 18 and 19, 1969, at which the views of 15 expert witnesses representing both Federal and non-Federal interests testified as to the desirability of modifying the existing project provisions as they relate to hydroelectric power development. Favorable testimony was received from Hon. Richard J. Hughes, Governor of the State of New Jersey, representing that State as well as the Governors of the States of Delaware, Pennsylvania, and New York, all of whom are members of the Delaware River Basin Commission. A statement was received from Hon. Harrison A. Williams, Jr., urging that the committee favorably report to the Senate legislation which would permit the combined power development proposed by the New Jersey companies and permit the Tocks Island project to proceed to construction.

Favorable testimony was also received from Hon. John P. Saylor, House of Representatives, who urged modification of the Tocks Island authorization to permit the New Jersey companies' combination power development since it would result in a material contribution to the economic integrity of both the Tocks Island project and the Delaware Water Gap National Recreation Area, which is so dependent upon Tocks Island. In addition, favorable testimony was received from the Corps of Engineers, the Department of the Interior, the executive director of the Delaware River Basin Commission, the New Jersey electric companies, the New Jersey State AFL–CIO, the New Jersey Manufacturers Association, and associations interested in the development of the Delaware River Basin. Favorable testimony was also received from the former Director of the National Park Service, Mr. Conrad L. Wirth, who made personal inspections of the area to be developed and concluded that the pumped-storage feature of the Tocks Island project can be developed in a manner that is consistent with and does not significantly impair the public recreation and scenic features of the adjacent area.

The Lenni Lenape League, a group of local outdoorsmen, informed the subcommittee that its main purpose was the preservation of Sunfish Pond and that it opposed any pumped-storage at Tocks Island. Opposition to the pumped-storage was also expressed by the conservation chairman of a north New Jersey group of the Sierra Club. New Jersey State Senator Wayne Dumont opposed use of Sunfish Pond.

Testimony was received from the Pennsylvania Municipal Utilities Association and the Sussex County, N.J. Rural Electric Cooperative, urging that provision be made to insure that an amount of power equivalent to the output of the Federal conventional plant be reserved for marketing to the preference customers in the general vicinity of Tocks Island.

In addition to verbal testimony, statements were received from a number of individuals and associations expressing their views on the matter. These statements were made a part of the published proceedings.

COST TO THE UNITED STATES IF LEGISLATION IS ENACTED

While precise data are not available at this time for the comprehensive pumped-storage development, present estimates indicate that a substantial savings will be realized by the Federal Government if the so-called conventional releases of Tocks Island Dam are developed as part of the comprehensive pumped storage project by private industry. Figures furnished the committee staff by the Corps of Engineers indicate that the Federal first cost of construction of Tocks Island Dam with the authorized conventional powerplant is $214 million, and $188 million without it, both excluding the Federal cost of interest during construction. If the conventional power potential of Tocks Island is developed by private industry, the Federal Government will realize an initial savings in construction cost of $26 million, which represents the presently-estimated construction cost of the authorized conventional powerplant, excluding the cost of interest during construction. In addition the bill provides that the company licensees will make annual payments to the United States for use of the Federal project in an amount not less $1 million annually. The exact amount of such payments will be determined by the Federal Power Commission after construction of the power facilities.

The effect on the Federal cost of Tocks Island through installation of privately financed power facilities is tabulated below:

[In millions]

| | |
|---|---|
| Total estimated Federal construction cost of project with conventional power | $214.0 |
| Savings in construction cost through substitution of privately financed power development: | |
| Cost of Federal project with power | 214.0 |
| Cost of Federal project without power | 188.0 |
| Total | 26.0 |
| Federal cost of project without authorized power | 188.0 |
| Less total annual payments to be made by companies for use of Government dam ($1,000,000×50 years) | [1] 50.0 |
| Total | 138.0 |
| Less reimbursement for water supply | [2] 54.0 |
| Net Federal cost of Tocks Island development | 84.0 |

[1] Contribution to be made by companies for use of Government facilities is based on an assured payment of $50,000,000, as provided for in section 1 of bill. Actual assessment, to be made by Federal Power Commission when project is completed, may result in a greater contribution.

[2] Water supply cost allocation made on the basis of estimated Federal cost of $214,000,000.

COMMITTEE VIEWS AND RECOMMENDATIONS

The committee has given serious consideration to the proposition of permitting New

Jersey companies to develop the conventional power potential at Tocks Island, subject to the approval of the Delaware River Basin Commission and the Federal Power Commission. As noted, the estimated cost of this highly important water resource project has increased from about $90 million at the time of authorization to $214 million in 1968; available data show the company proposal would make a more efficient, more economic use of the so-called conventional releases than the authorized conventional plant, and would permit a sizable reduction in the presently estimated net Federal cost of Tocks Island.

The committee has taken particular care to insure that Sunfish Pond will be preserved. The prohibition against its use and the associated safeguards provided by the bill are expressly designed for this purpose. They make it clear that, however attractive the company comprehensive pumped storage development may be, Sunfish Pond shall not be used for pumped storage purposes. This should facilitate detailed consideration of the company application by the licensing agencies.

The committee wishes to make it clear that the existing authorization for the conventional Federal hydroelectric plant remains intact: Nothing in this bill is to be construed as deauthorizing it. The company facilities and the authorized Federal plant cannot use the so-called conventional releases at the same time, of course. In the event the licensing agencies conclude the so-called conventional releases should not be developed by the companies, or in the event they are developed by the companies but at some future date Congress should conclude that the power potential of those releases should nonetheless be developed by the Government, installation of the authorized Federal power facilities could proceed subject to the appropriation of funds.

The Governors of the four Delaware River Basin States urged that the equivalent of the authorized conventional plant's potential output be made available to the Delaware River Basin Commission for pumping water for municipal water supply, pollution abatement and related purposes. The committee has made that equivalent available to all preference customers in the marketing area and has directed that the DRBC shall be treated as a preference customer for purposes of this act. The Secretary of the Interior is designated to make an equitable distribution of the energy reserved for preference customers.

The Tocks Island project will be highly instrumental in alleviating drought conditions that have plagued the Delaware River Basin in recent years. In addition, it will protect the area from devastating floods and will provide water-based recreation for nearly 10 million visitors annually, in a region where it is estimated nearly 50 million persons reside. However, the cost of this badly needed project has escalated seriously since it was authorized in 1962. There is need for reducing the large Federal expenditure this project requires in order to go forward. There is also need for producing electric power for a large heavily industrialized region. As mentioned elsewhere in this report, net Federal expenditures for construction of this project can be reduced by about $76 million by means of the company proposal. In view of these considerations, the committee recommends enactment of this legislation.

The VICE PRESIDENT. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2678

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the project for comprehensive development of the Delaware River Basin, as authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 522, 87th Congress, by section 203 of the Flood Control Act of 1962 (76 Stat. 1182), is hereby modified to permit use of the head and water releases of Tocks Island Reservoir as an incident to a pump storage hydroelectric power development threat by applicant presently seeking approval to undertake such development before the Delaware River Basin Commission, subject to the provisions of this Act and the pertinent provisions of the Delaware River Basin Compact and the Federal Power Act, including section 10(e) (16 U.S.C. 803 (e)) providing for payment of annual charges to the United States: *Provided,* That the annual charge payable by applicant for use of the Tocks Island project by the aforesaid pumped storage development including use of project head and water releases shall be not less than $1 million.

SEC. 2. The Secretary of the Interior shall insure that the planning and construction of the aforesaid pumped-storage project shall be undertaken in accordance with the conditions and requirements relating to Sunfish Pond and Kittatinny Mountain set forth in paragraph numbered (3)(A) of Resolution Numbered 68–12 adopted October 28, 1968, by the Delaware River Basin Commission: *Provided,* That the Federal Power Commission shall adopt, as part of any license to construct, operate, or maintain the aforesaid pumped-storage project, those requirements and conditions determined by the Secretary of the Interior to be necessary to insure conformance with the provisions of paragraph (3) (A) of such resolution: *Provided further,* That in no event shall the upper pool of the applicant's proposed pumped-storage project be located on land other than that owned by applicant on April 15, 1969.

SEC. 3. Any license issued by the Federal Power Commission subject to the provisions of this Act shall be conditioned upon the licensee delivering power and energy in an amount not less than, and at a cost not greater than that which would have been delivered from installation of power facilities heretofore authorized, to all preference customers eligible to purchase power from such heretofore authorized facilities: *Provided,* That for the purposes of this Act the Delaware River Basin Commission will be considered a preference customer. The Secretary of the Interior is hereby authorized to allocate such power as may be available under this section on an equitable basis among such preference customers.

SEC. 4. Power and energy shall be made available by any licensee to the United States free of cost for operation and maintenance of Tocks Island Dam.

SEC. 5. The Tocks Island project and the aforesaid pumped-storage development shall be constructed in such a manner as not to preclude installation at any time of power facilities heretofore authorized at Tocks Island Dam and use of its head and water releases for power purposes by the United States.

SEC. 6. In carrying out the purposes of this Act, the Secretary of the Army and the applicant shall enter into an agreement providing for the payment by the applicant to the United States of such economic costs as may be incurred by the United States in the design, construction, and operation of the Tocks Island Dam necessary to preserve its suitability for the aforesaid pumped-storage development by applicant and power facilities heretofore authorized. In the event a license is not issued for the aforesaid pumped-storage development and the United States constructs the heretofore authorized power facilities, the costs incurred by the United States to preserve the suitability of the project for the installation of such authorized power facilities will be borne by the United States. In the event of failure to reach timely agreement, the Secretary of the Army shall determine the payment to be made to the United States, and the applicant shall be liable therefor: *Provided,* That such determination shall be subject to review by the Federal Power Commission.

---

## EFFECT OF THE SURTAX ON THE STATE OF OREGON

Mr. PACKWOOD. Mr. President, I should like to speak for a moment about the effect of the surtax on my State of Oregon, whatever the situation may be in the next 2 days as we consider its extension.

I thought that yesterday, or the day before, we had reached some kind of agreement at least on extension of the surtax and, hopefully, that some kind of tax reform could be passed.

I speak with a certain degree of fear for my own State because each time we suffer an increase in inflation, it may give the country a cold but it gives my State of Oregon pneumonia. Oregon is heavily dependent upon the lumber industry, and lumber, of course, is directly dependent upon the homebuilding industry.

We saw 1.7 million homes projected for construction at the start of this year, and we see now those projections reduced to 1.5 million. In all likelihood, they will be reduced even further as we witness the slowdown in building.

We sit here in the Senate, as the House considers sending us a worthwhile bill, and argue about whether we will extend the surtax until November, or argue whether we will hold up passage of the surtax and the reforms in that bill until we have another tax reform bill to go with it.

I am tired of Oregon's being a pawn in this political chess game. I am tired of my State's having to suffer because some of the leaders in the Democratic Party have decided that the time has come to pass tax reform and the time has come now.

Mr. President, the Democrats have had control of the Senate for the past 14 to 15 years. There is no reason why tax reform cannot be passed today, tomorrow, or next week, if that is the wish of the Democratic majority.

They have an added advantage this year in that they have the pledge of the Republican minority leadership and the pledge of President Nixon that tax reform is urgent and should be passed.

There is no need for, and no conceivable reason for, the passage of the surtax to be held up while we are waiting to debate tax reform. There can be only one reason——

The PRESIDING OFFICER (Mr. ALLOTT in the chair). The time of the Senator from Oregon has expired.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senator from Oregon may proceed for an additional 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, there can be no reason, so far as I can assess it, for the wish of the Democratic majority to hold up passage of the surtax on the pretext of passing tax reform, unless their real reason is merely to kill the surtax altogether.

President Nixon has made a valiant effort in terms of cutting Federal expenditures to bring in a budgetary surplus, at least under present accounting methods, as of the end of the last fiscal year and has projected a larger one next year, if the surtax can pass. That is what we will have to have in order to stem inflation.

I know of very few Members in the Senate, myself included, who are opposed to tax reform. I can conceive of no reason why a meaningful tax reform package is not going to be passed this year unless the Democratic majority does not want it to pass this year.

However, that is no reason and it should not be involved in the attempt to dampen the fires of inflation by passage of the surtax, after the Democratic majority made the offer to extend the surtax until November 30.

Last night, President Nixon, by telephone, rejected that offer. That offer was reported in the Washington Post this morning in an article entitled "Nixon Firm on Surtax Extension," written by Frank C. Porter, which I ask unanimous consent to have printed in the RECORD.

Mr. President, I yield the floor.

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

NIXON FIRM ON SURTAX EXTENSION

(By Frank C. Porter)

President Nixon flatly rejected last night a Democratic offer to extend the surtax through Nov. 30. In doing so, he overruled his chief lieutenant in the Senate, Minority Leader Everett M. Dirksen of Illinois.

He also indicated he plans to take his case to the American people—presumably on television—when he returns from his world tour Monday.

Mr. Nixon's decision, relayed through Vice President Agnew, climaxed a hectic day on Capitol Hill during which it appeared at one point that the impasse over the controversial surtax might be broken.

This came when Dirksen went before the Senate Republican Policy Committee to urge acceptance of a new Democratic offer as the best that could be done under the circumstances.

The Democratic leadership proposed earlier in the day an immediate vote yesterday afternoon on a five-month extension of the surcharge as an amendment to a House-passed bill on unemployment compensation.

Dirksen was unable to obtain approval of the full GOP leadership and he avoided either rejection or acceptance of the compromise when he took to the Senate floor later. Even so it appeared that the Republicans were moving in the direction of accommodation when Congress shut down for the day.

All that changed and the stalemate appeared more hopeless than ever when Agnew issued a statement late last night charging that the Democratic strategy "invites still higher living costs, continued record-high interest rates, and a weakened dollar abroad."

The proposal to extend the surtax only through Nov. 30 "is unacceptable to the Administration," said Agnew.

The Vice President had conferred by radiotelephone earlier with the President, then in Thailand.

He said Mr. Nixon "is deeply concerned by the inability of the Senate to act and the injury this threatens to every citizen."

He accused the Senate Democratic Policy Committee of applying a "pocket veto" on a House-passed one-year extension of the surtax by refusing to call it up for floor action.

The Administration has been insisting that only a full year's extension of the income-tax surcharge will have sufficient impact to curb inflation psychology and convince the Nation and the world that the Government means business in its battle to halt the price spiral.

But Majority Leader Mike Mansfield of Montana and the Democratic Policy Committee took the position that citizen unrest over tax inequities demands that comprehensive tax reform be considered simultaneously with the surtax extension. To pass the surtax first, they have argued, would take all the impetus out of the drive for reform.

Last Thursday, however, they offered an "accommodation whereby the surtax would be extended through Nov. 30 and Senate Finance Committee Democrats pledged to report out tax reform by Oct. 31. The surtax then could be extended the remaining seven months through June 30.

This the Republican leadership would not buy, although they gave no formal answer—until the Vice President's blast last night.

The surtax died June 30 but the Congress continued present withholding rates another month in expectation of its retroactive renewal. Those rates are now expected to fall back to pre-surtax levels at midnight Thursday.

Yesterday the House Rules Committee cleared a further 15-day extension for House action today.

But a noon meeting of the Senate Democratic Policy Committee and Finance Committee Democrats agreed unanimously that the further 15-day extension "would not meet the problem of surtax extension. Rather it would serve only to postpone a decision and create an unnecessary pall of uncertainty."

Meanwhile, the hard-driving House Ways and Means Committee formally voted a long list of tentative reforms ranging from a tightening of capital gains taxes to a revision of rules on charitable deductions. Chairman Wilbur D. Mills said he hopes to complete the comprehensive reform package Thursday and expects a House vote a week later.

This is part of a stratagem to break the Senate deadlock. Mills testified before the Rules Committee yesterday that early House passage would send the reform bill to the Senate in time for action before the Aug. 13 recess.

There even were suggestions that the Senate could tack the reform bill onto the House-passed surtax extension, thus satisfying the Democratic leadership's insistence that both bills be considered simultaneously. But this was considered unlikely since the Senate would almost certainly want to put the reform bill through lengthy Finance Committee hearings.

Those present reported that Dirksen ran into considerable rank-and-file opposition within the Republican Policy Committee when he sought support for the Democratic compromise.

Obviously disappointed, Dirksen later told reporters that "when you can't get a whole loaf, you get as much bread as you can."

Sen. John J. Williams (R-Del.), ranking Finance Committee Republican who initiated the original surtax legislation last year, gave qualified support to the Democratic compromise. Last week he had firmly opposed it.

Williams even agreed to withdraw a controversial amendment he had offered to the unemployment compensation bill so that it wouldn't impede passage of the temporary surtax extension.

Agnew had broken off a Western speaking tour and hurried back to Washington yesterday to enter the behind-the-scenes negotiations at the Senate.

The following is his statement in full after his long-distance conversation with Mr. Nixon:

"The refusal of the Democratic Policy Committee to let the Senate vote on a full year's extension of the surtax and outright repeal of the investment credit invites still higher living costs, continued record-high interest rates, and a weakened dollar abroad.

"Through a parliamentary device, the Policy Committee is in effect applying a 'pocket veto' to the legislation. Senators, not members of the Committee, are being denied an opportunity to vote on this vital issue.

"The Policy Committee's proposal to extend the surtax only through Nov. 30 is unacceptable to the Administration. It would raise grave doubts as to the determination of this Government to stop the rising prices that are undermining the earnings and savings of every American. Simple extension of the surcharge through November would also leave hanging the important matter of repealing the investment credit and removing poverty level citizens from the tax rolls.

"The Policy Committee's procedure in effect rules out the possibility of open debate on this issue.

"The Administration welcomes open debate on both proposals—that of the Policy Committee and the Administration's proposal, which has been passed by the House of Representatives and duly reported to the Senate by the Finance Committee.

"I have been in communication with the President on all of these developments. He is deeply concerned by the inability of the Senate, to act, and the injury this threatens to every citizen.

"He intends to discuss these matters frankly and fully with the American people upon his return on Monday."

---

## TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. BYRD of West Virginia. Mr. President, the CONGRESSIONAL RECORD of July 29, 1969, does not show that the period for the transaction of routine morning business for tomorrow, Thursday, is to be limited to 30 minutes.

However, the unanimous-consent request was made and granted. It is my fault that it does not so appear in the RECORD. But it does so appear in the Journal.

I just wished to clarify the reason why it does not show in the CONGRESSIONAL RECORD, and I repeat that it is my fault.

The PRESIDING OFFICER. The Chair is informed that it does so show in the Journal.

Mr. BYRD of West Virginia. Yes. So, Mr. President, the period for the transaction of routine morning business on tomorrow is limited to 30 minutes, but if Members wish to extend the time, they can do so by unanimous consent.

---

## ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that

the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## UNFORTUNATELY, AMERICAN MILITARY POWER SUSTAINS DICTATOR FRANCO'S REGIME

Mr. YOUNG of Ohio. Mr. President, we hear a great deal about the power of the military-industrial complex. Also, more and more we are learning of the unparalleled arrogance of some of our generals. Those patriots who drafted the Constitution of our country thought they had provided that in the United States civilian authority would always be supreme over military authority. We should not permit militarists to run unbridled.

While it may not be known generally to Americans, the facts are we maintain three major Air Force bases, a major naval base, and 19 minor military and naval installations in Spain. More than 10,000 American servicemen are permanently stationed at those bases.

It seems that our generals and admirals at the major bases in Spain have demonstrated a feeling of kinship and admiration for Generalissimo Franco, the dictator of that unhappy country.

Spanish military officers are regularly brought to the United States for training and some American officers attend the Spanish military college. In addition, in recent years a series of joint exercises have been undertaken. A number of them are designed to coordinate Spanish-American air defense and antisubmarine warfare capabilities—efforts that have some logic in the context of joint defense of the bases.

Now, without any authority whatever from any civilian officials in Washington, American military maneuvers have been held in Spain, termed "Pathfinder Express I" and, more recently, "Pathfinder Express II." These maneuvers bring together ground forces of the two countries in a manner that portrays a joint effort against insurgent armed forces in Spain proper. Such maneuvers must, of course, have been conducted under authority of the military command in Europe. It is stated that twice in the past 2 years our forces in Spain have conducted major exercises and maneuvers to practice crushing a theoretical uprising to replace Generalissimo Franco and send him into exile. As far as I know, none of our generals at NATO or in Spain have any authority whatever to conduct exercises with the Armed Forces of our country in Spain for the purpose of preparing to assist the Fascist dictator, Franco, to smash any future uprising of the Spanish people against his regime.

Just recently a directive has been issued from our State Department that such practices are prohibited in the future. Americans should be informed of just what is the commitment our State Department and our military leaders have made to Franco and whether or not there is any congressional authority claimed for such commitment.

It was unfortunate that recently without entering into any treaty with the Spanish Government, officials of our State Department and Defense Department simply gave dictator Franco weapons of war which cost American taxpayers $50 million. This, to buy an extension of leases on our submarine base at Rota and of our air bases near Madrid.

Unfortunately, Franco has been sustained in power by the presence in Spain of American Armed Forces during recent years. Now, that support apparently is demonstrated to be an all-out commitment designed to show oppressed Spanish civilians that it is useless for them to seek to overthrow the government of dictator Franco as his Fascist regime has the backing of our Armed Forces.

Dictator Franco's regime is an affront to liberty-loving people the world over. There should be a thorough investigation of the recent exercises of our Armed Forces in Spain termed "Pathfinder Express I and II." We must not tolerate our generals in the Pentagon, in NATO, in Spain, or anywhere else in the world influencing or making U.S. foreign policies in accord with their whims and idiosyncrasies.

## ORDER OF BUSINESS

Mr. YOUNG of Ohio. Mr. President, I ask unanimous consent to proceed for 5 minutes on another matter.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

## LET US REMAIN NEUTRAL IN THE CONFLICT BETWEEN COMMUNIST CHINA AND THE SOVIET UNION—LET US SEEK NUCLEAR ARMAMENT LIMITATION TREATY WITH THE SOVIETS

Mr. YOUNG of Ohio. Mr. President, bitter fighting is being waged along the 6,500-mile common border between Communist China and the Soviet Union. To date some hundreds of Chinese soldiers and civilians have been killed and wounded, and also some Russian soldiers. It may be that this is an added reason for Soviet Foreign Minister Gromyko's recent friendly speech toward our country, proposing immediate negotiations for arms limitation. Also in recent days Soviet newspapers have lavishly praised our landing men on the moon.

I call to your attention also the fact the our late, great President, John F. Kennedy, and his ambsassador, Averell Harriman, achieved a limited nuclear test ban treaty with the Soviet Union, banning altogether the testing of nuclear weapons on the ground, on water, or in the atmosphere, permitting only limited nuclear tests underground. The Soviet Union and the United States have both complied with the provisions of this treaty which our late, great President said was the first step in the long journey toward permanent peace.

It is evident that the two great Communist powers are dangerously close to an all-out war. Some Sino-Soviet specialists say that war between these two Communist powers is not only near but inescapable. Already, Peking officials have ordered emergency storage of foodstuffs.

It is apparent that Gromyko and other leaders of the Kremlin are seeking to make sure that they do not have to face a cold war with NATO countries in Europe and at the same time a hot war on their eastern frontier with Red China.

Now is the time for a conference with leaders of the Soviet Union. Let us hope that it is a summit conference. Furthermore, President Nixon would do well to have that truly great American and patient negotiator, Averell Harriman, assisting him. It must be made crystal clear to chiefs of state the world over that the Government of the United States seeks to undertake without delay a cutback and really an end to any nuclear arms race between the two great nuclear powers.

In addition, leaders of the Nixon administration must convince the Chinese Communists and also the Kremlin leaders that the United States is not about to become allied with Russia in its quarrel with Peking. The United States must not step into this conflict. Calm, cool, and persistent neutrality is the only sane course. If these two mammoth and powerful Communist nations, China and the Soviet Union, continue hostilities which have been accelerating in recent months, we must not permit either side to have any cause to believe that our Nation will side with either nation. Also, that neither has or will have America's blessing and goodwill in the fighting they are waging and in a possible war waged against each other.

At this time, without doubt, the Soviet Union is stronger militarily than Communist China, which probably has been weakened by Chairman Mao Tse-tung's cultural revolution. Furthermore, at this time the Soviet Union has powerful offensive and defensive nuclear weapons comparable to, though considerably weaker than, the nuclear arsenal of the United States. Communist China has but a crude nuclear capacity.

It must be the announced policy of the U.S. Government that our Nation would be happy to have a so-called détente with the Soviet Union, but that such a situation of diplomatic friendship between the two great powers is entirely unrelated to any Sino-Soviet conflict.

It should be comforting to the rank and file of Americans that the leaders of the Soviet Union have not seemed disturbed at all over the fact that administration leaders in the Senate have been denouncing the Soviet Union and urging deployment of ABM's to overcome the very limited missile deployment of the Soviet Union around Moscow.

Incidentally, this is a good period in the history of the world for American men and women in government and out of government to keep in mind that throughout World War II the Soviet Union was our ally and friend. Americans should remember that in World War II, Hitler, without any provocation whatever, hurled his supposed supermen in a huge invasion of the vast territory of the Soviet Union. This sudden attack was without any declaration of war. The Russians fought back valiantly. Over a period of many months much of the territory of the Soviet Union in eastern Europe was conquered by the Nazis. Its cities were mercilessly bombed

by the German Luftwaffe. In World War II Americans should remember that 10,500,000 Russian soldiers and airmen were killed in combat by Hitler's soldiers or died of wounds. In that same period Hitler's forces killed 20 million Russian civilian men, women, and children, and exterminated in gas chambers, 1,050,000 Russian Jews.

President Nixon should withdraw his ABM proposal to deploy Safeguard missiles and seek talks relating to limiting nuclear missiles. Foreign Minister Gromkyo stated:

> We have noticed President Nixon's statement that after a period of confrontation, the era of negotiations has arrived.

In view of that fact he explicitly stated:

> We favor the good development of relations with the United States.

Our official and immediate response should be to seek a meeting between representatives of our two countries, the only two great nuclear powers, to confer together on the details of a treaty regarding nuclear missile limitation. Now the opportunity seems at hand to achieve an understanding with the leaders of the Kremlin for a nuclear arms limitation. Mr. President, we should grasp it.

A defeat of the ABM proposal by the Senate will be helpful to attain that end and to advance the hope of a treaty to limit deployment of nuclear weapons.

## ORDER OF BUSINESS

Mr. CHURCH. Mr. President, I ask unanimous consent to proceed for 5 minutes.

The PRESIDING OFFICER (Mr. SAXBE in the chair). Is there objection? Without objection, it is so ordered.

## U.S. ARMS AID: MORE INCRIMINATING EVIDENCE

Mr. CHURCH. Mr. President, today, I am heartened by the initial success of the Organization of American States in its efforts to end the war between El Salvador and Honduras. If the agreement by El Salvador to withdraw its troops from neighboring Honduras is carried out, it will certainly be a credit to both nations; most of all, it will be a credit to the OAS.

In this instance, also, the diplomatic role of the United States has been exemplary. We did not intervene; we stayed in the background; we supported the efforts of the OAS.

For the sake of the future of the OAS as a force in the hemisphere, it was most urgent that its peacemaking efforts succeed. Without this result, other Latin American countries might have been encouraged to follow the warlike example of Honduras and El Salvador. Also, one of the arguments used for years to hold down Latin American spending on armaments has been that the OAS would not permit a war between two Latin American states. This argument remains intact.

For the moment, it is more important to end the war than to assign responsibility for beginning it. Doubtless there were provocations on both sides. I do not think we should let the matter pass, however, without examining the contributory role of U.S. military promotional programs in both countries.

From the end of World War II through the fiscal year of 1968, the United States furnished military assistance—including grants from excess stocks—of $6.4 million to El Salvador and $8.2 million to Honduras. This included military training of one kind or another to 832 Salvadoran and 1,348 Honduran citizens. Among those trained was one Fidel Sanchez Hernandez, who happens now to be a general and the President of El Salvador.

In addition, we maintain inflated military missions in both countries. For reasons which escape me, the Defense Department conceals the size of these missions by classifying the information. Possibly this is because the Pentagon seeks to avoid criticism for padding the personnel.

I am not suggesting that the guns we supplied, or the military training we gave these two small countries caused the Salvadoran-Honduran war; feeling on both sides has run so high that the war might well have occurred anyway. However, I am saying that our military training and grants-in-aid made it easier for both sides to fight the war, each using weapons acquired from us and techniques learned from us. Although the diplomatic role of the United States has been exemplary since the war began, this does not conceal the mistaken character of the U.S. military role prior to the outbreak of the fighting.

In the Defense Department presentation of the military assistance bill currently pending before Congress, military aid to both El Salvador, and Honduras is justified in identical terms:

> The military assistance program for El Salvador (Honduras) seeks to promote the increased involvement of the Armed Forces in civic action activities, while encouraging the development and maintenance only of those military forces and equipment essential to the legitimate needs of the country. U.S. assistance encourages regional cooperation of El Salvadoran [Honduran] security forces with those of other Central American nations, especially through the Central American Defense Council.

I doubt that any of us would describe the border war between Honduras and El Salvador as "essential to the legitimate needs" of either country. Nor, do I suppose, would anyone suggest that the conflict represented laudable "civic action" or an acceptable form of "regional cooperation."

All of this, Mr. President, is just another example of how our military assistance program keeps involving us unnecessarily in troubles abroad. It is used against us by increasing numbers of Latin Americans who see it as a prop for armies that stand guard over the status quo, while diverting themselves occasionally with Gilbert-and-Sullivanesque border escapades. Within our own Government, the military aid program has acquired a momentum of its own which is quite unrelated to the reasons officially set forth in justification of it.

The real reasons for the program are not "civic action" or Central American "regional cooperation." These are excuses. The real reasons are bureaucratic inertia, the desire of the Pentagon to have an outlet for its surplus or obsolescent armament, and the fact that the program provides a good many cushy assignments for officers who regard these Latin American berths as plush duty.

I believe it is time to stop our military grant-in-aid programs throughout Latin America. It is time to bring our military missions home. I intend to offer amendments to this end when the Foreign Relations Committee marks up the foreign aid bill.

## ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, is there further morning business?

Mr. YOUNG of Ohio. Mr. President, I ask unanimous consent that I may proceed for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## EXTENSION OF THE SURTAX

Mr. YOUNG of Ohio. Mr. President, I noted a headline in the Washington Post of yesterday regarding the expiration of the 10-percent surtax.

The article states that the White House hopes to extend the income tax surtax another year, but that this alleged keystone of the war on inflation has encountered fresh frustrations.

One of the frustrations mentioned was that the surprisingly large Federal surplus, $3.1 billion, in the fiscal year just ended, against estimates of only $900 million 2 months ago, was seen as taking some of the edge off administration arguments for the surtax.

Mr. President, when the 10-percent surtax was proposed by President Johnson as a step against inflation, I spoke in the Senate against the imposition of that tax on a tax. More than a year ago, when that proposal came to a vote, I voted against the surtax. I considered it an atrocious tax to impose on top of the tax burden already imposed upon Americans.

What happened after the 10-percent surtax that was to end inflation became the law of the land?

In the year since the 10-percent surtax became law, we have had greater and more uncontrolled inflation in our country than ever before.

Taxes of State and local governments are already too high and too oppressive. On top of that, the Federal income taxes paid by average American families with incomes ranging from $3,300 a year to $14,000 and $15,000 a year are

already very burdensome. To me it seemed then, and it seems now, that to impose an additional surtax, a tax on top of a tax, against already heavily burdened American individuals and corporations was just too much. It violates every sound principle of just taxation, one of which is that taxes should be levied according to ability to pay.

Mr. President, I assert that on fiscal matters I am a conservative.

I assert that the urgent need at this time and over the years that I have been a Member of the Senate is and has been to cut unnecessary Government spending, to put an end to duplication and waste in Federal spending and to eliminate the fantastically expensive boondoggles which have afflicted us. As an example, I cite the useless civil defense program which has cost our taxpayers about $2 billion. No citizen is better protected because of it. As the Presiding Officer knows, despite the fact that there is violence in the streets in my home city of Cleveland, some seven policemen are assigned entirely to civil defense work. They are sitting around and waiting for the bomb to drop. They are going to schoolhouses and lecturing on civil defense matters. This is just one example of the many expensive boondoggles which waste billions of dollars of taxpayers' money.

Mr. President, it is essential that Congress should enact during this session substantial income tax reform legislation. We should try to equalize our tax system. We should not even consider continuing to impose the obnoxious 10-percent surtax unless we at the same time close tax loopholes and institute genuine tax reforms.

I give some good reasons for that. Due to tax loopholes such as the depletion allowance and the creation of tax-exempt foundations by the ultrarich, it is possible for them to evade taxes. These are just two of the notorious loopholes that we must eliminate.

In 1967, it is astonishing to narrate, 21 men and women in the United States with incomes exceeding $1 million paid no income tax whatsoever. Thirty-five men and women with incomes exceeding $500,000 and 150 individuals with income exceeding $200,000 paid no income tax whatever at a time when the small corporations in every State of the Union paid heavy taxes on their net profits and at a time when families with incomes of from $3,300 a year to $15,000 a year bore a very heavy income tax burden.

We must ease the tax burden now imposed on low- and moderate-income families.

Mr. President, President Nixon's proposal to continue the 10-percent surtax should not be considered unless it is made part of a wide-ranging tax proposal to effectively close tax loopholes.

The personal income tax exemption must also be increased from the present $600, which at the time it was created really amounted to something. Because of the inflation since that time, the present exemption is almost meaningless. It should be increased from $600 to $1,000 a year.

Private tax-exempt foundations should be subjected to some small income tax on net investments. This would bring in additional billions of dollars. We must have broad ranging tax reform all along the line so that the ultrawealthy of this country cannot, by means of buying turnpike and municipal bonds and other securities which are entirely tax exempt, evade paying their just share of the taxes.

Mr. President, it seems to me that we must not extend this atrocious 10-percent tax on a tax unless it is accompanied by wide-ranging and real tax reform.

## THE ABM SYSTEM

Mr. MURPHY. Mr. President, in the past several days, I have asked to have printed in the RECORD editorials published in California newspapers which have expressed outspoken support for President's Nixon's Safeguard anti-ballistic-missile system. Now the Santa Monica Evening Outlook and the Sacramento Union have joined such distinguished newspapers as the Los Angeles Times and San Diego Union in endorsing this proposal.

The Outlook concludes its editorial, entitled "Fear Fatal to U.S. Survival" by saying that "it is essential for the survival of any nation that its people show they have the will and the means to fight back—especially the will."

The Sacramento Union asks:

What happens in the world when the power and authority of the United States is dissipated, or when we abandon our commitments?

I ask unanimous consent that these editorials, from the July 19 Evening Outlook and July 14 Sacramento Union, be printed at this point in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

### FEAR FATAL TO U.S. SURVIVAL

Among all the arguments for and against an ABM system of nuclear defense, one seems to us unanswerable and beyond debate. It is the fear-of-nuclear-war psychosis which will gain an apparent victory if the ABM proposal is voted down.

This fear psychosis was well described in a recent letter to the editor by Veronica Andrews of Santa Monica, who wrote: "Most people . . . equate nuclear attack with death and have no faith in retaliation. Nuclear war means the end. The remote possibility of survival holds no attraction for them in view of the desolate after-effects of nuclear war.

"War on any basis is undesirable. Nuclear war is unthinkable. As a means of resolving human conflict war is old-fashioned and remains the mode for lack of a better way. We shall not find that way by preparing to repulse nuclear attack. No matter how realistic nuclear war may seem to the Pentagon . . . it is all 'Alice in Horrorland' to the rest of us."

We would point out that if this nation is to be ruled by such fearful thinking, we shall be ready victims of the first threat of nuclear blackmail by our enemies.

Nuclear war is not "unthinkable" to the leaders of Soviet Russia and Red China. In the Cuban missile crisis of October 1962, the Russians promised to withdraw their offensive missiles from Cuba because they feared our nuclear power which then was greater than theirs. Since then they have given top priority to increasing their nuclear armament and have constructed an advanced missile defense system to protect Moscow and other vital centers.

Defense Secretary Melvin Laird, who is not an alarmist, has warned that at the present rates of arms spending by both countries, Russia in a few years will possess a decided margin of nuclear superiority over us.

It is equally clear that nuclear war is not unthinkable to the leaders of Red China. They have achieved a nuclear capability in less time than was thought possible, and Mao has indoctrinated his followers with the belief that war must be the final means of Communist world victory, and that China could win a nuclear war, because she could afford much greater human losses than any other nation.

We may discount these Chinese boasts and wishfully believe that the Kremlin wants nuclear war no more than we do. But the grave fact is that the Russian leadership has not ruled out, as we have done, the possibility of an overwhelming, surprise nuclear attack paralyzing an enemy nation and forcing it to surrender within 24 hours.

If the Kremlin sees that American defeatism has prevented us from creating even a modest and partial defense system against enemy attack, we think it more than possible that we shall be subjected sooner or later to nuclear blackmail.

As recently as last August the Kremlin, after much dissembling, used force to crush Czechoslovakia—and followed this up with new threats against West Germany. If the Kremlin thought the American people would surrender to a mere threat of nuclear war, it would be strongly tempted to test this belief in Europe, the Near East or the Caribbean.

Our best hope of averting a nuclear confrontation lies in persuading the Russians that we are psychologically prepared to meet it—that we would not surrender but would instantly use all our means of nuclear retaliation.

For this reason we think an affirmative vote on the ABM system is very important to the future security of the United States. Granted that this partial defense system will not provide us with security in the event of a nuclear attack, it will do much to convince the Russians that we would not be bluffed into surrender by any threats they could make.

It is essential for the survival of any nation that its people show they have the will and the means to fight back—especially the will.

### SURRENDER WON'T BUY PEACE FOR THE UNITED STATES

The debate in the United States Senate on the anti-ballistic missile issue is more than an argument over its practicality or even its necessity.

Winston Churchill once remarked that he had not become the queen's first minister only to preside over the liquidation of the British Empire.

He meant, we believe, that he would not willingly allow England to surrender its role in the world. But a Socialist Labor Party later took over. The Socialists hurried to disarm Britain's soldiers and retire her fleets and pull back from her advance positions on the rims of Western civilization.

As a result, England's days of greatness seem to be behind her. She survives in an uncertain world largely because of the power of the United States.

Now are the echoes of England's retreat sounding through the chamber of the United States Senate?

Senators rise to declaim that their country can no longer afford the luxury of an

optimum defense, that we do not have the ability nor the stamina to fulfill the international obligations that circumstances has brought us, and that we will have to place our faith more in the good will of our enemies than in guns.

Perhaps it is time for people to ask themselves whether our energy and our purpose have run their course. We cannot believe that they have.

But we have almost half of 100 senators who are opposed, in varying intensities, to installing an additional system of defense against the growing power of Communist missiles.

No one can guarantee that an ABM system will be as effective as the great majority of our scientists expect. But that is not the issue—the issue is whether we are going to make the effort to maintain the United States as a superior power.

England chose not to do so.

The liberal-left contends that reduction of our military strength will have the effect of making war more remote, and thus transform man into a necessarily more peaceful being.

But all we have to do is look around our own cities. Lift the restraints of law and order and you have rioting in the streets and rebellion on the campuses.

What happens in the world when the power and authority of the United States is dissipated, or when we abandon our commitments?

Winston Churchill was a man ahead of his time. When Neville Chamberlain, as prime minister of England, attempted to buy peace with appeasement instead of strength, Churchill said of him that he had a choice between war and dishonor, and that he chose dishonor and got war.

Can the United States buy peace with surrender? All history tells us differently.

## ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, is there further morning business?

The PRESIDING OFFICER (Mr. ALLEN in the chair). Is there further morning business?

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that I may proceed for 8 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ABM DEBATE—PARITY OR SUPERIORITY

Mr. GOLDWATER. Mr. President, it is my desire today to direct my remarks to the portions of the funding bill dealing with a Safeguard ABM system and the arguments which have been raised by its opponents.

It seems to me that the opposition to President Nixon's recommendation for a Safeguard ABM system to protect this Nation's deterrent capabilities are as follows:

First. That the deployment of a Safeguard ABM system would be ineffective against a possible enemy attack and consequently would be a complete waste of taxpayers' money which could better go for badly needed domestic projects.

Second. That the approval of the Safeguard system would set off a new round in the nuclear arms race with the Soviet Union and, thereby, greatly endanger the overall peace of the world.

Third. That the development of a Safeguard system would endanger the chances for the successful negotiations of an arms limitations treaty with the Soviet Union.

Mr. President, I intend to deal with each of these arguments and show that they are ill-conceived and in some instances mutually self-defeating.

To begin with, Mr. President, I believe the arguments for and against Safeguard as a feasible and workable system for the defense of our nuclear deterrent capabilities are equally persuasive. However, the question arises as to whether those who believe that we could not develop an adequate system can be given credibility inasmuch as these same arguments were raised by some of the same people in connection with America's development of the H bomb. We were told at the time the H bomb was first proposed to President Truman that the bomb would cost too much and probably would not work. But we went ahead anyway and both arguments proved to be wrong.

At the same time, let me state as strongly as I possibly can that the possibility of failure has never in our history stopped Americans from going ahead with projects that they felt to be desirable and essential. In this instance the project is one which the President of the United States, our Commander in Chief, tells us is essential to the defense of 200 million Americans as well as to our strategic interests as a nation and as a leader of the free world. I, for one, have enough faith is our Yankee "know-how," if you will, and in the ability of our scientific and industrial communities to believe that we can develop a system which will do the job.

Now, Mr. President, that brings me to point number two in the list of arguments against development of Safeguard, Strangely enough, the same people who tell us that the President's ABM system will be ineffective and will not work, are the same people who tell us that the mere approval of such a system by the Senate will so frighten the Soviet Union that it will immediately escalate the arms race.

In this connection, let me point out that we are not, in this instance, racing the Soviet Union; we are trying to catch up with the Soviet Union in a move they made on the defensive side of the nuclear power balance 5 years ago when they began the development, production and deployment of the massive, three-stage Galosh ABM system around the major Russian cities.

If our attempt to erect a very rudimentary type of missile defense to protect our retaliatory power is interpreted by the Soviets as an unfriendly act or as an act requiring an acceleration of the arms race, then we are left with only one conclusion: That the Soviet Union will never be satisfied with mere nuclear parity; but will always insist on nuclear superiority.

Although the establishment of a nuclear parity was obviously a goal of the McNamara regime in the Defense Establishment, it stands to reason that no parity of any kind exists in the area of missile defense. If the critics of ABM are seriously interested in parity, why are not they arguing for the development of Amercan systems whch can match those already in existence by the Soviet Union?

One of the great fallacies in the whole argument which says that the establishment of nuclear parity between the super powers will become a stabilizing influence which can reduce world tensions is that it overlooks the fact that the Soviets are not interested in parity, nor stability, nor in the reduction of world tensions. The Soviet Union, rather is interested in nuclear superiority, a nonbalance of power in its own favor and world tensions of its own manufacture in places of its own choosing.

There can be no doubt that this is the Soviet goal. They do not even attempt to hide it. They have told us time and time again and they have shown us time and time again that their objective is world domination, not world stability.

My esteemed colleague from Washington, Senator JACKSON, has presented us with a brilliant and sobering picture of our Soviet adversary. He has made it abundantly clear that we can never reach sound judgments on questions of national defense unless we understand what our Soviet adversary is up to. And he has shown us that Russia is today ruled by men who are the first generation of rulers who are the products of a Stalin system of repression and terror. He warns that the repressive measures employed to intimidate, frighten, and stifle expressions of dissent within the Soviet-bloc nations approach those used in the 1930's and 1940's.

Mr. President, our failure thus far to match the Russians in the matter of an ABM system, has done nothing to reduce the Soviet thrust for newer and heavier armaments. Five years have passed since the Russians first began their ABM system. If they were to be convinced that our failure to go ahead with one of our own was an earnest intention to stabilize the arms race, why have they moved ahead in every other area of military armament. I suggest that the Russians could care less whether we develop a defensive system so far as their own move for arms superiority is successful.

Our failure to keep an up-to-date navy and to develop a fleet of nuclear powered ships certainly has not led them to overlook this element of the arms race. Instead, Russia today is building the most powerful, far-cruising navy the world has ever seen. While we sit on our hands, they are developing fleets which are now challenging us in the Mediterranean, the Baltic, the Atlantic, and the Pacific. Before long, according to expert opinion, there will not be one waterway left in the world where American strength is not only challenged but overwhelmed.

In other words, Mr. President, some of the ABM opponents seem to be trying to sell this Nation on a lopsided program of

disarmament in the naive belief that the Soviets will follow suit.

The argument that approval of the Safeguard system would endanger the chances for successful negotiations with the Soviet Union on arms limitations is ridiculous on its face. Who among us would believe that an honorable, lasting agreement could be reached with a superpower which builds a powerful missile defense system around its major cities and then objects to our building a skeleton system around our deterrent capabilities.

If the Russians are this touchy, Mr. President, you can bet the negotiations would be foredoomed at the start.

But let us, for the sake of argument, assume that the Soviets would enter into an honorable attempt to reach an agreement which would make it unnecessary for the United States to go ahead with a missile defense. It would require, of course, a promise on the part of the Russians to dismantle their own version of the ABM so it would be unnecessary for us to build one.

And I think we can certainly count on Russia's long, historical preoccupation with the whole idea of defending the homeland to make such a concession on their part entirely unlikely.

In this connection, of course, we have to remember that the Russians stand in fear of Communist China as well as the United States. It is unlikely that they will dismantle their ABM system merely because we do not have one—unless some assurance could be attained from China. This, too, is extremely unlikely.

So I submit, Mr. President, I can find no validity in any one or in any part of the major arguments advanced by the opponents of the ABM system.

I reject completely the idea that we would be unable to build a workable system.

I reject entirely the thesis that if we attempt to catch up with the Russians in the area of nuclear defense we will, in some strange way, precipitate a new dimension in the international arms race. The Soviets have been off and running for years, and its about time we think about catching up—especially in the field of nuclear defense.

And I firmly believe that if our attempts to erect a skeleton ABM system will destroy the possibility of negotiations with the Soviets, the negotiations were not worth thinking about in the first place.

In conclusion, Mr. President, I think that we are smack up against a real problem affecting the safety of the American people. I do not think we can afford the luxury of any wishful thinking or any attempt to invest our Soviet adversaries with any particular noble intentions. We have no sound, lashing agreement looking toward a reduction of arms and world peace. But we do have a possible adversary who is moving ahead full tilt in an effort to build the most powerful military system ever devised. We can only ignore this reality at our extreme peril.

I, for one, do not want to be part of any Senate decision which will prevent our Commander in Chief from taking every step he believes is necessary to protect and defend our people, our Nation and our form of government.

## EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE DIRECTOR OF SELECTIVE SERVICE

A letter from the Director, Selective Service System, transmitting, pursuant to law, a report on the operations of the selective service during the period from July 1, 1968, to December 31, 1968 (with an accompanying report); to the Committee on Armed Services.

REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on a survey of progress in implementing the planning-programing-budgeting system in executive agencies, dated July 29, 1969 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the need for improvement in the receipt and storage of militray supplies and equipment, Department of Defense, dated July 30, 1969 (with an accompanying report); to the Committee on Government Operations.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest and requesting action looking to their disposition (with accompanying papers); to the Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. MCGEE and Mr. FONG members of the committee on the art of the Senate.

## PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A memorial of the Legislature of the State of Florida; to the Committee on Interior and Insular Affairs:

"HOUSE MEMORIAL 2219

"A memorial to the Congress of the United States requesting that the land mass named Cape Kennedy be redesignated as Cape Canaveral, its historic name

"Whereas, the name 'Cape Canaveral,' as applied to the land mass and not the government facility, has had historic association for the people of Florida and the United States for several hundred years, and

"Whereas, the people of Florida applaud the renaming of the United States Missile Test Center in memory of President John F. Kennedy who was a pioneer in the American space effort, and

"Whereas, it is appropriate that the Cape itself be known by its historic and familiar name of Cape Canaveral: Now, therefore, be it

*"Resolved by the Legislature of the State of Florida,* That the Congress of the United States is hereby requested to provide that Cape Kennedy, Florida, be again designated as Cape Canaveral, the historic name of the Cape; be it further

*"Resolved,* That copies of this memorial be dispatched to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the Congress of the United States.

"Filed in Office Secretary of State July 3, 1969.

"TOM ADAMS,
*"Secretary of State."*

Resolutions adopted by the General Federation of Women's Clubs, Washington, D.C., supporting the Government in its effort to prevent Communist aggression, and urging its member clubs to continue their support of Radio Free Europe; to the Committee on Foreign Relations.

## BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. NELSON:

S. 2729. A bill to amend the Federal Food, Drug, and Cosmetic Act to provide for the establishment of a national drug testing and evaluation center, and for other purposes; to the Committee on Labor and Public Welfare.

(The remarks of Mr. NELSON when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. BURDICK:

S. 2730. A bill for the relief of Winnie C. Saunders; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 2731. A bill to provide for the protection, alteration, reconstruction, relocation, or replacement of highway and railroad bridges, trestles and other structures, over the Columbia River, the Snake River, or their navigable tributaries; to the Committee on Public Works.

(The remarks of Mr. MAGNUSON when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. RIBICOFF:

S. 2732. A bill for the relief of Carmen Soto Velasquez; and

S. 2733. A bill for the relief of Edna May Pitkin; to the Committee on the Judiciary.

By Mr. RIBICOFF (for himself, Mr. DODD, Mr. JAVITS, and Mr. GOODELL):

S. 2734. A bill granting the consent of Congress to the Connecticut-New York railroad passenger transportation compact; to the Committee on the Judiciary.

(The remarks of Mr. RIBICOFF when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. MCGEE (for himself and Mr. HANSEN):

S. 2735. A bill to provide for the conveyance of certain public lands in Wyoming to the occupants of the land; to the Committee on Interior and Insular Affairs.

By Mr. STEVENS:

S. 2736. A bill to amend the Internal Revenue Code of 1954 to permit certain employees to establish qualified pension plans for themselves in the same manner as if they were self-employed; to the Committee on Finance.

(The remarks of Mr. STEVENS when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. STEVENS (for himself and Mr. GRAVEL):

S. 2737. A bill to authorize an increase in the average cost of dwelling units in certain federally assisted housing in Alaska; to the Committee on Banking and Currency.

S. 2738. A bill to amend the Interstate Commerce Act and to extend regulation under the Interstate Commerce Act to carriers not previously regulated under this Act; to the Committee on Commerce.

(The remarks of Mr. STEVENS when he introduced the bills appear later in the RECORD under the appropriate heading.)

## S. 2729—INTRODUCTION OF A BILL ESTABLISHING A NATIONAL DRUG TESTING CENTER

Mr. NELSON. Mr. President, I am today introducing a bill to amend the Federal Food, Drug, and Cosmetic Act to provide for the establishment of a National Drug Testing and Evaluation Center which shall be operated and maintained as a part of the Food and Drug Administration subject to the supervision and control of the Secretary of Health, Education, and Welfare. Significant provisions of the bill are as follows:

First. The Secretary of the Department of Health, Education, and Welfare shall be responsible for conducting all tests for investigations on new drugs submitted to him for approval in order to determine whether such new drugs should be approved for commercial distribution, and shall be responsible for conducting tests or investigations on drugs which have been approved to determine whether or not approval of such drugs should be withdrawn.

Second. Although the center will do some testing itself, the Secretary will be authorized to contract out such studies to qualified individuals, organizations or institutions and it shall be his responsibility to insure that the testing or investigation of any drug is conducted by experts qualified by scientific training and experience to investigate the safety and effectiveness of drugs.

Third. The sponsor of any drug submitted to the Secretary for testing and investigation shall, upon request, be provided with a report every 60 days on the results of the testing or investigation of such drug.

Fourth. The sponsor of any new drug submitted to the Secretary for testing or investigation shall be liable for the expenses incurred, including a proportionate share of the cost of staffing, maintaining and equipping the Center.

Fifth. A fund is established which shall be available to the Secretary for the purpose of establishing the National Drug Testing and Evaluation Center, for the purpose of furnishing initial working capital, and for other specified purposes.

Sixth. Nothing in the bill prohibits the sponsor of any drug from conducting tests or investigations on such drug in accordance with other provisions of the Food and Drug Act.

Seventh. Procedural safeguards are provided to protect the legitimate interests of industry as well as the public.

Mr. President, I ask unanimous consent that the full text of the bill be printed at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2729) to amend the Federal Food, Drug, and Cosmetic Act to provide for the establishment of a National Drug Testing and Evaluation Center, introduced by Mr. NELSON, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

S. 2729

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "National Drug Testing and Evaluation Act of 1969".

SEC. 2. The testing of drugs by manufacturers prior to the approval of such drugs for commercial distribution has resulted in lengthy delays because of poor quality studies used in conducting the necessary tests on such drugs. Abbreviated studies, ineptly designed protocols, and deficiencies in clinical investigations are some of the reasons which prevent new drugs from being approved for general use by the Department of Health, Education, and Welfare. Many of these new drugs may be extremely useful and even lifesaving compounds which should be made available to the public as quickly as possible consistent with proper testing and evaluation. Procedures under present law require that any drug manufacturer which wishes to market a new drug must sponsor studies sufficient to establish that such drug is safe and efficacious for its intended uses. Advance approval by the Secretary of Health, Education, and Welfare of the nature and design of these studies is not required, with the result that mistakes and oversights frequently occur necessitating further testing and additional costs. Much of the testing by drug manufacturers under present procedures involve similar or identical compounds and consequently is often duplicative and wasteful. In addition, deliberate falsification of test results on new drugs has occurred in this vital area of health protection. The Congress, therefore, finds and declares (1) that the Federal Government should assume responsibility for the necessary testing of drugs and determine whether such drugs meet the requirements for approval for commercial distribution, and (2) that drug manufacturers, which will be relieved of the burden and expense of such testing, should bear the expense incurred by the Secretary of Health, Education, and Welfare in conducting such tests, including the expense of establishing and maintaining a National Drug Testing and Evaluation Center where most of such testing would be conducted by the Secretary of Health, Education, and Welfare.

SEC. 3. Chapter V of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351–360b) is amended by adding at the end thereof a new section as follows:

"TESTING OF DRUGS; ESTABLISHMENT OF NATIONAL DRUG TESTING AND EVALUATION CENTER

"SEC. 513. (a) The Secretary shall be responsible for conducting all tests or investigations on new drugs submitted to him for approval under sections 505 and 512 of this Act for the purpose of determining whether or not such new drugs should be approved for commercial distribution, and shall be responsible for conducting tests or investigations on drugs which have been approved under such sections in order to determine whether or not approval of such drug should be withdrawn pursuant to section 505(e) or 512(e), as the case may be.

"(b) Whenever the Secretary receives an application from any person for approval of a new drug pursuant to section 505 or 512 of this Act, he shall, as soon as practicable provide for the necessary testing or investigation of such drug by the Center established pursuant to subsection (c) or by any qualified individual, organization, or institution which the Secretary may engage to conduct such testing or investigation. It shall be the responsibility of the Secretary to insure that the testing or investigation of any drug is conducted by experts qualified by scientific training and experience to investigate the safety and effectiveness of drugs.

"(c) The Secretary is hereby authorized to establish, staff, equip, and maintain a National Drug Testing and Evaluation Center (hereinafter referred to as the 'Center') for the purpose of testing and investigating drugs for which approval is required pursuant to sections 505 and 512 of this Act. The Center shall be operated and maintained as a part of the Food and Drug Administration, subject to the supervision and control of the Secretary.

"(d) In any case in which the Secretary determines that a period of more than one year is necessary to develop the necessary data to support or deny approval of any drug, for which approval has been requested under section 505 or 512, he shall notify the applicant to that effect and indicate the amount of additional time needed for such purpose. If the applicant objects to the extension of time proposed by the Secretary he may file an objection thereto with the Secretary within thirty days after the date of notification to him by the Secretary, and the question of whether an extension of time should be granted and the period of such extension shall be submitted to a Drug Testing Review Panel provided for under subsection (g) of this section.

"(e) The sponsor of any drug submitted to the Secretary for testing and investigation shall, upon request, be provided with a report every 60 days on the results of the testing or investigation of such drug. Such report shall disclose the pertinent facts relating to the testing or investigation of the drug, including the procedures being used in such testing or investigating. If the sponsor objects to the manner, scope, or procedures used by the Secretary in testing or investigating the drug, he may notify the Secretary of his objections and request that the matter be submitted to a Drug Testing Review Panel provided for under subsection (g) of this section. The review panel shall resolve any such matter raised by the sponsor.

"(f) Whenever a drug has been submitted to the Secretary by a sponsor for approval pursuant to section 505 or 512, the sponsor shall make available such amounts of the drug as the Secretary determines is necessary for adequate testing and investigation; but in any case in which the sponsor of the drug believes that the quantity of the drug requested by the Secretary is excessive, the sponsor may request that the question be decided by a Drug Testing Review Panel appointed under subsection (g) of this Act. Notwithstanding any other provision of this Act, the Secretary is authorized, pursuant to such rules and regulations as he may prescribe, to permit the shipment of any drug for testing or investigation under this section.

"(g) (1) Whenever the sponsor of a drug, which is being tested or investigated by the Secretary under this section, requests that a matter to which the sponsor objects under subsection (d), (e), or (f) of this section be submitted to a Drug Testing Review Panel, the Secretary shall provide for the prompt review of such matter by such a panel.

"(2) A Drug Testing Review Panel shall be composed of three members, one to be selected by the Secretary, one by the sponsor, and the third to be selected by the first two. In the event the member selected by the Secretary and the member selected by the sponsor are unable to agree on a third member within fifteen days after their selection, the President shall select the third member of the panel.

"(3) Any matter submitted to a panel appointed under this subsection shall be decided by the panel within thirty days after such matter was submitted. The panel shall base its decision on the evidence presented by both parties. A decision by the panel shall be made on the record in accordance with procedures of due process prescribed under chapter 5 of title 5, United States Code. A decision of the panel in any controversy submitted to it pursuant to subsection (d), (e), or (f) of this section shall be final and the Secretary and the sponsor shall be bound by such decision.

"(h) The testing or evaluation of any drug shall be terminated as promptly as

practicable by the Secretary upon receipt by him of a written request from the sponsor of such drug to discontinue such testing or investigation; and the sponsor shall cease to be liable for the payment of any charges for any testing or investigation of such drug conducted after the effective date of the termination request. The Secretary shall prescribe by regulations the procedure for terminating the testing or investigation of any drug and the effective date for any such termination; but in no event shall the sponsor of a drug being tested or investigated under this section be liable for the costs of any tests or investigation conducted more than ten days after a request to terminate the testing or investigation of such drug has been received by the Secretary.

"(i)(1) The sponsor of any new drug submitted to the Secretary for testing or investigation under this section shall be liable for the expenses incurred in carrying out such testing or investigation, including a proportionate share of the cost of staffing, maintaining, and equipping the Center. The Secretary shall prescribe by regulation the manner in which charges shall be made for the testing or investigation of any drug.

"(2) If any amount of the charges for testing or investigating a drug under this section is unpaid after the due date, as prescribed by regulations, interest shall accrue thereon at the rate of 6 per centum per annum. Past due charges and interest thereon shall be recoverable by civil action brought in the name of the United States in the appropriate district court of the United States.

"(j)(1) There is hereby created a National Drug Testing Evaluation Center Fund (hereinafter referred to as the 'Fund') which shall be available to the Secretary without fiscal-year limitation as a separate fund for the purpose of establishing a National Drug Testing Evaluation Center for the testing, studying, and investigation of drugs pursuant to this section and for the payment of the testing and investigation of drugs carried out by qualified individuals, organizations, and institutions engaged by the Secretary for such purpose.

"(2) The Fund shall consist of appropriations made pursuant to this subsection and all amounts received by the Secretary under this section as charges and interest.

"(3) All expenses incurred by the Secretary in carrying out this section, including refunds of overpayments for charges prescribed pursuant to this section, shall be paid from the Fund, subject to such limitations, if any, as may be provided in appropriation Acts.

"(4) For the purpose of furnishing initial working capital for the Fund and from time to time, if necessary, supplying additional working capital pending collection of charges under this section, there are authorized to be appropriated to the Fund, without fiscal-year limitation, such sums as may be necessary; and such sums shall, at such time or times as the Secretary determines, be repayable to the Treasury from charges collected under this section. There is also authorized to be appropriated such sums as from time to time may be needed to conduct tests and investigations on drugs which have been approved under section 505 or 512 of this Act.

"(k) In administering the provisions of this section, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other agency, institution, organization, or person in accordance with appropriate agreements, and to pay therefor either in advance or by way of reimbursement as may be agreed upon

"(l) A request for termination of the testing or investigation of any drug by the sponsor of such drug prior to one year from the date such drug was submitted to the Secretary for testing shall constitute sufficient basis for the denial of an application for approval under section 505 or 512 of this Act.

"(m) Nothing in this section shall be construed as prohibiting the sponsor of any drug from conducting tests or investigations on such drug in accordance with other provisions of this Act."

Sec. 4. (a) Subsection (b) of section 505 of the Federal Food, Drug, and Cosmetic Act, as amended (21 U.S.C. 355(b)), is amended by striking out clause (1), and by redesignating clauses (2) through (6) as clauses (1) through (5), respectively.

(b) Subsection (c) of such section 505 (21 U.S.C. 355(c)) is amended by striking out "Within one hundred and eighty days", and inserting in lieu thereof the following: "Subject to the provisions of section 513 of this Act, within one year".

(c) The first sentence of subsection (d) of such section (21 U.S.C. 355(d)) is amended to read as follows: "If the Secretary finds, after due notice to the applicant in accordance with subsection (c) and giving him an opportunity for a hearing in accordance with such subsection, that (1) the results of the tests conducted pursuant to section 513 show that such drug is unsafe for use under the conditions prescribed, recommended, or suggested in the proposed labeling, or do not show that such drug is safe for use under such conditions; (2) the methods used in, and the facilities and controls used for, the manufacturers, processing, and packing of such drug and inadequate to preserve its identity, strength, quality, and purity; (3) the information submitted to him by the applicant as part of the application was insufficient to permit the Secretary to accomplish all the tests necessary to determine whether such drug is safe for use under such conditions; (4) evaluated on the basis of tests conducted under section 513 and all information submitted to him by the applicant, there is a lack of substantial evidence that the drug will have the effect it purports or is represented to have under the conditions of use prescribed, recommended, or suggested in the proposed labeling thereof; or (5) based on a fair evaluation of all material facts, such labeling is false or misleading in any particular; he shall issue an order refusing to approve the application.".

(d) The second sentence of subsection (d) of such section is amended by striking out "clauses (1) through (6)" and inserting in lieu thereof "clauses (1) through (5)".

SEC. 5. (a) Subsection (b) of section 512 of the Federal Food, Drug, and Cosmetic Act, as amended (21 U.S.C. 360b (b)), is amended by striking out clause (1), and by redesignating clauses (2) through (8) as clauses (1) through (7), respectively.

(b) Subsection (c) of such section (21 U.S.C. 360b (c)) is amended by striking out "Within one hundred and eighty days" and inserting in lieu thereof the following: "Subject to the provisions of section 513 of this Act, within one year".

(c) Paragraph (1) of subsection (d) of such section (21 U.S.C. 360b (d) (1)) is amended to read as follows:

"(1) If the Secretary finds, after due notice to the applicant in accordance with subsection (c) and giving him an opportunity for a hearing, in accordance with said subsection that—

"(A) the results of the tests conducted pursuant to section 513 show that such drug is unsafe for use under the conditions prescribed, recommended, or suggested in the proposed labeling thereof, or do not show that such drug is safe for use under such conditions;

"(B) the methods used in, and the facilities and controls used for, the manufacture, processing, and packing of such drug are inadequate to preserve its identity, strength, quality, and purity;

"(C) the information submitted to him by the applicant as part of the application was insufficient to permit the Secretary to accomplish all the tests necessary to determine whether such drug is safe for use under such conditions;

"(D) evaluated on the basis of tests conducted under section 513 and all information submitted to him by the applicant, there is a lack of substantial evidence that the drug will have the effect it purports or is represented to have under the conditions of use prescribed, recommended, or suggested in the proposed labeling thereof;

"(E) upon the basis of the tests conducted pursuant to section 513, and upon the basis of information submitted to him as part of the application and any other information before him with respect to the drug, the tolerance limitation proposed, if any, exceeds that reasonably required to accomplish the physical or other technical effect for which the drug is intended;

"(F) based on a fair evaluation of all material facts, such labeling is false or misleading in any particular; or

"(G) such drug induces cancer when ingested by man or animal or, after tests which are appropriate for the evaluation of the safety of such drug, induces cancer in man or animal, except that the foregoing provisions of this subparagraph shall not apply with respect to such drug if the Secretary finds that, under the conditions of use specified in proposed labeling and reasonably certain to be followed in practice (i) such drug will not adversely affect the animals for which it is intended, and (ii) no residue of such drug will be found (by methods of examination prescribed or approved, by the Secretary by regulations which regulations shall not be subject to subsections (c), (d), and (h)), in any edible portion of such animals after slaughter or in any food yielded by or derived from the living animal;

he shall issue an order refusing to approve the application. If, after such notice and opportunity for hearing, the Secretary finds that subparagraphs (A) through (G) do not apply, he shall issue an order approving the application."

(d) Paragraph (3) of subsection (d) of such section is amended by striking out ", including field investigation,".

(e) The first sentence of subsection (e)(1) of such section is amended by striking out "subparagraph (H)" in subparagraph (B), and inserting in lieu thereof "subparagraph (G)".

Sec. 6. This Act shall become effective two years after the date of enactment, but to the extent that facilities and funds are available, the Secretary of Health, Education, and Welfare, shall conduct tests and investigations on new drugs submitted to him for approval under sections 505 and 512 of the Federal Food, Drug, and Cosmetic Act, as amended, prior to the effective date of this Act.

Mr. NELSON. Mr. President, in the Bulletin of the Atomic Scientists for January 1969, there appears an article by Dr. William O'Brien, associate professor of preventive and internal medicine at the University of Virginia, entitled "Drug Testing: Is Time Running Out?" The answer is clearly "yes," as reflected by Dr. O'Brien's article which is confirmed by the testimony of the expert medical authorities who have appeared before the Senate Small Business Committee's Monopoly Subcommittee in its study of the drug industry.

According to Dr. O'Brien:

Over the past 30 years, this country has experienced several major therapeutic disasters. Many patients were needlessly killed or badly injured by indiscriminate use of certain new drugs. It is said that this is a price we must pay for progress. If a good scientist examined the records of these dis-

asters, he would have to conclude that if testing were conducted in a totally impartial, highly scientific manner, all of these catastrophes could have been avoided. But the Pollyannas of the drug industry assure us that new disasters are impossible.

A few Cassandras, however, prophesy even worse calamities. Pharmaceutical companies are producing new and highly toxic compounds at a startling rate and the number of new drugs being introduced for clinical testing is rapidly increasing.

Dr. O'Brien also points out that evaluations of these drugs are not getting any better:

In 1960, McMahon and Daniel, reporting in the Canadian Medical Association Journal, found only five percent of published trials met even the crudest scientific standards. The trials I reviewed in 1967 were not any better.

Although the FDA is charged with the grave responsibility of assuring that the drugs permitted to be marketed are both safe and efficacious, the decisions they make are based upon the evidence submitted to them by the very companies which seek to market the drug. As the law reads at present, the Food and Drug Administration determines the safety and efficacy of a drug solely on the basis of information supplied by the drug company making the application. The pitfalls inherent in this arrangement are many.

The dangers involved in the dependence on drug firms to perform, direct or arrange for the testing of drugs in which they have a financial interest is obvious. Since drug firms are anxious to get new drugs on the market and to increase their sales volume there is an inevitable tendency—no matter how conscientious the firm—to emphasize the positive features and deemphasize the negative. Many of the people they engage to do their testing are equally anxious to secure additional contracts for drug testing. FDA has found that the accuracy and objectivity of some of these drug testers leaves much to be desired.

A physician who turns in unfavorable reports on the drugs he is testing may not have his contract renewed. The simple fact is, that in case after case, some firms have been guilty of misrepresenting, distorting and even withholding information developed in their testing of drugs which might in any way be detrimental to their application to market them. Injury and deaths have resulted from such actions.

In the testing of the drug MER/29, for example, toxicological data was altered by officials of the Richardson-Merrill Co. to prevent the FDA from getting a true picture of the drug's dangers. For this the firm was convicted in a criminal case, with officials getting suspended sentences.

Again, in connection with the thalidomide case now going on in Europe, evidence was developed that even though two witnesses had supplied information raising serious doubts about the use of this drug, their findings were ignored and this resulted in great tragedy for thousands of families with deformed babies.

Still more, the subcommittee's hearings record shows that in the testing of the drug, Dornwall, manufactured by Wallace & Tiernan, the company "knowingly and willfully concealed material information and submitted false and fictitious statements in writing and orally to the FDA." Unfortunately some people died as a result of taking this drug, as noted in a letter dated June 5, 1961, to the then Attorney General of the United States from Dr. Herbert Ley, who was at that time Director of the FDA's Bureau of Medicine. I will quote from this letter: "in which they—the company—knowingly and willfully concealed material facts from the Food and Drug Administration, to wit, medical evidence that Dornwall was the causative agent of a severe and often fatal blood dyscrasia—disorder—in man."

The firm pleaded nolo contendere and was found guilty.

The drug, Flexin, a product of McNeill Laboratories—a subsidiary of Johnson & Johnson—is another example of a "company knowingly and willfully concealing information in making its application to the FDA." Again, some people died of hepatitis which they contracted as a result of taking this drug. In a letter dated April 20, 1964, to the then Attorney General of the United States from Mr. William W. Goodrich, Assistant General Counsel, Food and Drug Division, the following information is contained:

The firm (McNeill Laboratories) had been informed of 50 cases of Flexin-related liver damage including 11 deaths.

All of these situations, Mr. President, are due to withholding of vital information from the U.S. Government by some of the members of the drug industry in their efforts to get new drugs on the market. In many of these cases the firms involved were convicted in criminal cases brought by the Government against them, but because the firms were allowed to plead nolo contendere there was no trial with attendant publicity.

Both the past and present Commissioners of the Food and Drug Administration have expressed their dissatisfaction with the way in which drugs are being tested at present.

In a speech before the Pharmaceutical Manufacturers Association as long ago as 1966, Dr. James L. Goddard, then Commissioner of the Food and Drug Administration said:

I have been shocked at the materials that come in. . . . In addition to the problem of quality, there is the problem of dishonesty in the Investigational New Drug stage. . . . I will admit there are gray areas in the IND situation.

But the conscious withholding of unfavorable animals or clinical data is not a gray-area matter.

The deliberate choice of clinical investigators known to be more concerned about industry friendships than in developing good data is not a gray-area matter.

The planting in journals of articles that begin to commercialize what is still an Investigational New Drug is not a gray-area matter.

These actions run counter to the law and the ethics governing the drug industry.

The present Commissioner of Food and Drug Administration, Dr. Herbert Ley, says very frankly that we have not yet seen the degree of improvement in the quality of clinical data from drug testing which we must have. In a speech before the Educational Conference of the Food and Drug Law Institute last December, Dr. Ley disclosed that out of 406 drug marketing applications received by the FDA in 1967, only 59 were approved.

He said:

More than half suffered from deficiencies in clinical studies and inadequacies in efficacy data and many were so low in quality as to be not approvable.

When Dr. Ley appeared before the committee on May 27 of this year, he further amplified his views by saying:

The major problem in industry submissions to FDA is still the poor quality of both the basic data and the summaries. The most important single step that industry can take to speed up the processing of new drug applications by FDA—and to improve the chance for new drug approval—would be to ensure that the data presented in support of efficacy is true to the statutory requirement of well-controlled studies.

Mr. President, the frequent use of potent drugs to treat disease demands better methods and more safeguards. It is crystal clear that the prevention of dangerous drug reactions begins with the evaluation of the drug. It is equally clear that there is imperative and urgent need for a better system for the testing of drugs prior to their approval for marketing. Steps must be taken to reduce the possibility of bias to a minimum. One way or another, testing of drugs should be done by specialists who have no direct relationship with the manufacturer, who cannot benefit financially from the results, who are not motivated even subconsciously by the desire to get anything but the truth. We must remove the responsibility for testing drugs from the applicant who has a financial interest in the drug, as well as from those who are paid directly by the company to evaluate it. This responsibility must be placed with an evaluating group which has no interest at all in whether or not the drug gets into the market other than the interest of the public.

FDA has made some strides in its efforts to correct the inadequacies of the present system of drug testing, but it has a long way to go.

There has not been sufficient support from organized medicine for correcting these inadequacies and the Government must therefore step in to protect the American people. For this reason I have today introduced this bill to establish an evaluation and testing center for drugs.

Mr. President, I ask unanimous consent that Dr. O'Brien's article as well as an article by Mr. Morton Mintz on this subject entitled "The Immunization of Drug Testers," which appeared in the Washington Post of January 9, 1969, and the previously mentioned article from the Bulletin of the Atomic Scientists be placed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Post, Jan. 9, 1969]

THE IMMUNIZATION OF DRUG TESTERS

(By Morton Mintz)

The quality of testing of prescription drugs is one of those problems whose complexities elude the grasp of most of us but whose im-

plications are of life and death importance. For if poor testing is allowed to conceal from a physician that a medicine is useless, inferior of even positively harmful, it is not the doctor but the patient (or hundreds, thousands or even millions of patients) who may be exposed to needless exploitation, delay in obtaining effective therapy and even injury or death.

Periodically something happens to make the problem surface. There were, for example, congressional investigations by the late Sen. Estes Kefauver, Rep. L. H. Fountain and former Sen. Hubert H. Humphrey. Some testing was "superb," Humphrey once said. He found other instances of outright fraud. But much more often, he said, "mediocre and substandard testing was . . . conducted on good, bad, or indifferent drugs."

Humphrey's inquiry ended in 1964, when he ran for Vice President. Then, just three years ago, a tired industry-oriented Food and Drug Administration got a new Commissioner with a rock 'em, sock 'em style. A mere 11 weeks after Dr. James L. Goddard was sworn in he told the Pharmaceutical Manufacturers Association that he was "shocked at the quality" of much of the test data PMA members had submitted to the agency. "The hand of the amateur is evident too often for my comfort," he said.

Last July 1, Dr. Herbert L. Ley Jr. succeeded Dr. Goddard. Dr. Ley's style is anything but rock 'em, sock 'em. For five months he made no public speeches at all. But when he did, last Dec. 3, he, too, focused on unsatisfactory testing of drugs.

"I must tell you frankly that we have not seen the degree of improvement in the quality of clinical data from drug investigations that we would like," Dr. Ley told an educational conference sponsored by the FDA and the Food and Drug Law Institute.

He documented his point with a capsule review of the 406 drug-marketing applications received by the agency in the fiscal year ended last June 30, Only 59 were approved—about one-fifth as many as were so low in quality as to be "not approvable." Of the rejected applications, Dr. Ley said, more than half "suffered from deficiencies in clinical studies and inadequacies in efficacy data."

"I intend to give this matter renewed attention . . . and possibly call upon experts outside the agency as well to see if we cannot find means to correct existing shortcomings," he said.

As if to underscore his point, the FDA soon thereafter disclosed that it intends to halt the sale of six antibiotic-containing combination drugs for which investigation showed there was little if any scientific evidence of efficacy—but which nonetheless were widely advertised and, over the years, prescribed for millions of patients.

Two days after Dr. Ley spoke, support came from an unexpected quarter. In the Dec. 5 *Medical Tribune*, spokesmen for two major pharmaceutical houses were reported to have made a joint statement in Geneva, Switzerland, that despite improvement in recent years, "the vast bulk of clinical work with new drugs that is published is of abysmally low quality."

This fact often is held against the drug industry, Drs. H. Bloch of CIBA, Ltd., in Basel and G. E. Paget of Smith Kline & French Laboratories, Ltd., acknowledged at a meeting sponsored by the Council for International Organizations of Medical Sciences in cooperation with the World Health Organization and the United Nations Educational, Scientific and Cultural Organization. But, the two doctors said, "it is as much to industry's disadvantage as to medicine's that this situation exists. This unsatisfactory state of affairs does not come about because industry seeks third-rate investigators to carry out these [drug testing] trials in the hope that they will thereby obtain an unreasonably favorable outcome . . . It arises because of the dearth of investigative facilities and first-class investigators throughout the world." As they saw it, the answer lies in "a complete revolution in the attitude of medical schools and teaching hospitals to the clinical investigation of drugs and the training of investigators."

Their advice is not out of proportion to the seriousness of the problem. But alone it is not enough. The Government might well look upon the training of drug investigators as a public health necessity and pay the bill. Apart from that, as witnesses have told the continuing drug hearings led by Sen. Gaylord Nelson, steps must be taken to eliminate the possibility of bias in testing. As it is, manufacturers commission testing. Those who do it know what company is paying the bill, whether a gift to a favored medical school may somehow be in the balance, whether there will be such forms of ego massage as honorariums for speaking at a conference in a distant city, whether a favorable result will cause a rise on the stock market from which personal advantage may be derived.

One way or another, testing should be done by specialists who do *not* know the identity of the manufacturer, who *cannot* benefit financially from the result, who are *not* motivated even subconsciously by a desire to get anything but the truth. If war is too important to be left to the generals, so is drug testing too important to be left to manufacturers and to investigators who have not been immunized against possible bias.

---

[From the Bulletin of the Atomic Scientists, January 1969]

DRUG TESTING: IS TIME RUNNING OUT

(By William M. O'Brien)

(NOTE.—Dr. O'Brien, who is associate professor of preventive and internal medicine at the University of Virginia, Charlottesville, discusses the hazard of drug testing in the diseased human being. He contends that the FDA should be strengthened by improving its scientific status and upgrading the quality of its scientists; that drug testing should be taken out of the hands of the pharmaceutical industry, which he criticizes for showing unwarranted optimism about drugs.)

The vast majority of physicians feel that the best way to test drugs is to use the "art of medicine"—every doctor should be allowed to try out a new drug and see how it works, and the doctors' testimonial should be sufficient evidence. After all, shouldn't a drug be tested and judged just as it is used—by the physician in his office?

A second approach considers medicine to be a science and not an art, and demands rigorous experiments in drug testing. Since the course of most diseases is highly variable, a control period is essential. Testing a new drug implies a comparison with a standard established remedy or, if there is no evidence that drugs in any way benefit the disease being studied, a comparison with an inert dummy medication, usually referred to as a placebo. The drug and placebo treatments are randomly assigned to comparable patients and, to avoid any possible bias, the physician evaluating the response and the patient are unaware of which medications are active. The second approach is rarely used. Most clinicians are skeptical of controlled trials, and particularly distrust the final statistical analysis which is required to insure that the investigator has not been misled by chance or deceived by natural fluctuations in disease activity. Drug companies prefer the first approach; uncontrolled trials are easier, and the resulting testimonials are apt to be favorable. A famous physician once remarked: "Drug trials can be divided into two groups; enthusiastic trial with no controls and controlled trials with no enthusiasm."

The uncontrolled trial—the "art" of testing new drugs—is, however, full of logical traps. Caring for disease is depressing, and both physician and patient may become wildly enthusiastic about new remedies. Sir William Osler is reputed to have remarked: "We must use drugs quickly before they lose their power to heal." A new drug is introduced, has its fling, and then is discovered to be of little value or comes to be associated with severe toxic reactions. This pattern has repeated itself over and over again.

FLIPPING THE COIN

Another trap concerns the widely used technique of placebo substitution. Consider a disease with a highly variable course. Let us suppose that a patient has just experienced a severe exacerbation of disease activity. The physician, confronted with a patient who is doing poorly, decides to start a promising new drug. He gradually increases the dose of the drug, and eventually the patient has a remission of the disease process. Now the physician substitutes an inert dummy medication, a placebo, and the patient soon gets worse. He repeats the process several times, and each time obtains a verdict in favor of the drug. But has the favorable effect been due to the drug, or is it due to the cyclical nature of the disease? This is the same fallacy as a coin-flipping game with the rules which require that if it's heads I win; but if it's tails, you don't win, we flip again. Under these circumstances, it is hardly a fair game; if the game goes on for a number of coin tosses, the chances of your winning becomes virtually nil. Placebo substitution is an example of just such a logical fallacy, since the physician can decide to substitute the dummy whenever he wishes. The rules of the game must be determined before the game begins, not during the play.

In a recent congressional hearing on the adequacy of drug testing, when the fallacy in the placebo substitution technique was pointed out, a vice president in charge of research at one of the largest drug companies defended it: "To imply that these clinical investigators purposely chose to institute placebo at the point in the patient's disease when the patient is about to experience an exasperation of his illness, is sheer nonsense, and is a reflection on the scientific integrity of the observer and also on his moral character." Most physicians would agree, and would still prefer the "art" approach, in spite of this and many other fallacies in the use of these uncontrolled techniques.

A final problem in the art of drug testing revolves around payment for the tests. The companies must have favorable reports in order to market new products. If a physician constantly produced scientifically sound but unfavorable reports, would he continue to receive support from the drug industry? My experience would indicate that he would not. If a physician consistently produced favorable testimonials, would he receive generous support? One physician is known to have received considerably more than $32,000 for results of drug tests praising new remedies over a two-year period. The Food and Drug Administration (FDA) later produced evidence that these trials involved gross fraud and the physician was convicted in Federal Court. This is hardly an isolated example. Marketing of the pain killer Norgesic was based on tainted data, and numerous other instances could be cited. One wag suggested a second way to classify tests: "Drug trials can be divided into two groups: fraud and gross fraud."

DRUG PROMOTION

I am a specialist in rheumatic diseases, and through my career I have watched the development of a series of new drugs for the treatment of rheumatoid arthritis. I, and many other rheumatologists, have considerable doubt that any drug is really effective in arresting the course of rheumatoid arthritis, so surely our first concern should be *primum non nocere:* first not to injure the patient. Often it seems, however, that for the long-suffering arthritic the purported cure is worse than the disease.

Early in my career, corticosteroids were being widely acclaimed. Unfortunately, they cause a variety of severe and even fatal side reactions including psychoses, peptic ulcers, osteoporosis, fractures, cataracts, diabetes, and so forth. Another great hope was phenylbutazone, which was moderately effective, but which unfortunately caused peptic ulcers, and even worse caused severe depression of the bone marrow and occasionally resulted in leukemia. Next was chloroquine, which was relatively weak, but seemed almost free of side effects.

Unfortunately, after a few years of therapy, some patients became totally blind. Then came indomethacin, another rather weak drug, which had numerous serious side effects. More recently dimethylsulfoxide (DMSO) was proposed as a panacea. This drug probably has no effect at all, but acts as a classical counter irritant. When rubbed on the skin, it causes redness, scaling, burning, and pain—the skin hurts so badly that the patient forgets his arthritis. Some patients developed ocular changes, and a few died of shock after receiving DMSO; human use of the drug is now prohibited. Today, we are beginning the era of the immuno-suppressives, which can cause total depression of the blood-forming elements in the bone marrow. These are the most dangerous agents ever used in treating rheumatoid arthritis, and we can only wait to see what will result.

THE INDOMETHACIN STORY

Indomethacin is a good example of how a drug is tested and promoted. The drug was developed at the research laboratories of Merck, Sharpe and Dohme, and the basic studies represented careful pharmaceutical research. By 1964, extensive clinical testing of the drug was underway. The only requirement of present U.S. law is that a drug be safe and effective as labeled. Advertising is legally defined as labeling. By June 1965, the FDA felt that the drug met these requirements and that it was relatively safe if used as labeled, so they allowed the drug to be marketed.

Merck immediately embarked on an ambitious advertising campaign. By early 1966, most medical journals contained eight-page color advertisements with headlines stating that indomethacin was "the most promising antirheumatic agent that has been made available for clinical investigation since the introduction of cortisone." Many physicians might misinterpret this statement as meaning the drug could be used in any rheumatic disease. In fact, it has been tested and approved in only four specific diseases. The advertisements also stated in large type that the drug "extends the margin of safety in long-term management of arthritic disorders." Again, this implied that the drug was safer than other drugs and it could be used in any form of arthritis. Unfortunately, it did not specify what indomethacin was safer than.

The advertisements also contained four testimonial statements by eminent practitioners, two of which stated indomethacin was "the drug of choice," implying this drug in comparisons had been found more effective than other drugs when in fact such comparisons had not been made. One physician claimed that he had found the drug "extremely helpful in over 500 patients." Later, FDA officials indicated Merck's own records revealed the physician had never treated anywhere near 500 patients. The claim was also made that the drug did not increase susceptibility to infection. They omitted mentioning that these claims were based on experiments in a few rats with a system involving bacterial endotoxins, evidence which certainly could not be projected to claim that all infections in human beings would behave in a similar fashion. In fact, the drug increases human susceptibility to infection. Further, the advertisements stated periodic blood counts were not necessary, implying that the drug did not depress the bone marrow: the drug is known to cause total fatal marrow depression.

The direct promotion of the drug to physicians seemed even more distorted than the advertising. One regional sales manager instructed detail men under his supervision: "It is obvious that Indocin will work in that whole host of crocks and cruds which every general practitioner . . . sees everyday in his practice." (The drug is too toxic for routine use in minor complaints, and the "crocks and cruds" indicates considerable contempt for the public.) Further, the salesmen were told to play down side effects.

A SEMANTIC PROBLEM

In the summer of 1966, officials of the FDA demanded that Merck drastically alter its advertising. Officials felt that the advertising did not contain sufficient information on toxicity and overstated the usefulness of the drug, particularly in implying that it could be safely used in any form of rheumatic disease or arthritis. Merck complied for a brief period, but in November 1966 the firm began an even more objectionable campaign, resulting in a second crackdown, and a request by the FDA to the Justice Department that the company be criminally prosecuted for the November advertisements. At the Senate hearings on indomethacin, the president of Merck and Company pleaded:

"Language is not a perfect method of communication, and it may well be that words and phrases that we used in the belief that they mean one thing may have been interpreted by some physicians to mean something else. Such are the complexities of semantics."

This company's advertising converted the legally approved labeling of "Indocin itself may cause peptic ulceration . . ." unto "Ulceration of the stomach . . . has been reported." The difference is hardly semantic, since the second statement implies doubt as to causality, while the first does not. Even worse "semantic" difficulties were arising over the use of the drug in children.

In late 1964, the FDA had recommended to Merck that the prescribing directions for the drug state that this drug should not be used in children. No experiences in children had accumulated and children often react differently to drugs than do adults. Unfortunately, in the prescribing directions issued with the drug, this warning was altered to read "not recommended for use in children," rather than an absolute prohibition. In the fine print in the advertising, this was further changed to "Safety in pediatric age groups . . . has not been established," implying that the drug was safe in children, but little experience had accumulated as yet.

This language was, indeed, not a perfect method of communication, and physicians did use the drug in children. By July 15, 1966, the FDA had learned of sudden deaths due to overwhelming infection in several children receiving indomethacin. The officials requested that Merck immediately warn all American physicians by letter against the use of this drug in children. In addition, the FDA required that the labeling include additional warnings, contraindications, and clear indications of adverse reaction and precautions.

By November 1966, the Canadian Food and Drug Directorate became increasingly concerned about deaths in children. Rather than rely on the company to warn physicians, the Directorate sent letters directly to every Canadian physician, stating:

"Several deaths have been reported in children with severe forms of rheumatoid arthritis, dermatomyositis, and rheumatic fever who were receiving indomethacin. Some of these children succumbed to an intercurrent infection, the severity of which may have gone unrecognized during treatment. The exact relationship to indomethacin was difficult to determine in these reports. However we recommend that indomethacin should not be used in children until the results of further studies become available."

A PILL PER ILL

In early 1967, further disquieting news appeared. Previous evidence of the effectiveness of indomethacin had been based almost solely on testimonials by physicians and much of this information had never been fully published in reputable scientific journals. In early 1967, for independent, careful, double-blind trials were published in leading medical journals. In these trials two groups were used, one receiving indomethacin and another receiving some contrast medication (either a standard drug such as aspirin or an inert dummy). Neither the physician nor the patients knew which capsules were active. All four of these independent scientific trials (none of which relied on art or clinical opinion) failed to show that indomethacin had any more potency than simple aspirin. The trials could not substantiate any of the claims made in previous reports, which had indicated that 60 per cent of patients had improved.

The company declared some of these trials were totally invalid and in later testimony urged that drugs be evaluated in an uncontrolled fashion by physicians who were expert in the treatment of rheumatic diseases. While no one could question that many of the company-sponsored physicians were expert clinicians, the question of whether they were performing scientific experiments remains unresolved. The company also implied in later testimony that the controlled trial is something new in medicine. An excellent controlled trial was performed in 1747 on board the British warship *Salsbury* by Dr. James Lind. Twelve seamen with scurvy were divided into six groups of two. He tried different therapeutic regimens on the similar groups and found that only the two sailors who received citrus fruits were cured. The technique of controlled experimentation is hardly anything new in either science or medicine and the issues in drug testing really boil down to art versus science and testimonials of "experts" versus numerical evidence.

Certainly the public desperately hopes that the medical profession will provide a pill for every ill. The public realizes that pharmaceuticals are important and represent a potential cure for any disease. But the public is also coming to realize that they may be killed by drugs, and particularly, that they may receive new and untested drugs without even being informed of the potential dangers. Even worse, the physician himself may be unaware of the potential dangers of the drug. The medical profession responds that every physician should use new drugs and get acquainted with them and that it is only in this way that the public will receive instant benefit from latest advances. Doctors certainly like to try the newest remedies. About one third of American thalidomide babies were born to wives of physicians who had received free samples of the drug.

SPEND $900 MILLION ON ADS

The average physician's utilization of drugs is at best disturbing. In a study of 408 cases of bone marrow depression due to chloramphenicol, of which one half resulted in death, the drug was prescribed for a valid reason in only six per cent of the cases, and was given for common colds in 12 per cent. The drug industry spends about $3,500 per physician on salesmen who personally "detail" the doctor on the latest breakthroughs. A total of $900 million is spent on advertising, about three times the amount spent on medical education. And the advertising is successful. A recent survey of drugs dispensed by the mail order drug service of the American Association of Retired Persons revealed that Peritrate, an expensive, long-acting dilator of the coronary arteries, was the most commonly prescribed drug in old persons. This is indeed a triumph for the hard sell Madison Avenue campaign which modestly

billed the drug as "life sustaining," for several careful scientific trials have shown the drug has no pharmacologic effects of any kind on coronary artery disease. Of the 12 top drugs prescribed for these retired persons, two were expensive substitutes for aspirin, and four were expensive substitutes for phenobarbital. The use by physicians of fancy, dangerous, and expensive substitutes for old standard remedies undoubtedly contributes to the staggering costs of medical care.

In a survey of 1,014 consecutive medical admissions at Yale University's teaching hospital, 10.3 per cent of patients had a drug reaction; in 1.4 per cent the reaction threatened the patient's life; and in 0.4 per cent the patient died as a result of the reaction. A similar survey at Johns Hopkins of 714 medical patients revealed 17.1 per cent had reactions and 1.55 per cent were fatal. Even if only one-tenth of one per cent of all hospital admissions died of drug reactions, the deaths would approach 29,000 per year. Deaths due to drugs would be a major public health problem comparable in importance to infectious disease, cancer of the breast, and nephritis as a cause of mortality. I would be the first to admit we have no idea what the magnitude of the problem is, but I would violently disagree that no problem exists.

Physicians are not legally required to report drug reactions to the FDA. In fact, it is to their advantage not to report reactions since it might involve them in a possible lawsuit on the part of the injured patient. Just what percentage of drug reactions are not actually reported is unknown, but most informed sources feel that it is less than one per cent. Lowinger recently reported in Science magazine that only 10 of 26 reports on drug safety which he had submitted to 19 pharmaceutical manufacturers had ever been forwarded to the FDA. He further stated that 14 companies which failed to submit toxicity reports included some of the largest and most scientifically capable pharmaceutical houses. We do not know the extent to which adverse reactions to drugs are a problem in American society, and probably we will never know since the physician and the drug company both attempt to conceal evidence of toxicity.

NATIONAL TESTING POLICIES

The medical profession has generally felt that the practitioner should be allowed to use any drug in any way he sees fit. Attempts to control his use of drugs or to prevent him from using new compounds would be interpreted as an infringement of his basic right to practice medicine and to prescribe in a way in which he sees fit. The FDA does not actually prevent doctors from experimenting with new drugs, but does request the physician to register with the agency, keep accurate records, and that either he or his sponsor promptly informs the agency of adverse reactions. The American Medical Association, which receives over half its income from drug industry advertising, has not been vigorous, in fact not even feeble, in demanding careful clinical testing, honest advertising, or the control of highly toxic drugs.

The pharmaceutical industry itself has demanded a hands-off attitude and has vigorously fought every attempt at any inquiry into drug testing or drug toxicity and has opposed all legislation aimed at controlling drugs in any way. It has done little to police itself and undoubtedly will do little in the future. The industry has established warm and cordial relationships with, and donates funds to, medical organizations. In return, the pharmaceutical industry has an undue influence over the policies of these organizations.

America's great disease-oriented foundations, that rely on public contributions to study cancer, heart disease, arthritis, and so forth, have not made any major attempt to protect the public against drug reactions. This is perhaps understandable, since most of the fund-raising abilities of these organizations is based on promising the public a cure, usually by drugs, and scary stories about toxic reactions to drugs will hardly help fund raising. Furthermore, these foundations have strong ties with the drug industry.

The nation's medical schools are too poor financially to do much to promote either better trials or good postgraduate education on the use of drugs. The faculty of medical schools probably represents the only major source of physicians with the talent and skill required to scientifically test and evaluate new drugs. Contrary to what most people believe, the drug industry is not pumping money into medical schools to support research on drugs. During 1965–66 the medical schools' total expenditures for sponsored research was $375 million. Of this, they received $3 million from nongovernment sources for unrestricted research. If one assumed half of this came from the drug industry, this would amount to about one half of one percent of the total research budget of the schools. The widely publicized Pharmaceutical Manufacturer's Association Foundation, which devotes itself to the "betterment of public health," had awarded only $55,000 in faculty development awards in clinical pharmacology up to the end of 1967. A few companies—notably Burroughs Welcome—provide excellent faculty fellowships, but these are few and far between—about 20 in the entire country. Considering the numbers of MDs and PhDs which the drug industry consumes annually, they may actually make no net contribution and may even represent a drain on the resources of the schools.

NIH SUPPORT

The only substantial source of support for good testing and research on drugs comes from the National Institutes of Health (NIH). The total expenditures for support of research on drugs are about $50 million, of which $3.5 million is specifically earmarked for drug testing. This amount, less than five percent of the total NIH budget, is hardly enough to support all the work that needs to be done. Because of the difficulties in obtaining funds for clinical pharmacology, most departments have drifted to where the money is: basic molecular biology. The result has been good, but medical pharmacology has become lopsided. Most departments are headed by molecular biologists, and emphasize basic research. Only two or three real departments of clinical pharmacology are to be found in the entire country. The bright young clinical investigator finds support difficult to obtain for testing drugs, and tends to gravitate into other areas where funding is easier to obtain.

Unfortunately, many medical school investigators whose research programs are funded by NIH also receive personal honoraria from the drug industry. While federal funds are paid only to the medical school and can be used as prescribed in strict budgets, the industry funds may be received as personal income outside the framework of medical school salary scales. Some of these investigators seem far more concerned about the welfare of the pharmaceutical industry than they do about the tax-paying public, even though the public actually provides most of their support. The industry has every right to pay their consultants as they see fit, but publicly-supported investigators should not be permitted to be involved in serious conflict of interest.

The FDA is the only real organization solely devoted to protecting the American public. This agency is the stepchild of two great drug catastrophes: the Food, Drug and Cosmetic Act of 1938 was passed as a result of the elixir of sulfanilamide catastrophe in which 108 children died, and the 1962 Harris-Kefauver amendments were enacted because of the thalidomide catastrophe. The powers of this agency are limited by law and the officials are subject to political pressure. If anyone in the medical profession wishes to criticize or belittle the FDA, he can find an immediate audience in almost any medical journal and his efforts will bring him rich rewards from the pharmaceutical industry. Claims are continually being made that the agency is interfering with research and depriving the public of life-saving drugs. The truth, more likely than not, is that the agency has prevented doctors from poisoning patients with some new, expensive drug of questionable merit.

This agency has a long way to go. Under Commissioner James Goddard many improvements came about. Officials gradually began to insist on better quality trials, and a crackdown on false advertising was begun. Although Goddard was overly frank, and the drug industry capitalized by both misquoting him and exploiting his candor, the public owes him a great debt for improving the Administration. There is every expectation that his succesor, Dr. Herbert Ley, will continue to serve the public interest, and see that the FDA becomes even more effective in its mission.

FUTURE THERAPEUTIC CATASTROPHES

Over the past 30 years, this country has experienced several major therapeutic disasters. Many patients were needlessly killed or badly injured by indiscriminate use of cetrain new drugs. It is said that this is a price we must pay for progress. If a good scientist examined the records of these disasters, he would have to conclude that if testing were conducted in a totally impartial, highly scientific manner, all of these catastrophes could have been avoided. But the Pollyannas of the drug industry assure us that new disasters are impossible.

A few Cassandras, however, prophesy even worse calamities. Pharmaceutical companies are producing new and highly toxic compounds at a startling rate and the number of new drugs being introduced for clinical testing is rapidly increasing. What are the possibilities of another major drug disaster? Dr. H. Friedman, in a letter to Science magazine, stated:

"Let us assume that a drug (such as a combination psychic energizer and diuretic) with no known side effects is aggressively promoted and very widely used throughout North America and Europe. Some 16 years after its adoption, the first hints of unexpected side effects begin to appear and several more years are required before they are confirmed. All children born to mothers using this drug during the first three months of pregnancy (effective as it is for morning sickness) are found to be sterile. The use of the drug for 20 years has affected the larger proportion of an entire generation so that populations of countries affected will drop sharply for several decades and require several additional decades to recover if given the opportunity.

"The effects of thalidomide were relatively easy to discover and limit, but how readily can we detect more subtle effects in time to prevent the possibility of a history-changing catastrophe? In contrast to such a situation, the individual tragedies attributed to past and present drugs would seem rather tolerable."

All the elements for vast future catastrophes are present: lots of new, highly toxic drugs, sloppy and dishonest testing, and hard-sell, dishonest advertising campaigns, to which the average doctor is highly susceptible.

WHAT CAN BE DONE?

I think we can expect little stimulus for correcting the inadequacies of our present system from organized medicine. Physicians' organizations and our disease-oriented foundations have been sweethearts and finan-

cial dependents of the drug industry too long to desire any effective change: drug testing must be cleaned up.

Tests are not getting any better. In 1960, McMahon and Daniel, reporting in the Canadian Medical Association Journal, found only five per cent of published trials met even the crudest scientific standards. The trials I reviewed in 1967 were not any better. The doctrine that other parts of medicine are science, but that drug testing is a mystic art which can be performed by only uncontrolled dabblings of so-called experienced clinicians is a sham. Further, it is ethically unacceptable to subject human beings to dangerous drugs unless the experiments are scientifically excellent. The FDA has made some feeble beginnings, but society must demand that only scientific experiments which produce meaningful numerical results be acceptable. Drug testing should be taken completely out of the hands of the pharmaceutical industry. They have repeatedly been guilty of irresponsible optimism about drugs, and their use of paid testimonials is a shallow substitute for good scientific trials.

The distorted Madison Avenue approach used in the promotion and advertising of drugs must be completely eliminated. How can society, which spends only $250 million on medical education, idly stand by and watch the drug industry spend $900 million annually on the post-graduate miseducation of physicians? The public eventually foots not only the bill for the advertising, but also the bill for the new, dangerous, fancy substitutes for the old established remedies. The annual $5 billion drug bill could easily be reduced by $2 billion. Claims that advertising is necessary, and that promotional efforts serve a useful purpose are a joke. The physicist would hardly think of announcing the discovery of a new particle by an aggressive advertising campaign. Why can't physicians get information on new drugs from scientific journals? This is exactly the manner in which they learn about the latest observations on complications of pneumonia, or electrocardiographic changes in heart block.

New legislation is needed. The present laws require only that a drug be safe and effective as labeled. A drug must meet no pressing need, and a more toxic substitute for a standard drug can be marketed. The penalties for violations of the present laws should be increased. Convictions for serious fraud in advertising may carry only a maximum penalty of $1,000 under the present legislation. The penalties are so trivial and prosecution so infrequent, that huge settlements in personal liability suits resulting from drug injuries have a much greater influence on controlling the drug companies' advertising than does federal legislation. A lawsuit to attempt to collect damage for a death is a very poor substitute for preventing the death.

A STRONGER FDA

NIH should surely expand its work in clinical pharmacology, making every effort to upgrade it as a precise science. But simply providing more support is not enough. The public must be assured that investigators who receive public grants are loyal to the public cause, and are not involved in any financial conflicts of interest.

The FDA likewise should be further strengthened. FDA officers receive a constant diet of abuse and rarely if ever congratulation for the vital public service they perform. All of us have a role to perform in refuting frequent unfounded attacks on officials of this agency. At the same time, every scientist should in any way possible prod the FDA to improve its scientific status and the quality of its staff.

Scientists must urge the public not to accept excuses for drug catastrophies or for excessive medical costs due to drugs. The scientist must particularly guard against the jargon games used by the pharmaceutical industry in obscuring any problem. Endless demands for proof positive, suggestions for long-term studies, and frightening announcements that any action will destroy the entire pharmaceutical industry are all part of this game. Dr. I. D. J. Bross, in *Science*, has particularly warned against the fallacies:

"The only way to close the credibility gap is for the spokesmen for science to speak plainly, honestly, and bluntly—without minimizing mistakes, evading responsibility, rewriting history, or otherwise trying to cover up unpleasant facts. Language games in technical jargons have long been a favorite academic sport, but this is too dangerous a game to play when human lives and well-being are at stake."

Finally, the physicist or other scientist who is totally removed from the sphere of medicine and drugs should not ignore this area. Obviously the medical profession itself has been remiss in demanding the highest ethical and quality standards. Nowhere is the American public more exposed to the fruits of good scientific research than when it benefits from drugs which are useful in combatting disease. Likewise, the public is never more conscious of bad scientific research than when it is the victim of a therapeutic catastrophe. We must all face the unpleasant fact that adverse reactions to drugs are major public problems. Surely all scientists should do everything possible in their public roles to see that the quality of scientific research in drug testing is upgraded, and that the public interest is always first.

Mr. NELSON. Mr. President, in his article Mr. Mintz states:

The quality of testing of prescription drugs is one . . . whose implications are of life and death importance. For if poor testing is allowed to conceal from a physician that a medicine is useless, inferior or even positively harmful, it is not the doctor but the patient (or hundreds, thousands, or even millions of patients) who may be exposed to needless exploitation, delay in obtaining effective therapy and even injury or death.

An outstanding story by Walter Rugaber in yesterday's New York Times presents evidence that the drug testing problem in this Nation is even more serious than we on the committee had been led to believe over the long hours of testimony on the subject over the past 2 years.

I ask unanimous consent to have this article placed in the RECORD at this point.

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

PRISON DRUG AND PLASMA PROJECTS LEAVE FATAL TRAIL

(By Walter Rugaber)

WASHINGTON, July 28.—The Federal Government has watched without interference while many people sickened and some died in an extended series of drug tests and blood plasma projects.

The profits generated by these activities have gone to an enterprising contractor for the nation's biggest pharmaceutical manufacturers.

The immediate damage has been done in the penitentiary systems of three states. Hundreds of inmates in voluntary programs have been stricken with illness and serious disease. An undetermined number of the victims have died.

In a broader sense, countless millions of American consumers have been involved.

Potentially fatal new compounds have been tested on prisoners with little or no direct medical observation of the results.

Prisoners failed to swallow pills, failed to report serious reactions to those they did swallow, and failed to receive careful laboratory tests.

These studies have generated data that have in turn been used to justify the sale of drugs at prescription counters across the country.

This forbidding trail has been marked out by an Oklahoma-born physician named Austin R. Stough and corporations in which he owns a substantial interest. Despite his importance in two vital fields, he is practically unregulated in either.

As a general practitioner who reports no formal training or education in pharmacology, he is said to have conducted between 25 per cent and 50 per cent of the initial drug tests in the United States.

The 59-year-old doctor, whose companies have been blamed for the repeated use of dangerous methods and inadequate equipment, is estimated to have produced the plasma for about a fourth of an important byproduct that is widely used to protect people exposed to infectious diseases.

These prison-based enterprises have regularly incurred local disfavor. Dr. Stough was evicted from one prison by the Oklahoma authorities in 1964. He was forced out of an Arkansas prison by officials there in 1967. One of his corporations is now under orders to close down prison operations in Alabama.

But Dr. Stough (rhymes with HOW) is said to retain financial interests in some private blood banks in Birmingham and Dallas, and he is known to be seeking connections with prison systems in new areas.

He can do so freely. He has incurred no penalties, and dissatisfaction with his performance in one state has not prevented a repetition of it in another.

The Federal Government and the pharmaceutical industry—the two forces with enough broad power to compel safe practices from state to state—have maintained a general indifference at every turn.

Several agencies within the Department of Health, Education and Welfare have known the details of Dr. Stough's plasma collections and drug tests for years. They have not curtailed them.

Some officials in Washington have attributed their inaction to gaps in the law and in the regulations under which they work, and a shortage of specific Federal standards is occasionally apparent.

But critics in Congress and elsewhere have blamed bureaucratic inertia and timidity for the failure to regulate drug and plasma operations, and a lapse in enforcement is also occasionally apparent.

For example, the Food and Drug Administration employs only a single physician to conduct field investigations of all the studies underway in the United States, and the agency's inquiries rarely go behind the dry scientific data.

METHODS CALLED DANGEROUS

The Division of Biologics Standards, a unit of the National Institutes of Health that is responsible for the regulation of blood products, recently asserted that the safety of plasma donors was not its concern.

Several major pharmaceutical manufacturers have recognized that some of the methods employed by Dr. Stough were extremely dangerous. They continued to support him with large sums of money.

An executive of Cutter Laboratories once acknowledged, for instance, that gross contamination was apparent in the areas where the largest blood plasma operations were conducted. The rooms were "sloppy," he observed.

When a Government doctor asked why Cutter continued to reward such an enterprise with hundreds of thousands of dollars' worth of business, the executive explained that the Stough group enjoyed crucial "contacts" with well placed officials.

FEES AND PARTNERS

These contacts involved, among other things, the payment of sizable retainers to influential lawyer-legislators and the establishment of "partnerships" for a number of prison physicians who remained on the public payrolls.

With neither Government nor industry intruding, with most of their records held in secret, with officials passing the problem on to someone else, Dr. Stough prospered at his work throughout the nineteen-sixties.

He has generally declined to talk with local newspapermen about the controversies involving him. And he recently refused to grant an interview with a reporter for The Times.

"We've taken the position of no comment," Dr. Stough said during a recent telephone conversation with a reporter who had asked to see him. "I don't think we're interested in airing anything in the newspaper."

"We think some people have made a mistake," he remarked, referring to the medical observers, editorial writers and state officials who have assailed him. But, he added, "I'm not looking for revenge on anybody."

Efforts to photograph Dr. Stough were unsuccessful, and an extensive search of newspaper files and other sources turned up the pictures of the physician.

STARTED IN OKLAHOMA

Dr. Stough graduated from the University of Tennessee Medical College, spent a one-year internship in Oklahoma City, and opened a private practice in McAlester, site of the Oklahoma State Penitentiary, late in 1937.

He soon began to serve, on a part-time basis, as the prison physician. With direct access to more than 2,000 inmates, his drug tests began to grow extensively. In the meantime, he started a new endeavor.

On March 25, 1962, the inmates at McAlester began lining up to participate in a medical procedure called plasma-pheresis. Under it, a unit of whole blood is drawn and the plasma, a fluid that makes up about 55 per cent of the blood, is taken out.

The remaining cells are reinjected. That was the critical step on Sept. 19, 1962, when one of Dr. Stough's technicians processed an inmate named Tommy Lee Knott, 47, an illiterate prisoner with a long criminal record.

Knott's blood type was O-positive, but he subsequently charged in a lawsuit that after the plasma had been drawn off, the technician pumped another man's cells, which happened to be A-negative back into his veins.

ORGANS DIAGNOSED

Unfortunately for Knott, his liver, lungs, brain, kidneys and other organs were injured, his nervous system underwent shock, and his weight dropped 58 pounds in 17 days.

In suing Dr. Stough and two associates for $270,000 in damages, Knott also reported that the incompatible blood had caused a double hernia, permanent secondary anemia and a 10 per cent reduction in life expectancy.

The defendants managed to settle out of court for $2,000 after Knott, who had been removed from the penitentiary for treatment, went off on a crime spree that landed him in a small town jail.

Only three months after this inauspicious episode, Dr. Stough embarked on an ambitious expansion effort. The financial rewards inherent in his initial plasma-pheresis program would now be greatly multiplied.

He brought his plasma operation to Kilby Prison, a drab institution near Montgomery, Ala., in December, 1962, and in the following year he began drawing blood in two more of the state's prisons, Draper and Atmore.

In October, 1963, he started a plasma program at the Cummins Farm, a sprawling unit of the Arkansas state penitentiary that was quietly going through an era of general brutality and neglect.

PROTEINS EXTRACTED

Plasma itself can be used in the treatment of shock, but it also contains a number of proteins, including gamma globulin, that can be extracted and employed to counteract a variety of medical difficulties.

The gamma globulin from most donors contains enough antibodies against such diseases as measles and hepatitis to be effective when it is reinjected into a person who has been exposed to those diseases.

This is not the case, however, with diseases such as mumps, whooping cough, tetanus and smallpox. Groups of donors receive vaccinations to build up the antibodies in the gamma globulin intended to treat these illnesses.

The result is known as hyperimmune gamma globulin, and much of the plasma Dr. Stough extracted was used by manufacturers to produce this serum. It can be a hazardous process.

Dr. Stough demonstrated this immediately upon his arrival in Arkansas. Andrew Buddy Crawford, a 45-year-old inmate at the Cummins Farm, received the first in a series of whooping cough shots on Nov. 23, 1963.

DIED AFTER 8TH SHOT

More amounts of the vaccine were injected weekly for a time, and on March 7, 1964, after a two-month lapse, Crawford received his eighth shot. He became ill about a week afterward.

Crawford died slowly and in very painful fashion, and three Little Rock physicians, who reported the process with the lack of patients' names often encountered in medical journals, said it was probably the result of the repeated vaccinations.

It was left to The Pine Bluff (Ark.) Commercial to report, only last January, that the man who died on June 13, 1964, was Andrew Buddy Crawford, and that the program involved was directed by Austin R. Stough.

As a measure of his grip on the market at about this time, a Government source calculated that Dr. Stough's plasma would produce 193,970 cubic centimeters of hyperimmune gamma globulin solution monthly.

Since only about 800,000 cubic centimeters of this type of plasma product were distributed each month throughout the United States, Dr. Stough's output was the source of practically a fourth of the entire national supply.

OTHER PRISONS EYED

"With demand exceeding supply," a Government doctor wrote of the boom, "inquiries were made in other states concerning the possibility of opening plasmapheresis centers in other . . . prisons."

A certain style had developed. In Oklahoma, Dr. Stough himself was the prison physician. The salary of $13,200 a year was inconsequential by his standards, but the standing it gave him within the prison was invaluable.

So, in Alabama, he awarded Dr. Irl R. Long, the senior prison physician, a financial interest in the program. Until a few weeks ago, Dr. Long simultaneously received a salary of $942 a month from the state.

A committee of the Alabama Medical Association remarked in a report issued earlier this year that "this unconscionable situation, regardless of reason, should never have been permitted to come into existence."

The prison physician in Arkansas, Dr. Gwyn Atnip, was paid $20,000 a year for his work in the plasma program there. As a desperately needed doctor among the inmates, he received $8,000 annually from the state.

GOT POLITICAL AID

Dr. Stough also lined up political support outside the prisons, a tactic that demonstrated its importance when members of the Oklahoma Legislature began to ask whether his penitentiary operations were sanctioned by law.

One of Dr. Stough's most vehement opponents was Gene Stipe, then a State Senator. But early in 1963 Senator Stipe changed sides and successfully pushed a bill that firmly established the physician's standing in the prison.

Later it was discovered that at about the time this change of direction occurred and the saving law was enacted, Mr. Stipe, a lawyer, began to receive a $1,000-a-month retainer from the concern headed by Dr. Stough.

A spokesman for the organization asserted that the money was for legal services only. Mr. Stipe agreed. Henry Bellmon, then Governor, expressed displeasure but noted that the state had no applicable conflict-of-interest law.

The political nature of the matter was usually most apparent when Dr. Stough moved to enter the penitentiary system in a new state. His drive on the major prison at Reidsville, Ga., was an example of the technique.

CHECKED WITH CENTER

Dr. Joseph Arrendale, the institution's medical director, one day telephoned Dr. Ronald F. Johnson, then on the staff of the National Communicable Disease Center in Atlanta.

Dr. Johnson had followed Dr. Stough's plasmapheresis operations for some time, and Dr. Arrendale wanted advice. In a memorandum of the conversation, Dr. Johnson reported as follows:

"It was clear that Dr. Arrendale did not favor [a plasma program]. However, he felt that Dr. Stough might be 'bringing political pressures to bear through the state legislature' which could clear the way for such a program."

The Georgia campaign ultimately failed, and a similar move on the state prison at Parchman, Miss., was also turned back. But by then Dr. Stough had encountered serious difficulties in his existing programs.

The five prisons in which he was operating by the end of 1963 all were drastically in need of operating funds, and all exhibited obvious signs of longstanding general neglect.

NO RECORDS

The factors pertinent to Dr. Stough's activities included a lack of medical attention (it bordered on the nonexistent in Arkansas), an absence of records, and an atmosphere of isolation and secrecy.

Still, Dr. Stough's trail remains vivid at each significant turn, and its progress behind the high walls of Kilby Prison serves to illustrate the type of infection that was spread through four other institutions.

By April, 1963, five months after Dr. Stough had opened his plasmapheresis center at Kilby, the incidence of viral hepatitis, an often fatal disease of the liver, was climbing sharply.

From none or one or two cases a month, the disease now rose to more than 20 in a single period. Moreover, the outbreaks held generally firm between 10 and 15 a month through the following November.

The rates then soared again. There were 29 cases in December, 22 in January, 1964, 23 in February, 27 in March, and 27 in April. A tenth of the prison population had been admitted to the Kilby hospital.

Joe Willie Tifton, 46, died on March 18. Emzie B. Hasty, 42, died on April 14. Charlie C. Chandler Jr., 31 died on April 16. David McCloud, 27, died on May 22. Each death was attributed to infectious hepatitis.

Little bits and pieces then began to leak to the outside world. A penciled note from one inmate said, "They're dropping like flies out here."

But a prison spokesman said:

"The doctors are quite confident that there is no connection between the plasma program and the cause of hepatitis and jaundice."

Dr. Stough's partner, Dr. Long, spoke as the senior prison physician.

"That same program is being carried on at Draper and Atmore," he declared, "and there have been no cases reported there."

This assurance was published in The Montgomery Advertiser on May 24.

INMATES AFFLICTED

Actually, the records show that by the end of May, at the time he spoke, 37 inmates had been hospitalized at Atmore and six sent to the infirmary at Draper, all with the same symptoms.

It was not then mandatory in Alabama to report hepatitis cases to the public health authorities, and in that respect Dr. Long overlooked not only the cases at Atmore and Draper but also those at Kilby.

Dr. Ira Myers, the state's public health officer, told the National Communicable Disease Center as late as June 5 that an epidemic "apparently" was under way in the prisons. There was, he said, "no direct confirmation."

The exact number of hepatitis cases in the five prisons was never established and is never likely to be. Too many medical histories vanished, too many were never completed, and too many were improperly kept by "inmate doctors."

Some 544 cases were firmly established, and that conservative figure is the one most often used. But the communicable disease center records also contain estimates of more than 800 and evidence that the figure could run to more than 1,000.

The number of deaths is similarly undetermined. In addition to at least the four in Alabama, there were reports of at least one in Arkansas and at least one in Oklahoma.

The dimensions of the disease were more clearly and precisely stated in sets of percentages, or "attack rates," that measured the incidence of hepatitis among those who gave plasma and those who did not.

At Kilby, for example, 28 per cent of the men who participated in Dr. Stough's program came down with the disease. For those who did not take part, the rate was only 1 per cent.

The rate for participants in one of the barracks at Kilby was 39.1 per cent. At the four other centers, the illness struck between 20 per cent and 26 per cent of the donors and from 0.9 per cent to 1.8 per cent of the nondonors.

FIRST ALLIED TO JAUNDICE

The Federal investigators, reflecting scientific caution, initially referred to the prison cases as "illnesses associated with jaundice." A number of their records employed this phrase.

Jaundice means a yellowish skin, and while it is a symptom of hepatitis its presence is not conclusive. After extensive testing and study, however, the Government doctors concluded:

"The illnesses seen in these prisons seemed to be indistinguishable with viral hepatitis. It is not felt that any serious question of the nature of the illnesses need be entertained."

Hepatitis is a threat in every blood and plasma program, but the careful use of properly designed equipment can reduce the danger virtually to zero. Dr. Stough managed a double play: technique and apparatus both were cited in the epidemics.

The details are complicated, but the general picture drawn by the experts was reflected by K. T. Kimball, an executive of Fenwal Laboratories who had observed some of the plasma operations and who reported to Dr. Johnson of the Atlanta center, according to a written memorandum, as follows:

"Mr. Kimball directed the conversation to the general level of care exercised by Dr. Stough's technicians. He felt that collection of large amounts of plasma in a rapid operation using equipment of simpler design that Dr. Stough approved might easily lend itself to a high level of contamination of technicians' hands and surfaces of tables, equipment, and the actual bags and tubing used in the procedure.

"He felt that contamination of these objects by the plasma of all donors could have occurred, and that absence of strict medical supervision could easily have led to short cuts in and inadequacies of sterile technique."

SAYS HE WAS "APPALLED"

This was equally apparent to Byron Emery, an official of Cutter Laboratories who also visited some of Dr. Stough's operations and who also talked with Dr. Johnson. Another Federal memorandum reported:

"Mr. Emery stated that when he visited Alabama in April, 1964, he was 'appalled at the situation' he found. He said the plasmapheresis rooms were 'sloppy' and that gross contamination of the rooms with donors' plasma was evident.

"Mr. Emery stated that [Dr. Stough and an associate] . . . could not be trusted to carefully supervise such a plasmapheresis program.

"I then asked Mr. Emery why Cutter did not choose to operate such plasmapheresis programs by themselves without using Dr. Stough's group as an intermediate company . . .

"Mr. Emery replied that Dr. Stough had contacts at the prison and it was through him the permission was obtained from the prison officials to operate the program."

REMAINED BIG CUSTOMER

Cutter nevertheless remained one of Dr. Stough's biggest customers.

Alabama shut down the plasmapheresis centers in the middle of the epidemics and blocked Dr. Stough's efforts to start them up again. Oklahoma had taken over the plasma and drug-testing programs almost simultaneously just before the Federal investigation.

In Arkansas, where he had never tested drugs, Dr. Stough was permitted to continue his plasma operations for three years before a quasi-public foundation successfully replaced him.

And although the Alabama authorities had stopped the traffic in plasma, they permitted him to continue his drug tests without interruption The enterprise was quickly stepped up

A pharmaceutical manufacturer generally develops a new product in the laboratory, tests it on animals, and then notifies the Food and Drug Administration that a three-phase tryout on human beings is ready to begin.

Phase one is in many ways the most delicate step of the three because it is designed to establish basic factors such as toxicity, safe-dosage rates, metabolism, absorption, and elimination.

Because of their critical nature, the first-phase tests are usually carried out on healthy subjects. The drug is tried on people who suffer from the target disease only after the phase one hurdle is cleared.

Phase two involves limited administration of the drug to "carefully supervised patients," and phase three embraces "extensive clinical trials" that can include studies by doctors in private practice.

COMPANY JUDGES DOCTOR

The Food and Drug Administration is responsible for * * * the advance from phase to phase. The role of the individual manufacturer is substantial, however.

It is basically the company, for example, that judges a doctor's qualifications as a drug investigator, chooses him to do the job, directs the testing, assembles the results and pays the fee.

Healthy prisoners who by definition exist in closely controlled circumstances are perfect for phase one studies, and Dr. Stough remained in heavy demand by pharmaceutical concerns.

The Food and Drug Administration, citing regulations of the Department of Health, Education and Welfare, refused requests by The Times to examine its records on Dr. Stough.

A spokesman for the agency said, however, that since 1963 the physician has carried out some 130 investigational studies for 37 drug companies. Other types of tests and work by an associate involved 45 additional programs.

The F.D.A. declined to disclose the names of the drugs that Dr. Stough examined or the names of the companies for which he worked. Some of the information has been obtained from other sources, however.

BIG COMPANIES

The companies included the Wyeth Laboratories Division of American Home Products Corporation; the Lederle Laboratories Division of American Cyanamid Company; the Bristol-Myers Company; the E. R. Squibb & Sons Division of Squibb Beech-Nut Inc.; the Merck, Sharp & Dohme Division of Merck & Co. and the Upjohn Company. These concerns, according to the current directory published by Fortune Magazine, are among the 300 largest corporations in the United States.

An investigation of Dr. Stough's work for these and other concerns began earlier this year after Harold E. Martin, editor and publisher of The Montgomery Advertiser, wrote a series of highly critical stories about the drug studies.

The State Board of Corrections asked the Alabama Medical Association to name a committee of inquiry, and Dr. Tinsley R. Harrison of Birmingham, a nationally known cardiologist, was selected as chairman.

Even when the committee dealt with the welfare of the inmates its investigation inevitably raised broader issues, for Dr. Stough's "findings" became data and the data helped to justify public sale.

The medical association investigators concluded not only that Dr. Stough's work had been "bluntly unacceptable" but also that as one result, "the validity of the drug trials themselves must occasionally be seriously in doubt."

Because of the Food and Drug Administration's refusal to permit an inspection of its files, it is impossible to determine conclusively whether Dr. Stough ever reported unfavorably on the drugs he was paid to test.

However, he has published a number of scientific articles on his findings, and a review of those cited in the comprehensive Cumulated Index Medicus since 1960 discloses not a single critical appraisal.

It was learned from independent sources that one of the drugs Dr. Stough had tested was Indocin, a best-selling product of Merck, Sharp & Dohme that is used in the treatment of rheumatoid arthritis.

Dr. Stough's findings on Indocin are unavailable, but it went on the market after largely favorable data had been generated by company-paid investigators, and the subsequent controversy points up the broad significance of testing.

Indocin was assailed * * * the Senate Subcommittee on Monopoly. Contrary to findings of the initial data, witnesses said, careful tests had found the drug no more effective than aspirin, and it produced serious effects as well.

A careful medical examination in advance of a drug test is regarded as essential to insure that the prisoners involved do not show signs of subtle disabilities that would make the study invalid.

A member of Dr. Harrison's committee recalled during an interview that one day he and another investigator turned up at Kilby Prison to discover that 80 inmates had been examined for a new program in just four hours.

Since that meant an examination every three minutes, the investigators asked to see

the records. None were found on the premises—not for a single prisoner. The records that existed were said to be at Dr. Stough's headquarters.

The committee noted in its report that prisoners about to embark on a new test had "received a rapid explanation of the purpose" that left "considerable variation in the understanding of what had been said."

NO DOCTOR PRESENT

The committee continued:

"All this had seemingly been done by technicians with no physician being present as far as could be determined. Two of the four prisoners who were interviewed indicated that they had never been examined by a physician while they were in the prison although they had been on several drug trials."

The fundamental purpose of a drug test is to spot any adverse effect and report it. There were breakdowns in Dr. Stough's operation, and Dr. Harrison's committee cited a number of examples.

First, it encountered a Mr. Howell, "a man with very little previous medical training whose experience before entering his present position had been that of a venereal disease inspector."

"It was stated with pride by this individual who functions as hospital director, that he himself was able to deal with nine out of every 10 patients who came to him so that the doctor was not bothered."

A number of qualified medical sources said that that without a physician regularly on hand to look over the inmates who took drugs, it would have been "totally impossible" to gauge reactions.

PRISONER FEES VARIED

Dr. Harrison's committee took up the question of fees paid by Dr. Stough to inmates who participated in drug tests. These varied widely, but a man could usually make at least $1 a day for taking a series of pills.

This was big money for people who otherwise received only 50 cents every three weeks for incidental spending, and it created what one investigator called "a built-in negative feedback."

Prisoners often covered up severe reactions in order to keep on with the tests, and several told The Montgomery Advertiser that they shammed taking pills and later spit them out. The medical group said of one inmate:

"He had hung on to the end [of a test] although he had been feeling very ill and had not complained of this illness because it would have meant his losing the pay which he was hoping to receive for his participation."

One conscientious experimenter who has gone deeply into the question of fees believes that a prospective subject should be offered no more than two or three times the amount he would receive without taking part.

NUREMBERG CODE CITED

The medical investigators underlined the importance of the fees and inadequate explanations of the tests by attaching to their report the Nuremberg Code, developed after the concentration camp excesses of Nazi doctors.

The code calls for "free power of choice" and holds that a subject "should have sufficient knowledge and comprehension of the elements of the subject matter involved as to enable him to make an understanding and enlightened decision."

The Alabama committee also inspected Dr. Stough's laboratory. Its role in analysis samples taken from the inmates was especially important since the direct medical observation was rated low.

In one instance the group found an error of about 40 per cent in the control agent against which laboratory samples from about 20 prisoners were being measured. The investigators said:

"This was pointed out to the laboratory director and he excused it [on grounds that the committee rejected]. His attitude to us was unacceptable and reflected poor technique."

The operation "probably compares favorably with many small hospital laboratories in Alabama," the group concluded. But it "lacks the better qualified personnel and more careful quality control seen in better run laboratories."

The committee reported that on top of the other problems, both Dr. Stough and Dr. Long had "limited training in basic pharmacology." The available biographical information shows they had no formal education in the field at all.

"You might say they have had a lot of on-the-job training and background," one clinical pharmacologist said. "But this is a weak argument. Nowadays, with the sophistication of modern drugs, you need more than this."

Last May, after the State Board of Corrections had a look at the committee's report, Dr. Stough received another eviction notice and started to close down the drug studies in Alabama.

Thus, Dr. Stough suffered another setback. As before, a state saved its prisons from any further trouble. But as usual, the Federal authorities and the pharmaceutical companies remained silent.

ONLY ONE PHYSICIAN

The single physician employed by the Food and Drug Administration to investigate drugs tests throughout the United States has visited Dr. Stough's operations twice, an agency spokesman said.

Some citizens tend to think of the agency as an eternally vigilant organization, and in his dealings with local officials and newspapermen Dr. Stough has turned this misapprehension to advantage.

"They [F.D.A. officials] love to close people down," he said in the brief telephone conversation in which he refused to grant an interview. "So if I was off-color, they'd be on me like a hawk."

"That's one of the reasons the [Alabama Corrections] Board wasn't concerned," explained Frank Lee, the state's commissioner. "We knew they [F.D.A. officials] came in here and looked into the operation."

Dr. Herbert L. Ley Jr., the F.D.A. Commissioner, branded Dr. Stough's assertion "a non sequitur."

The Food and Drug Administration's lone medical inspector is alert to "flagrant" dishonesty, and there have been men who tested drugs on nonexistent people and who produced imaginary results.

But an inspection is limited mostly to checking data that have been submitted to the sponsoring drug company to insure that it agrees with data sent to the agency. There is little or no effort to look behind the figures.

"Our responsibility is not the direct supervision of the [drug] investigators," Dr. Ley said in an interview. "Our responsibility is to evaluate the data that come in to us. We can't be omnipotent or omniscient."

While the agency has never found occasion to reprimand Dr. Stough, its inspector, Dr. Alan B. Lisook, did make some "suggestions" earlier this year about "the lack of medical supervision of patients."

NOT ENOUGH SUPERVISION

"We told him we thought there should be more supervision," Dr. Lisook said, "and he admitted there was not as much as he would like because of the volume of drugs being tested."

This was virtually an acknowledgment by Dr. Stough that more tests had been undertaken than could be adequately overseen, but the F.D.A. did not require change.

The agency "frowns" on insufficient supervision, Dr. Ley said, but under present policies there are no specific minimum standards. In the gray area that results, frowning is about the limit.

Since between 25 per cent and 50 per cent of the phase one studies have been concentrated in Dr. Stough's hands, Dr. Ley was asked whether volume alone—quality aside—concerned his agency.

"It's a red flag, there's no question about that," he replied. But the commissioner explained that neither law nor regulation permitted the agency to force a cutback in the number of studies assigned to a single man.

There is no step short of outright disqualification for obvious misconduct, Dr. Ley said. That is an action the F.D.A. has taken no more than a dozen times in its history.

SHORTAGE CHARGED

The drug companies contend there is a shortage of investigators, and Dr. Ley said that while he believed there were enough to study the "really new drugs," he wanted to avoid charges that the agency blocked progress.

"It's harder to get a driver's license in the United States than it is to get fatal drugs." complained Dr. William M. O'Brien, an associate professor of preventive and internal medicine at the University of Virginia. He added:

"To get a driver's license you have to take tests, show you know how to drive, and so on. For drugs, you just walk in the door and say, 'I'm an M.D. I want to test drugs.' It's fantastic. It's unbelievable."

It is difficult to measure the precise sums of money that the pharmaceutical industry has poured into Dr. Stough's operations, but a number of reliable clues are available.

Operating within at least nine separate corporations, the major one of which is Southern Food and Drug Reserach, Inc., Dr. Stough has a gross income in a good year probably approaching $1-milion.

SMALL OVERHEAD

He has not carried a high overhead. His net income in Alabama in 1967 was nearly $300,000 (on a $500,000 gross), and his profit before taxes in Arkansas in 1966 was about $150,000.

The Alabama Medical Association's committee treated the drug manufacturers with circumspection in its report, suggesting that the companies could hardly police the state's prisons.

But it pointed out that the makers, as well as the Food and Drug Administration, had engaged in monitoring of the drug tests that might have been "too superficial and too remote to provide maximum safety."

The committee also found that in sponsoring Dr. Stough's tests the drug concerns had given "tacit approval" to his research. In this, it reported, the companies had "demonstrated some lack of discretion."

"Our companies are usually pretty careful about who they have doing phase one work," said Dr. C. Joseph Stetler, president of the Pharmaceutical Manufacturers Association. "They aren't interested in guys who aren't doing a first-class job."

Mr. Stetler said that some concerns might make more rigorous over-all studies of potential investigations than others and that in some instances the day-to-day supervision "gets to be seemingly routine."

DOUBTS NEED FOR BARS

Heavy demand for phase one work may also be a factor in quality, Dr. Stetler added. But he said he was not sure the Government should restrict an investigator's work for high volume if the "end product" was satisfactory.

Each of the pharmaceutical companies that could be identified as having retained Dr. Stough was asked to comment on his drug testing, and each defended the validity of the data he submitted.

For example, Merck, Sharp & Dohme said in a prepared statement that Dr. Stough's "facilities, staff, volunteer group, and prior experience were particularly suited" for the studies it required.

The physician has conducted 14 projects for the concern since January, 1968, and, the company's statement concluded, "in our

opinion the studies were properly conducted and the data provided have been sound."

Merck, Sharp & Dohme asserted that practically all of the studies carried out by Dr. Stough had been "extensively studied and clinically used" by others and that some of the drugs had already been approved for marketing.

LACK OF CRITICISM

A spokesman for Lederle Laboratories pointed out that Dr. Stough's testing operations at the Oklahoma State Penitentiary had not been criticized publicly by qualified medical observers.

Wyeth Laboratories said it had retained Dr. Stough for only a single study. The company said he was hired in 1964 to test an experimental drug that was never placed on the market and has not been used since.

One company official, who asked not to be identified, remarked: "How he [Dr. Stough] operated, how he had his machinery set up—they didn't even know at the prisons."

To ship blood products in interstate commerce requires a license from the Division of Biologics Standards, and when a manufacturer obtains one he must face and continue to face regular inspections.

DOCTOR NOT LICENSED

Dr. Stough does not have and never has had a license from the division. Under the so-called "short supply provision" of the agency's regulations, a licensed company can pick up the scarce plasma at Dr. Stough's door and ship it to its laboratories without violation.

Serious things can happen if the slightest thing goes wrong once the plasma reaches the hands of a licensed company. Nothing can happen, so far as the standards division is concerned, if everything goes wrong before that time.

Dr. Stough incurred no Federal disfavor for the hepatitis epidemic in three states because the disease apparently was routinely killed out in the manufacturing process that turned his plasma into gamma globulin.

"The conclusion that we came to was that the quality of the product was not affected," recalled Dr. Roderick Murray, the division's director, "and therefore we had no backing to tell them (the companies) not to use plasma that came from Stough."

INVITATION REJECTED

This is felt so keenly at the division that Dr. John Ashworth, then an agency official, refused an invitation from Dr. Johnson just to go and look at a plasmapheresis operation.

"He said that his appearance at the plasmapheresis center would not be consistent with the policy of D.B.S.," Dr. Johnson wrote, because the policy did not include "direct supervision or policing of the actual procedures."

"Any time that we've attempted to write into the regulations elements that are designed to protect the donor," Dr. Murray said, "this has been disallowed because there's no statutory authority."

What about the communicable disease center, which traced the hepatitis epidemic directly to Dr. Stough's programs? That agency, a spokesman said, is only a consultant to the states. Enforcement is up to the state authorities.

The question thus is put to the Alabama public health officer, Dr. Myers. He answers that the State Health Department has "no specific jurisdiction in the prisons."

## S. 2731—INTRODUCTION OF A BILL RELATING TO HIGHWAY AND RAILROAD BRIDGES OVER THE COLUMBIA RIVER, THE SNAKE RIVER, OR THEIR NAVIGABLE TRIBUTARIES

Mr. MAGNUSON. Mr. President, I introduce, by request, a bill to compensate the owners of bridges on the Columbia and Snake Rivers for modifications to such bridges which are made necessary by Federal river projects. Under present law, when a Federal dam raises the water level so as to flood the footings and towers of a bridge which are located in the bed of the river, the cost to the bridge owner of altering the bridge is not compensable by the Government, even though the work is made necessary solely as a result of the Federal project, even though the bridge is not an obstruction to navigation, and even though there is no benefit to the bridge owner from the project.

Under the Truman-Hobbs Act of 1940, if the bridge is an obstruction to navigation, the Government pays a portion of the cost of modification; but that act does not apply if the bridge is nonobstructive. Furthermore, the Truman-Hobbs Act is not prospective in application, so if the bridge is nonobstructive before the dam is built, but will become so when the pool is raised, the Government does not share in the cost of alterations done while the water is low, but it would share in the much greater expense of altering the bridge under deepwater conditions.

This bill would permit reimbursement even though the bridge is nonobstructive or if the bridge would become obstructive because of the raised water level. It would appear to follow the pattern established by Congress in the act of November 21, 1941, as amended last year by Public Law 90–524, which deals with bridges affected by the Tennessee Valley Authority. I believe that serious consideration should be given to taking similar action with respect to bridges on the Columbia-Snake River system.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2731) to provide for the protection, alteration, reconstruction, relocation, or replacement of highway and railroad bridges, trestles and other structures, over the Columbia River, the Snake River, or their navigable tributaries, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Commerce.

## S. 2734—INTRODUCTION OF A BILL GRANTING THE CONSENT OF CONGRESS TO THE CONNECTICUT-NEW YORK RAILROAD PASSENGER TRANSPORTATION COMPACT

Mr. RIBICOFF. Mr. President, I introduce, for appropriate reference, a bill authorizing congressional ratification of an interstate compact between the States of Connecticut and New York.

This joint effort of Connecticut and New York is an integral element in preserving and improving the railroad services between the two States.

Connecticut and New York have agreed in principle on a plan to revitalize operations of the Penn Central's commuter services. This plan would permit the two States to receive Federal money to modernize facilities and purchase urgently needed railroad equipment. The agreement is in the form of an interstate compact which under the Constitution must be ratified by the U.S. Congress.

The railroad lines of the Penn Central's New Haven division are a vital passenger and commercial artery. If service should ever cease on these lines, thousands of commuters would be without transportation and New England industry would be seriously crippled.

Today, Connecticut and New York State commuters are suffering the burdens of deplorable traveling conditions. Many must stand daily in dirty, crowded aisles on decrepit passenger cars. Equipment, which receives inadequate maintenance, is often unworkable, causing late departures and arrivals.

Today, Connecticut and New York State freight shippers are suffering the burdens of delayed freight service as years of patchwork minimum maintenance on railroad tracks, signals, and electrical overhead wires cause unrepairable failures.

Therefore, I ask Congress to ratify a compact between the States of Connecticut and New York so that these States will be able to help provide new equipment and facilities necessary to end delay, disrepair, and disappointment, and keep this vital artery running and providing service.

If this compact is approved, the States of Connecticut and New York will be able to put into action an $80 million modernization program on the New Haven's line: $36 million will be spent for new cars; $16 million will be spent to rehabilitate existing cars; $9 million will be spent to modernize stations; $13 million to rehabilitate the electrical system and replace the old Cos Cob power station; and $6 million to modernize and improve rights-of-way including signal systems and installation of maintenance facilities.

Mr. President, I urge favorable Senate consideration of this legislation and, I am pleased to announce that Senators DODD, JAVITS, and GOODELL have joined in sponsoring this bill.

I ask unanimous consent that the bill be printed in full at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2734) granting the consent of Congress to the Connecticut-New York Railroad Passenger Transportation Compact, introduced by Mr. Ribicoff, for himself and other Senators, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

S. 2734

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the consent of Congress is hereby given to the Connecticut-New York Railroad Passenger Transportation Compact in substantially the following form:

"CONNECTICUT-NEW YORK RAILROAD PASSENGER TRANSPORTATION COMPACT

"ARTICLE I

"For the purpose of continuing and improving the railroad passenger service of the New York, New Haven and Hartford Railroad (and its successors) between the city of New Haven in the state of Connecticut and the city of New York in the state of New York, including branch lines which are tributary to the main line of that railroad between

the said cities; Metropolitan Transportation Authority, a governmental corporation of the state of New York, and Connecticut Transportation Authority, an agency of the state of Connecticut, acting individually, but in cooperation with each other, or as co-venturers where they deem it advisable and practical, are hereby authorized to do the following where permissible under the enabling laws of their respective states:

"(a) To acquire through eminent domain proceedings, or by gift, purchase, lease or otherwise, the ownership interest in or the right to the use of all those assets of the said railroad (or of any successor in interest to such assets), be they real property, personal property or a combination of the two (including rights arising out of contract, franchise or otherwise), which are or may reasonably be expected to become necessary, convenient or desirable for the continuation or improvement of such service;

"(b) to repair and rehabilitate such assets, or to acquire by gift, purchase, lease or otherwise, such new or additional assets and rights as they deem necessary, convenient or desirable for such continuation or improvement;

"(c) to dispose of any such assets, new and additional assets and rights, or of the right to the use of the same, by conveyance, lease or otherwise (including, without limitation, the grant of trackage rights) when and to the extent that they are not needed for such service by the said agencies; and to abandon or discontinue portions of such service when advisable; and/or

"(d) to operate such service, or to contract for the operation of the whole or any part of such service by others.

"To accomplish the foregoing objectives, the said agencies are authorized, individually and jointly, to apply for aid, federal, state or local, to supplement those funds appropriated or otherwise made available to them under the laws of the party states.

"ARTICLE II

"The provisions of this compact shall be construed liberally to effectuate the purposes thereof. Amendments and supplements to this compact to implement the purposes thereof may be adopted by concurrent legislation of the party states.

"ARTICLE III

"This compact shall be of no force and effect unless and until the Congress of the United States of America, on or before December thirty-first, nineteen hundred sixty-nine, has consented thereto."

SEC. 2. The right to alter, amend, or repeal this Act is expressly reserved.

## S. 2736—INTRODUCTION OF A BILL TO EXTEND THE KEOGH PLAN TO ALL EMPLOYEES IN AMERICA

Mr. STEVENS. Mr. President, today I am introducing a bill to amend the Internal Revenue Code to provide incentives for private individuals who are neither self-employed nor employed by an employer, either corporate or noncorporate, who provides his employees with a retirement plan. The incentive this bill would provide would be in the form of a tax incentive. The tax incentive in the plan I am proposing actually brings about an equity in the present law for persons who neither have tax-free moneys placed into a retirement fund by their employers for them nor have the option of placing a certain portion of their earnings into a pension plan without paying taxes on those moneys. This bill is a logical extension of the Keogh plan sponsored by former Congressman Keogh, of New York, and will equalize the tax treatment of income set aside for retirement by persons not now qualified for such tax treatment and income set aside for retirement by those who participate in either corporate or self-employed plans.

According to an article in the April 1968 issue of the Social Security Bulletin, private pension and deferred profit sharing plans covered 27.6 million workers as of the end of 1967. Using the average number of workers in private employment during 1967 as a standard—54.4 million—this means some 30.8 million employees do not have any private pension coverage. It should be pointed out that 80 percent of those covered were in manufacturing, transportation, public utilities, and mining, and coverage is generally found in the case of employees of the larger employers. By contrast, a relatively small proportion of employees were protected by pension plans in the trade and service industries at least partly because of such factors as the smaller size of the business involved and the higher rate of turnover.

This bill would particularly benefit employees in my home State of Alaska. Alaska is a growing frontier area in which small business does the major share of employing. In addition, employment in Alaska is seasonal and in many cases is of marginal return to the employer and hence he cannot afford to provide pension plans and hire people at the same time. I feel that it is unfair to residents of my State not to extend the kind of tax treatment enjoyed by employees of larger employers in the rest of the country. In addition, this plan would allow lower income employees, both in Alaska and the rest of the country, to enjoy the same tax treatment that is now enjoyed by more well-to-do employees.

It is the case that the availablity of pension coverage with tax benefits becomes more probable as the individual needs it less and less and almost nonexistent for those for whom a pension plan would do the most good. I introduce this bill in hopes that its passage will extend the benefits of tax sheltered retirement plans to those who can least afford to pay taxes on money they set aside for their senior years. It is the individual who works long hours at low pay and who has the most difficulty saving for the future, and it is this very group that does not have access to the same kinds of advantages that individuals in the moderately well-to-do sectors of our economy do in saving for retirement. I offer this bill in hopes that we can end these inequities.

Under the plan as I propose it any individual who wishes to participate may set up a retirement savings plan with any financial institution subject to the approval of the Secretary of the Treasury or he may purchase retirement plan bonds from the Treasury Department as now qualified individuals are presently doing.

Mr. President, I ask unanimous consent that the bill be printed at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2736) to amend the Internal Revenue Code of 1954 to permit certain employees to establish qualified pension plans for themselves in the same manner as if they were self-employed, introduced by Mr. STEVENS, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

S. 2736

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) section 401 of the Internal Revenue Code of 1954 (relating to qualified pension, profit sharing, and stock bonus plans) is amended by redesignating subsection (j) as (k), and by inserting after subsection (i) the following new subsection:

"(j) Certain Employees—

"(1) General rule.—An individual who is not covered under a plan of any employer which meets the requirements of subsection (a) and, if applicable, subsection (d), may elect (at such time, in such manner, and subject to such conditions as the Secretary or his delegate shall prescribe by regulations) to become entitled to the benefits provided by this part to the same extent as if he were a self-employed individual.

"(2) Effect of election.—For purposes of applying the provisions of this part to an individual who makes an election under paragraph (1), such individual shall be treated—

"(A) as an employee within the meaning of subsection (c) (1), as owning the entire interest in an unincorporated trade or business, and as his own employer, and

"(B) as receiving earned income in an amount equal to the compensation paid to him by the employer described in paragraph (1) (A).

"(3) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this subsection."

(b) The amendments made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

## S. 2737—INTRODUCTION OF A BILL TO RAISE REMOTE HOUSING LEGISLATIVE PER UNIT DWELLING COST FROM $7,500 TO $10,500

Mr. STEVENS. Mr. President, today I am introducing for myself and Senator GRAVEL a bill which will allow a vitally important housing program for the Alaska remote villages to continue its implementation with a revised and realistic per dwelling unit legislative cost ceiling, a ceiling which will reflect today's cost of materials and not the cost of such materials in 1966 upon which the present legislative ceiling is based. The program I speak of is the Alaska remote housing program. It was enacted in 1966 and received its initial appropriation of funds in fiscal year 1969.

This highly important housing program to our Alaskan natives is based on the principle of maximum owner participation in construction of the homes to aid in keeping the costs at a minimum, maximum use of local materials, and a combination of grants and loans to recipients based on their ability to pay for their homes. It is funded through the Department of Housing and Urban Development with primary responsibility for implementation residing with the Alaska Housing Authority.

The original act of 1966 set an aver-

age cost ceiling of $7,500 per unit dwelling. This covers the cost of materials, freight, and that small amount of labor which is paid for—approximately 3 percent. This amount is an incredibly low cost for a home, and, we believe, speaks strongly for the program's goal of involving the homeowner and local materials in the building process so that as many homes as possible may be constructed in rural Alaska under this program.

However, as we are all so fully aware, costs have accelerated immensely since 1966, and today we face the situation where this average cost per unit dwelling must be revised upward if we are to maintain the quality of homes originally envisioned in the act. The executive director of the Alaska State Housing Authority has been concerned and expressed the need for such a revision in the authorizing legislation to my office.

At this point, I wish to add to the RECORD a quote from correspondence I have received from him on this matter and, following that, a table developed by the Alaska State Housing Authority showing the cost comparison of a home in 1966 and then in 1969 under this program.

As you well know, prices have changed measurably since the original calculations were made for the cost of the homes in the Remote Housing Program. Although Section 1004 became law in November, 1966, funding was not provided until October, 1968. The homes are constructed using a high percentage of lumber products, and these products have received the greatest amount of increase over the last two and one half years as indicated on the attached cost comparison breakdown. Additionally, it was anticipated when the program was in its formulative stage that no electrical facilities or plumbing facilities would be included. With the possibility of electrification in the immediate future through the activities of the Alaska Village Electric Cooperative, Inc., we are now providing interior electrical wiring. If prices permit we will be providing plumbing fixtures. For comparison purposes our breakdown has been prepared on the premise that these items would have been supplied in the beginning, and a straight-across-the-board increase in prices has been shown. The result is a total of 40% increase in overall costs making $7,500 of materials in the November, 1966, market cost $10,475 as of March, 1969. These figures were checked closely with the information that the Department of Housing and Urban Development has in Washington and coincided almost exactly with theirs.

COST COMPARISON OF REMOTE HOUSING

| Item | Percent of House | November 1966 cost | March 1969 cost | Percent of increase |
|---|---|---|---|---|
| Lumber | 62.0 | $4,637 | $7,348 | 58.47 |
| Tools | .5 | 40 | 44 | 10.00 |
| Plumbing | 5.6 | 420 | 462 | 10.00 |
| Electrical | 1.4 | 105 | 116 | 10.00 |
| Stove | 4.5 | 350 | 385 | 10.00 |
| Freight | 23.0 | 1,723 | 1,895 | 10.00 |
| Labor | 3.0 | 225 | 225 | 0 |
| Total | 100.0 | 7,500 | 10,475 | 40.00 |

We feel that it is imperative that a revision to this $7,500 average cost ceiling per dwelling be made to reflect today's increased cost of materials. If the homes constructed in this program are to adequately serve the housing needs of rural Alaskans, such a revision to $10,500 is clearly called for in the authorizing legislation.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD immediately after my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2737) to authorize an increase in the average cost of dwelling units in certain federally assisted housing in Alaska, introduced by Mr. STEVENS (for himself and Mr. GRAVEL), was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

S. 2737

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 1004(a) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended by striking out "$7,500" and inserting in lieu thereof "$10,500".

## S. 2738—INTRODUCTION OF ALASKA WATER CARRIERS ACT

Mr. STEVENS. Mr. President, I have today introduced the Alaska Water Carriers Act, which should substantially benefit the people of the State of Alaska.

Confusion presently exists in the regulation of water carriers serving Alaska because both the Federal Maritime Commission and the Interstate Commerce Commission exercise jurisdiction over certain carriers, or certain types of carriage performed by the same carriers.

At the time Alaska was admitted to the Union, Congress decided that established procedures for the regulation of water carriers should not be disturbed without further study. One result of such further study was the enactment of Public Law 87-595, which conferred jurisdiction on the Interstate Commerce Commission, under certain circumstances.

In the past decade confusion has persisted and grown. Despite two recent court of appeals decisions, the fact remains that dual regulation continues to confuse Alaska's waterborne transportation industry.

The Alaska Water Carriers Act eliminates the problem of dual regulation, and recognizes the two court of appeals decisions which substantially reduced the jurisdiction of the Federal Maritime Commission over the great majority of the ocean trade to Alaska, which it previously regulated.

With the passage of the Alaska Water Carriers Act five specific goals would be accomplished.

First. The regulation of Alaska's waterborne interstate traffic would become identical to the regulation of such traffic between the 48 contiguous States.

Second. The shippers of Alaska would have one commission clearly established as the regulating agency for all surface transportation—truck, bus, rail, or water—as is the case in the 48 States, thus greatly simplifying procedures for the shippers of Alaska.

Third. Since water carriers would be certificated under part III of the Interstate Commerce Act, Alaska's citizens would have assurance that any carrier would provide service and assume responsibilities as required by the act—otherwise the carrier would risk suspension or revocation of his certificate. Fly-by-night operators could not endanger the public welfare.

Fourth. The establishment of through routes and joint rates between all modes of carriage—including air—would be simplified and encouraged.

Fifth. The Federal regulatory system based on statutes, regulations, and decisions which has developed with the cooperation of the States since passage of the Interstate Commerce Act in 1887 would apply to Alaska's interstate commerce, as it does to traffic between the 48 contiguous States—and Alaska would have made another important step toward full partnership with other States.

I ask unanimous consent that the text of the Alaska Water Carriers Act be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2738) to amend the Interstate Commerce Act and to extend regulation under the Interstate Commerce Act to carriers not previously regulated under this act, introduced by Mr. STEVENS (for himself and Mr. GRAVEL), was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

S. 2738

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Alaska Water Carriers Act of 1969".

STATEMENT OF PURPOSE AND TRANSFER OF FUNCTIONS

SEC. 2(a) All transportation of persons and property by water between places in the State of Alaska and places in other states of the United States or the District of Columbia shall be subject to the provisions of the Interstate Commerce Act, 49 U.S. Code, sections 1 et seq., as amended, and as it hereafter may be amended, including Part III thereof, notwithstanding any other laws or provisions of law including, without limiting the generality hereof, the Shipping Act, 1916, 39 Stat. 728, as amended, and the Intercoastal Shipping Act, 1933, 47 Stat. 1425, as amended. It is the intent and purpose hereof to make the regulation of the transportation of persons and property by water to and from places in the State of Alaska subject to the Interstate Commerce Act in the same manner and to the full extent that transportation of persons or property by water to and from places in other states of the United States now or hereafter may be regulated by or subject to the provisions of the Interstate Commerce Act. All functions of any Department, Commission, Agency, Board or Bureau with respect to such transportation by water to and from places in the State of Alaska, except as otherwise provided in this Act, are hereby transferred to the Interstate Commerce Commission.

(b) Subsection (a) of this section shall not be construed to repeal any of the following provisions:

(1) Section 205 of the Merchant Marine Act, 1936 (46 U.S.C. 1115), as amended, or

any provision of law providing penalties for violations of such Section 205.

(2) The third sentence of Section 2 of the Intercoastal Shipping Act, 1933, as amended (46 U.S.C. 844), as extended by Section 5 of such Act, or any provision of law providing penalties for violations of such Section 2.

(3) The provisions of the Shipping Act, 1916, as amended, insofar as such Act provides for the regulation of persons included within the term "other persons subject to this Act", as defined in such Act, but this reservation shall not include persons who do not operate vessels but who have been held to be water common carriers under that Act or the Intercoastal Shipping Act, 1933, as amended, regardless as to whether such persons are water common carriers subject to part 111 of the International Commerce Act or freight forwarders under Part IV of that Act.

(4) Sections 27 and 28 of the Merchant Marine Act, 1920 (46 U.S.C. 883, 884).

(5) The provisions of Section 15 of the Shipping Act, 1916, as amended (46 U.S.C. 800), so as to prevent any water carrier subject to the provisions of the Interstate Commerce Act from entering into any agreement under the provisions of such Section 15 with respect to transportation not subject to the provisions of the Interstate Commerce Act in which such carrier may be engaged.

(6) Any law of navigations, the admiralty jurisdiction of the courts of the United States, liabilities of vessels and their owners for loss or damage, or laws respecting seamen, or any other maritime law, regulation, or custom not in conflict with the provisions of the Interstate Commerce Act.

TRANSFER OF RECORDS AND DOCUMENTS: EXISTING ORDERS, REGULATIONS, CONTRACTS, ETC.; PENDING PROCEEDINGS; "GRANDFATHER" RIGHTS UNDER INTERSTATE COMMERCE ACT

SEC. 3 (a) Except to the extent that they are required by the Federal Maritime Commission in connection with its continued jurisdiction, all files, reports, records, tariff schedules, contracts, agreements, and other documents in the possession of the Federal Maritime Commission relating to the regulation of transportation by water between places in Alaska and other places in the United States and between places in Alaska, and carriers engaged in such transportation, shall be transferred to the Interstate Commerce Commission. To the extent that such records and documents are retained by the Federal Maritime Commission, copies thereof shall be furnished to the Commission upon request.

(b) Notwithstanding Section 301(a), all orders, rules, regulations, tariffs, contracts, or agreements in effect at the time this section takes effect, pertaining to transportation by water between places in Alaska and other places in the United States and between places in Alaska, to the extent they were issued, authorized, approved, entered into or filed pursuant to authority of the Federal Maritime Commission or under any provision of law repealed by Section 301, shall continue in force and effect until lawfully changed by act of the parties involved or until changed, modified, or set aside by action of the Interstate Commerce Commission.

(c) Any proceeding, hearing, or investigation commenced or pending before the Federal Maritime Commission at the time this section takes effect, to the extent that it relates to rates, fares, charges, classifications and tariffs and regulations and practices relating thereto, pursuant to any provision of law repealed by this Act, shall be continued or otherwise acted upon by the Interstate Commerce Commission as though such proceeding, hearing, or investigation had been instituted under the provisions of the Interstate Commerce Act.

(d) Any judicial proceeding pending on the date this section takes effect, and arising under any provision of law repealed by the provisions of Section 301, shall be continued, heard and determined in the same manner and with the same effect as if such provision had not been repealed; except that in the case of any such proceeding to which the Federal Maritime Commission is a party, the court, upon motion or supplemental petition, may direct that the Interstate Commerce Commission be substituted for the Federal Maritime Commission as a party to the proceeding or made an additional party thereto.

(e) If any provision of this title or the application thereof to any person, or commerce, or circumstance is held invalid, the remainder of this title and the application of such provision to other persons, commerce, or circumstances shall not be affected thereby.

AMENDMENTS TO SECTION 306 OF INTERSTATE COMMERCE ACT WITH RESPECT TO TRANSFER AND FILING OF TARIFFS, AND SCHEDULES OF CERTAIN WATER CARRIERS

SEC. 4 (a) Section 306(a) of the Interstate Commerce Act, as amended (49 U.S.C. 906 (a)), is amended by striking out the period at the end thereof and inserting a colon and the following: *"Provided,* That tariffs (or copies thereof) of common carriers by water containing rates, fares, charges, classifications, rules, regulations, and practices for the transportation in interstate or foreign commerce of passengers or property between places in Alaska and between places in Alaska and other places in the United States in effect and on file with the Federal Maritime Commission on the date this proviso takes effect, pursuant to the requirements of the Shipping Act, 1916, as amended, or the Intercoastal Shipping Act, 1933, as amended, shall be transferred to the Commission and shall be deemed to be filed with the Commission as of such date pursuant to the requirements of this part. Tariffs showing all other rates, fares, charges, classifications, rules, regulations, and practices for transportation by water common carriers between places in Alaska and other places in the United States, and between places in Alaska, made subject to this part by virtue of the enactment of the Alaska Water Carriers Act of 1969, shall be filed as provided in this part not later than one hundred and eighty days after the date on which this amendment takes effect."

(b) Section 306(e) of the Interstate Commerce Act, as amended (49 U.S.C. 909(e)), is amended by adding at the end thereof the following new sentence: "Schedules showing the minimum rates, charges, rules, regulations, or practices for transportation by water contract carriers between places in the United States and places in Alaska, and between places in Alaska over the high seas, made subject to this part by virtue of the enactment of the Alaskan Interstate Commerce Act, shall be filed as provided in this part not later than one hundred and eighty days after the date on which this sentence takes effect."

AMENDMENTS TO SECTION 309 OF INTERSTATE COMMERCE ACT WITH RESPECT TO "GRANDFATHER" RIGHTS OF CERTAIN WATER CARRIERS

SEC. 5. (a) Section 309(a) of the Interstate Commerce Act, as amended (49 U.S.C. 909(a)), is amended by inserting "(1)" after "Sec. 309(a)" and by adding at the end thereof the following new paragraph:

"(2) Subject to the provisions of Section 310, if any person (or his predecessor in interest) was in operation on the date on which this paragraph takes effect as a common carrier by water, in interstate or foreign commerce, between ports in Alaska and other ports in the United States, or between ports in Alaska over the high seas, and has so operated since that time (or if engaged in furnishing seasonal service only, was engaged in such operations in the year 1968 during the season ordinarily covered by its operations, and such operations have not been discontinued), except in either instance as to interruptions of service over which such person or his predecessor in interest had no control, a certificate shall be issued authorizing such operations, without further proceedings, if application for such certificate is made as provided herein on or before July 1, 1970. Pending the filing and determination of any such application, the continuance of such operations without a certficate shall be lawful. Applications for certificates under this paragraph shall be filed with the Commission in writing, and in such form, contain such information, and be accompanied by proof of service upon such interested parties as the Commission shall requre."

(b) Section 309(f) of the Interstate Commerce Act, as amended (49 U.S.C. 909(f)), is amended by inserting "(1)" after "(f)" and by adding at the end thereof the following paragraph:

"(2) Subject to the provisions of Section 310, if any person (or his predecessor in interest) was in operation on the date on which this paragraph takes effect as a contract carrier by water, in interstate or foreign commerce, between ports in Alaska and other ports in the United States, or between ports in Alaska over the high seas, and has so operated since that time (or if engaged in furnishing seasonal service only, was engaged in such operations in the year 1968 during the season ordinarily covered by its operations, and such operations have not been discontinued), except in either instance as to interruptions of service over which such person or his predecessor in interest had no control, a permit shall be issued authorizing such operations, without further proceedings, if application for such permit is made as provided herein on or before July 1, 1970. Pending the filing and determination of any such application, the continuance of such operations without a permit shall be lawful. Applications for permits under this paragraph shall be filed with the Commission in writing, and in such form, contain such information, and be accompanied by proof of service upon such interested parties as the Commission shall require."

AMENDMENTS TO PART IV OF INTERSTATE COMMERCE ACT, WITH RESPECT TO PERSONS, HERETOFORE REGULATED AS WATER CARRIERS, WHO WILL BE SUBJECT TO SUCH PART IV

SEC. 6. (a) Section 405(a) of the Interstate Commerce Act, as amended (49 U.S.C. 1005(a)), is amended by inserting "(1)" after "Sec. 405(a)" and by adding at the end thereof the following paragraph:

"(2) Tariffs (or copies thereof) containing rates, charges, classifications, rules, regulations, and practices for the transportation of property in interstate or foreign commerce by water between places in Alaska and other places in the United States, or between places in Alaska, filed with the Federal Maritime Commission pursuant to the Shipping Act, 1916, as amended, or the Intercoastal Shipping Act, 1933, as amended, by persons whose operations are those of a common carrier by water under the mentioned Acts, but whose operations are those of a freight forwarder under this part, in effect on the date this paragraph takes effect, shall be transferred to the Commission and shall be deemed to be filed with the Commission pursuant to the requirements of the Interstate Commerce Act as of the date on which this paragraph takes effect."

(b) Section 410(a) of the Interstate Commerce Act, as amended (49 U.S.C. 1010(a)), is amended by inserting "(1)" after "Sec. 410(a)" and by adding at the end thereof the following paragraph:

"(2) If any person (or his predecessor in interest) whose operations were those of a common carrier by water under the Shipping Act, 1916, as amended, or the Intercoastal

Shipping Act, 1933, as amended, but whose operations are those of a freight forwarder under this part, as in effect on the date this paragraph takes effect, was in operation in interstate commerce, on such date, between places in Alaska and other places in the United States, or between places in Alaska over the high seas, and has so operated since that time (or if engaged in furnishing seasonal service only, was engaged in such operations in the year 1968, during the season ordinarily covered by its operations, and such operations have not been discontinued) except in either instance as to interruptions of service over which such person or his predecessor in interest had no control, a permit shall be issued authorizing such operations as a freight forwarder without further proceedings, if application for such permit is made as provided herein on or before July 1, 1970. Pending the filing and determination of any such application the continuance of such operations without a permit shall be lawful. Applications for permits under this paragraph shall be filed with the Commission, in writing, and in such form, contain such information, and be accompanied by proof of service upon such interested parties as the Commission shall require."

Sec. 7. All provisions of law inconsistent with this Alaska Water Carriers Act of 1969 are hereby repealed.

## ADDITIONAL COSPONSORS OF BILLS

S. 2355

Mr. ALLEN. Mr. President, on behalf of the Senator from North Dakota (Mr. BURDICK), I ask unanimous consent that, at the next printing, the name of the Senator from Alaska (Mr. GRAVEL) be added as a cosponsor of S. 2355, to establish an advisory commission to make a study and report with respect to freight rates for farm products.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2470

Mr. SCOTT. Mr. President, I ask unanimous consent that, at the next printing, the names of the Senator from New Jersey (Mr. WILLIAMS), the Senator from Montana (Mr. METCALF), and the Senator from Idaho (Mr. CHURCH) be added as cosponsors of S. 2470, to amend the Food Stamp Act of 1964 to authorize elderly persons to exchange food stamps under certain circumstances for meals prepared and served by private nonprofit organizations, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2683

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that, at the next printing, the name of the Senator from New Jersey (Mr. CASE) be added as a cosponsor of S. 2683, to deny an income tax deduction for a charitable contribution by a public official of his collection of letters and other papers, and to limit the tax benefits of other gifts to charity of certain property which has appreciated in value.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR STAR PRINT OF S. 2360 AND ADDITION OF COSPONSOR

Mr. GOLDWATER. Mr. President, I have learned that a printing error was made in the original print of the bill which I introduced recently for myself and 24 other Senators to further protect the Grand Canyon in Arizona. In order to make a technical change in the text of this legislation which will correct the error, I ask unanimous consent that there be a star print made of S. 2360, a bill to enlarge the boundaries of the Grand Canyon National Park in the State of Arizona. Also, I ask unanimous consent that, at the next printing of such bill, the name of the Senator from Tennessee (Mr. BAKER) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADDITIONAL COSPONSOR OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 32

Mr. ALLOTT. Mr. President, I ask unanimous consent that, at the next printing the name of the Senator from North Dakota (Mr. BURDICK) be added as a cosponsor of Senate Concurrent Resolution 32 providing for the Secretary of Transportation to make an investment of potential rail transportation over existing lines and rights-of-way for passenger and mail transportation in the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

## SENATE RESOLUTION 228—RESOLUTION EXPRESSING THE SENSE OF THE SENATE THAT THE PRESIDENT SHOULD RESUBMIT THE GENEVA PROTOCOL TO THE SENATE FOR ADVICE AND CONSENT

Mr. HARTKE (for himself, Mr. PELL, Mr. GRAVEL, Mr. YOUNG of Ohio, Mr. RANDOLPH, Mr. COOK, Mr. RIBICOFF, Mr. PROXMIRE, Mr. HART, Mr. INOUYE, Mr. PERCY, Mr. PACKWOOD, Mr. HARRIS, Mr. MUSKIE, Mr. MONDALE, Mr. BAYH, Mr. MCCARTHY, Mr. WILLIAMS of New Jersey, Mr. TYDINGS, Mr. HUGHES, Mr. CRANSTON, Mr. NELSON, Mr. BURDICK, and Mr. METCALF) submitted a resolution (S. Res. 228) expressing the sense of the Senate that the President of the United States should resubmit the Geneva Protocol to the Senate for advice and consent, which was referred to the Committee on Foreign Relations.

(The remarks of Mr. HARTKE when he submitted the resolution appear later in the RECORD under the appropriate heading.)

## COLLECTION OF FEDERAL UNEMPLOYMENT TAX IN QUARTERLY INSTALLMENTS DURING EACH TAXABLE YEAR—AMENDMENTS

AMENDMENT NO. 109

Mr. LONG proposed amendments to the bill (H.R. 9951) to provide for the collection of the Federal unemployment tax in quarterly installments during each taxable year; to make status of employer depend on employment during preceding as well as current taxable year; to exclude from the computation of the excess the balance in the employment security administration account as of the close of fiscal years 1970 through 1972; to raise the limitation on the amount authorized to be made available for expenditure out of the employment security administration account by the amounts so excluded; and for other purposes, which were ordered to be printed.

(The remarks of Mr. LONG when he proposed the amendment appear later in the RECORD under the appropriate heading.)

## HIGH COMMISSIONER EDWARD E. JOHNSTON ADDRESSES CONGRESS OF MICRONESIA

Mr. FONG. Mr. President, on July 15, Mr. Edward E. Johnston, the new High Commissioner of the Trust Territory of the Pacific Islands, delivered his first state of the territory message before a joint session of the Congress of Micronesia, the territory's highest legislative body.

Mr. Johnston was appointed to his post by President Nixon, his nomination was confirmed by the Senate, and he was sworn into office on May 1 this year.

In the short time since then, he has quickly assumed his many duties in the United Nations trust area of 94,000 people who live on 2,100 islands spread over 3 million square miles of the Western Pacific.

As administering authority of the far-flung territory, the United States has the responsibility of promoting the well-being of the Micronesian population. As the top American official on the scene, the High Commissioner has a key role in this responsibility.

In his address to the Congress of Micronesia, Mr. Johnston voices his determination to initiate and carry out a new era of progress in the trust territory. This new page of history, he says, was turned when, on May 4 this year, Secretary of the Interior Walter J. Hickel visited Micronesia accompanied by Mrs. Elizabeth P. Farrington, Director, Office of Territories, and other members of his staff. A new program was launched then to drastically accelerate the rate of progress in Micronesia.

Those who have followed U.S. administration of the trust territory are aware that the rate of progress in the past has not been as rapid as it could and should have been.

Mr. Johnston's message reviews this progress, then points the way to faster progress ahead. He particularly wants the Micronesians to have a more active and important role in the government of the islands.

A long-time resident of Hawaii prior to his appointment as High Commissioner, Mr. Johnston draws upon his experience and observations in the 50th State to offer helpful suggestions. For example, on the recurring question of "progress versus culture," he advises that it is not necessary for Micronesians to reject either progress in Western ways or their own cultural identity. Like Hawaii's people of many ethnic backgrounds, the people of Micronesia can accept and benefit from the advances in science, health, and education without having to deny their traditional culture.

Mr. Johnston's leadership is crucial at this time when the Congress of Micro-

nesia is considering the vital question of the future political status of the trust territory.

Mr. Johnston assures Micronesian leaders:

The United States is proud to be associated with Micronesia and we definitely desire to enter with you into a lasting and permanent partnership. . . . We have invited representatives of the (Micronesian) Congress, accompanied by members of the High Commissioner's staff, to visit Washington immediately after the conclusion of this current session, to assist in drafting the specific legislation to implement such partnership.

I congratulate Mr. Johnston for his encouraging, forthright address and wish him well in meeting the challenging tasks ahead.

I ask unanimous consent that the text of his address be printed in the RECORD.

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

STATE OF THE TERRITORY MESSAGE,
JULY 15, 1969

(By Edward E. Johnston, High Commissioner, Trust Territory of the Pacific Islands)

Mr. Speaker, Mr. President, Mr. Chief Justice, distinguished guests, ladies and gentlemen:

For several months now, I have been looking forward to this occasion. Today is not only the first time that I have had the honor of addressing a legislative body in the role of Chief Executive, but it is my first opportunity to officially present my views on the future of the Trust Territory of the Pacific Islands to the members of this distinguished Congress and to the people of Micronesia.

In the short time in which I have held office, I have learned among other things, that the High Commissioner, in the course of performing his duties, must travel a great deal. One of the most important trips each year is for the purpose of reporting to the Trusteeship Council of the United Nations. I am pleased to inform you that our recent appearance before the Trusteeship Council was, in general, very favorably received and a great deal of the credit for this accomplishment should be given to the excellent representation provided by the two distinguished Special Advisors from this Congress, Senator Olympio Borja and Representative Chutomu Nimwes.

Before we leave the subject of travel, I would make two additional points. One, that in all my travels I shall have in mind a single objective—to constantly promote the welfare and progress of Micronesia—and, two, I will publicly acknowledge the outstanding performance of our Deputy High Commissioner, the Honorable Peter T. Coleman, during my recent absence from the Territory for an extended period of time. As I mentioned at his swearing-in ceremony, I am sure that the Deputy High Commissioner and I will continue to work closely as a team, and that both of us, along with our cabinet and staff, will maintain constant contact with the leadership of the Congress of Micronesia.

The first two and a half months of our new administration have certainly been crowded with important events. As we reported to the United Nations, a new era in the history of the Trust Territory began on May 4, 1969, when Secretary of the Interior Walter J. Hickel, visited Micronesia accompanied by Mrs. Farrington and other members of his staff. As of that moment, a new program was launched to drastically accelerate the rate of progress in the Trust Territory, a program which will have the full cooperation of other departments of the United States government, as well as the two Houses of the United States Congress. To assist us in carrying out this program, we are pleased to have with us today Mr. Edgar Kaiser, Jr., representing Secretary Hickel, and the members of a top-level team of experts, headed by Dr. Paul Cook, who are assisting us in obtaining proper funding to carry our program forward.

July 4th to 12th, 1969, was certainly a historic period for all of Micronesia. The first MicrOlympics accomplished, in a manner even exceeding the predictions of the most optimistic, its dual goals of training our Trust Territory athletes for competition in many events and bringing together for the first time, in a non-political non-governmental fashion, the people of all six Districts of Micronesia. The Congress of Micronesia is certainly to be commended for its foresight in providing funds for the MicrOlympics, and I am sure that the Members of the Congress would join with me in thanking the Olympic Committee, the Peace Corps, the citizens of our friendly neighboring island of Guam, and the Armed Forces of the United States, for their excellent team work in making this occasion so successful.

Let us now for a moment attempt to briefly summarize the progress which has been made since the first session of this Congress last January. One of the keynotes of this new Administration is to repeatedly increase the involvement of Micronesians in the Administrative Branch of their government and to tackle and, eventually solve the problems of a government operated on three different pay scales. Our eventual goal, of course, is equal pay for equal qualifications and equal work. Toward this end, a high-level position has been created and staffed for the sole purpose of training and upgrading our Micronesian personnel. We will soon add to our staff a highly-qualified Personnel Administrator with considerable experience in personnel management and the integration of pay scales. The fiscal year 1970 budget currently before the United States Congress includes approximately $750,000 for a pay raise for our Micronesian employees, and though we are now operating under a "continuing resolution" rather than an approved budget, I shall leave no stone unturned to make this well-deserved increase effective at the earliest possible moment.

Great strides have been made in the field of automatic data processing, and more will be made during the coming fiscal year.

The Executive Branch of the government has assisted in every way possible in the work of the Government Organization Committee of this Congress. We are looking forward to receiving their report in the near future so that we may work together with the Members of the Congress to make possible a further decentralization of many Trust Territory government activities and, at the same time, make possible more effective and realistic staff operations to guide and assist the District Administrators in carrying out their mission.

A milestone in the field of education will be reached in September with the opening of our Micronesian Occupational Center in Palau. Significantly, this Center will be staffed by five Americans and nineteen Micronesians, and we are sure it will play an important and continuing role in the education of our young people.

Our scholarship program has been reorganized to broaden opportunity and use scholarship funds more efficiently. The need for more counseling services, especially at the high school level, has been recognized and this activity has been increased. Efforts are underway to secure grants from the Ford Foundation, the National Science Foundation, and other sources to develop materials and programs in all areas of our school curriculum.

In the important area of health services, the Trust Territory is now a full member of the Public Health Service, Region 9, from which it is receiving funds for a new mental health program, a new and much augmented maternal and child care program, and new activities in the field of sanitation. We have also joined the Regional Medical Program, with offices in Hawaii, through which we are now planning a program for the early detection of cancer in women, and a program for better training and supervision of health aides. The National Communicable Disease Center in Atlanta, Georgia, is developing a team of experts and will concern itself with prevention and control of epidemics throughout the Trust Territory.

A major development in the field of health services, which will eventually be of great importance, was the selection of a Health Council of eighteen members, all Micronesians, and a majority of whom are not in the field of medicine. At policy level, and in full cooperation with the Administration, they have become very active in formulating with us our plans and guidelines. The Council is currently preparing recommendations regarding the feasibility of private practice in medicine and dentistry in the Trust Territory, and a report on plans to bring better health services to our outlying islands. In keeping with our program of Micronesian involvement in key positions, all six District Directors of Health Services are Micronesians, along with two physicians who will shortly be appointed Assistant Commissioners for Health Services, and the Directors of both the Division of Dentistry and the Division of Environmental Health.

Under the direction of our Commissioner for Public Affairs, a political education program has been initiated in cooperation with the Congress of Micronesia and the Department of Education. Our Micronesian News Service Bureau and our media program have been strengthened by a Trust Territory media conference held just a few months ago. Our efforts are continuing to make the Public Information Office and the Radio Broadcast Center even more responsive to the current needs of the people of Micronesia, and by the end of fiscal year 1970 our radio stations will reach 97% of our total population.

Our Commissioner for Public Affairs and his staff have worked in close cooperation with representatives of the Commander in Chief, Pacific, to institute a program involving Military Civic Action Teams in each of our districts. These teams will work with local residents to complete vitally needed construction projects, and the first two teams are now operating in the Truk and Ponape Districts.

During the past year we started over $25 million worth of capital improvement projects. This amount is greater than that of any previous year. Some of the major facilities that will be provided are:

The Micronesian Occupational Center in Koror;

The District Hospital on Moen;

The first phase of the new harbor for Ponape;

The improved Trust Territory-wide communications system;

The water and sewer systems for Saipan; and

Improvements to the power systems in Saipan, Moen and Koror.

In the past, your involvement in the formulation of the capital improvement program may not have been as comprehensive as you may have desired. With the impetus and support given to the Joint Budget Committee of the Congress of Micronesia by Secretary Hickel's statement during his visit to Saipan in May, and as a result of the intensive efforts of your Joint Budget Committee during the past two months, your views, recommendation and priorities will be given full consideration in the development of the annual budget for the Trust Territory.

In the coming years, we shall continue to provide needed capital improvements in the various districts. You will have a greater involvement than in the past in determining

what should be provided and in what priority.

For many years one of our greatest bottlenecks to Micronesian progress has been the lack of adequate facilities to communicate quickly and easily with the rest of the world—and even from district to district. I had hoped to report to you today that our long-needed phone link to Guam had been completed. Present indicators are, I am pleased to report, that it will be completed before the Third Session of the Congress adjourns in August, and all of our districts will be connected in one new, modern system by September 1970. I have asked for weekly reports of progress through this Session and monthly reports thereafter.

As I stand here before this Joint Session of the Third Congress of Micronesia, I am compelled to reflect that there is really very much that we, both Americans and Micronesians, have accomplished during the past few years. But, I am sure we are all in agreement that much has not been done and must be done as rapidly as possible. It is in our Department of Resources and Development that we seem to have centered those areas which represent our most perplexing and, yet, most challenging problems.

Our Transportation Division must be augmented by additional personnel and equipment. Toward this end we are in the process of recruiting such personnel, and six LCU's to be used as administrative vessels within each of our districts, will shortly be delivered to us through the cooperation of the Department of Defense and the TTPI representative, Commander in Chief, Pacific.

Our Economic Development Division is seeking to provide more expertise at the district level in each of our districts to develop our marine resources, agriculture, tourism, retail and wholesale trade, and other means of making our economy increasing less dependent upon government spending and government employment. Toward this end, Secretary Hickel has pledged to seek from the United States Congress an increase in the funding of our Economic Development Loan Fund to $5 million. Within the next few weeks Air Micronesia will begin construction of the first of six first-class hotels, and has already aided the Trust Territory immeasurably in the promotion of tourism as a growing part of our economy.

In 1935 the Japanese Government Administrator, when his nation held the Trust Territory under a League of Nations mandate, made the following comment: "Among the administrative problems concerning officials of the mandate, none has proved more complex or more delicate than the control of land." Almost thirty-five years later a member of the High Commissioner's staff stated that land "is the single most important item and by far the most sensitive issue that exists today in Micronesia." This certainly does not indicate any great progress in solving Micronesia's land problems. In fact, Representative Nimwes, in his opening remarks to the United Nations Trusteeship Council last month, pointed out that "Not one Certificate of Title has been issued and not one lot has been officially registered." We cannot escape either the seriousness or the magnitude of this problem, but this Administration has given itself a goal of being well on the way toward completion of land registration throughout the Trust Territory not later than June 30, 1970. In this respect, we have been pledged the cooperation of several departments of the United States Government and will certainly be calling upon the Congress of Micronesia for advice and assistance from time to time. However, in this area we must ask for the consideration and understanding of every citizen of Micronesia as we attempt to solve in one year a highly complex problem which has not been solved by any previous administration under four separate governments.

Of great concern to many of our people, particularly in the Marianas and Palau Districts, is the settlement of war damage and post secure damage claims. This, too, is a priority item on the agenda of the new administration, and I am pleased to inform this Congress officially that on April 18, 1969, the Governments of the United States and Japan, joined in an *ex gratia* agreement namely, one which does not involve questions of legal liability, to contribute $10 million to the inhabitants of the Trust Territory of the Pacific Islands, in view of the enormous wartime suffering which was their lot. It is the firm intention of this Administration to proceed as rapidly as possible to resolve the problem of post secure claims so that payment of these can be integrated with the distribution of the $10 million *ex gratia* war damage payment. The Post Secure Claims Office is now preparing recommendations on the establishment of a tribunal or commission to adjudicate claims for post secure damage in the Trust Territory, which should be completed sometime this month. Our Attorney General's office is also in the process of drafting proposed legislation for the appropriation of funds by the United States Congress to settle these claims.

Also, under the direction of our Attorney General, work has commenced on the new Trust Territory Code authorized by Public Law 4–17. It is anticipated that a complete manuscript will be presented to the Congress of Micronesia by July, 1970.

This brief summary has, in the interest of time, covered only highlights of the current state of the Trust Territory of the Pacific Islands. It is my intention to subsequently present to the Congress of Micronesia a more specific message on the Trust Territory budget, on government organization and, possibly, on other important subjects. I am also looking forward to a series of regularly scheduled breakfast meetings with the leadership of the Congress during the balance of this Session.

While I am afforded the opportunity to officially address this Congress for the first time, I should like to take a few more minutes to present some basic thoughts and principles which will guide my Administration as your High Commissioner. Although it is my understanding that this Congress will consider specific legislation designed to increase the revenues from local taxation, we will still be faced with the fact that for at least the next few years the major funding for the operation of our government will come from the United States Congress. In this respect, members of my staff and I have been assured on several recent occasions of the wholehearted cooperation of both the United States Senate and the United States House of Representatives in properly funding our many new programs for the economic and political development of Micronesia.

Our friends in Washington have told us that one of our drawbacks in the past has been an apparent unwillingness to let them know how much we really need, to accomplish the many things that must be done throughout the three million square miles of the Trust Territory. Let me assure you that this Administration intends to make abundantly clear to all concerned, exactly what we need in each area to accomplish our goals; and although we realize that in many areas priorities must be set within realistic budget limitations, it seems to me that the time has come for us to declare to all concerned that we will no longer establish "selective priorities" in those areas which concern the health, safety and, possibly, the very lives of the Micronesian people. If we need six fire trucks, or twelve ambulances, or ten police cars, or fifty fully-equipped dispensaries, we must leave no doubt in anyone's mind that we need these items simultaneously and not spread over a period of several years. In other words, we do not wish to make the terrifying decision as to which of our citizens shall have their lives properly protected and prolonged, and which ones shall have to wait several more years for the same facilities and services.

It should be clear to all concerned, from what has been said to this point, that this Administration is dedicated to the future progress of Micronesia. Over the next few years we shall be constructing roads, hospitals, schools, air fields, water and sewage systems, and other vitally needed public improvements as rapidly as possible. At the same time, we will stimulate the private sector to erect hotels, shops and stores, and other business facilities and installations. But, let us, at the same time, pledge to ourselves that building the future must not be allowed to destroy the heritage of the past. Steps are already being taken to preserve historic sites, to build museums and to make them available for the education and inspiration of our own people, as well as to provide information on our historic past to visitors from abroad. I, for one, refuse to be convinced that progress necessarily destroys culture. The United States of America is possibly the only great nation in the world where, on the same evening in the same city block, one might find an Irish wake, a Polish wedding, and a Jewish Bar Mitzvah occurring simultaneously. Each of these groups has joined in building America, yet none has completely separated itself from the heritage and customs of its past.

As you know, I lived for the past quarter century in the only area of the United States which went through the successive governmental stages of a Monarchy, a Republic, a Territory and, finally, the Fiftieth State of the United States of America. Certainly, no one can deny that Hawaii has made progress during each stage of this transition. Yet, here, again, the various ethnic groups which have built Hawaii have tenaciously held on to their native cultures. Each year the citizens of Hawaii and visitors alike enjoy equally the Hawaiian Aloha Week, the Japanese Cherry Blossom Festival, the Chinese Narcissus Festival and the Philippine Fiesta. In fact, our friends in Hawaii have one island, Niihau, whose citizens still live completely in the old Hawaiian tradition. Largely by their own choosing, they do without many of the comforts of modern living, but they are guaranteed the basic services essential to their health, education and welfare by their State Government.

Within a few short hours, three Americans will begin a mission designed to land them on the surface of the moon, and the mission seems to have every chance of success. It will be watched by the whole world, including Micronesia, and it occurred to me a few days ago that in this age of such tremendous scientific progress, I cannot for one minute accept the thought expressed by some who tend to think negatively, that there are two classes of people in the world—Micronesians and all the others. I refuse to believe that the people of Micronesia would voluntarily reject the advances in science, health and education which are so eagerly sought by all the rest of the world. And I am equally unwilling to accept the thought expressed by some that to enjoy these benefits Micronesians must forget or deny the cultural background which has made them one of the finest groups of people on this earth.

Bearing these principles and these thoughts in mind, we come now to the final and most important item to which we must address ourselves today—the future political status of the Trust Territory of the Pacific Islands. The Joint Future Political Status Commission of this Congress has worked long and diligently to prepare a report which will soon be submitted to the Congress and which, after debate and adoption, will express the views and desires of you gentlemen who so ably represent the people of Micronesia.

Just a few weeks ago, the Vice President of your Senate, the Honorable Olympio Borja, in his remarks to the United Nations

Trusteeship Council, said: "The United States, as the administrating authority, has not defined its aspirations, wishes or views with respect to the future political status of Micronesia." And he urged the United States to express its position so that an exchange of views might take place. To answer his request, let me make it abundantly clear to this honorable body today (and I am sure I speak for President Nixon, Secretary Hickel, and many others throughout America)—the United States is proud to be associated with Micronesia and we definitely desire to enter with you into a lasting and permanent partnership. We are prepared and anxious, from this moment forth, to discuss with this Congress, as the elected representatives of the Micronesian people, the exact nature which this partnership should take. We have invited Representatives of the Congress, accompanied by members of the High Commissioner's staff, to visit Washington immediately after the conclusion of this current session, to assist in drafting the specific legislation to implement such a partnership.

May I again express my appreciation to this Congress for inviting me to address you today. I am sure that my family and I will enjoy life in Micronesia and look forward to being a part of this growing area for many years to come.

During the Presidential campaign in 1968, a young lady named Vickie Cole, in the small town of Deshler, Ohio, carried a sign which gave President Richard Nixon the theme for his Administration, which began on January 21st this year. It has occurred to me many times in these past few weeks that this theme is particularly adaptable to our situation in the Trust Territory of the Pacific Islands. So, I would conclude this message to the distinguished Members of the Third Congress of Micronesia with the hope that you would agree with me that our task and our challenge in these coming months and years is to lead Micronesia "Forward Together."

## PRESERVATION OF NATURAL RESOURCES

Mr. JACKSON. Mr. President, as Americans have increasingly become aware of the importance of conservation, it is our hope that private industry has begun to accept a greater responsibility to insure the preservation of some of our Nation's natural resources. Evidence that this is happening has been supplied by the Georgia Pacific Corp., which today donated a $6 million stand of prime redwood timber to the Nature Conservancy. This nonprofit organization, long noted for its efforts in conservation, expressed its thanks for Georgia Pacific's farsighted approach to one of America's growing problems. It is noted that the gift may represent the largest ever made by an American business firm for conservation purposes. This type of approach is indeed welcome by all Americans, and it is my hope that this concern will continue to grow to the benefit of all.

I ask unanimous consent to have printed in the RECORD a release by the Nature Conservancy describing this gift.

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

GEORGIA PACIFIC DONATES $6 MILLION PRIME REDWOOD STAND TO THE NATURE CONSERVANCY

WASHINGTON, D.C.—The Nature Conservancy, of Washington, D.C., announced today the donation by Georgia Pacific Corporation, one of the nation's largest forest products companies, of a $6-million stand of prime redwood located on the Van Duzen River in Northern California.

The gift, which the Conservancy termed one of the largest in the history of the American conservation movement, embraces two redwood groves totalling 390 acres situated 12 miles southeast of Fortuna, California.

A brief, noontime ceremony was held today (Wednesday, July 30) at the site, attended by Georgia Pacific, The Nature Conservancy, Save-the-Redwoods League, and state park officials. Robert B. Pamplin, Portland, Oregon, chairman and president of Georgia Pacific, gave the deed to the property to Thomas W. Richards, of Washington, D.C., president of The Nature Conservancy, who symbolically handed it to William Penn Mott, chief of the California State Park System, which will administer the park.

Richards, as president of The Nature Conservancy, a national, non-profit organization formed to acquire and protect outstanding natural areas, praised the company saying, "This public-spirited gift is a tribute to the conservation awareness of Georgia Pacific officials. This marks a significant breakthrough for the conservation movement. This gift represents what may be the largest ever made by an American business firm for conservation purposes. Georgia Pacific, with the contribution, sets an example for America's resource-based industries. We are grateful to them and hope that other industries will follow their lead."

Included in the gift are some 206 acres of old growth redwood, classified triple 0, which signifies the oldest and best timber. Many of the trees are between 400 and 800 years old and a number are 15 or more feet in diameter. The volume of timber in the stand runs between 300,000 and 400,000 board feet per acre; the total amount of top grade redwood is enough to build houses for over a million people. The remaining land includes young growth redwoods and river bar and meadowlands.

Pamplin remarked, in making the gift, that "we have always recognized the need for recreational use of forest lands. We maintain several dozen beautiful parks in our western timber ownership for the use of the public." Earlier he noted that the company strongly believes 'in the multiple use of timber and timber lands. We believe this renewable resource can—and must—serve many masters."

Also present at the ceremony was Dr. Ralph W. Chaney, president of the Save-the-Redwoods League, the organization which has pioneered the conservation of California's redwood groves. Chaney expressed delight with the gift, noting that the "countless people who seek the tranquil beauty of the redwood region will be able to enjoy this park year after year."

The gift tract includes two groves and a connecting strip of land. The groves will be named after Pamplin and Owen R. Cheatham, founder of Georgia Pacific. The land has been held for park use since the turn of the century, first by the Hammond Lumber Company, and for the past 14 years by their successors, the Georgia Pacific Corporation. In the westernmost grove, there is an open recreational area and a swimming hole.

Administration of the new park will be from the nearby Grizzly Creek Redwood State Park.

## OPPOSITION TO CUTBACKS AT FRANKFORD ARSENAL

Mr. SCOTT. Mr. President, since 1816 the Frankford Arsenal in Philadelphia has secured our Nation's defense needs. Frankford Arsenal is a key installation in the research and development program of the Army Materiel Command.

For more than 3 months my distinguished colleague from Pennsylvania, Mr. SCHWEIKER, and I have opposed the Defense Department's announced plan to uproot thousands of Philadelphia-area families by transferring the research and development activities at Frankford Arsenal to other scattered installations. We have demonstrated that the proposed transfers would waste taxpayers' money, weaken national security, and strike a severe blow at the economy of southeastern Pennsylvania.

An article published in this morning's Philadelphia Inquirer points to another danger involved in the Army's plan. There is a real danger that the United States could become dependent on foreign countries for vital defense materiel. I ask unanimous consent that the article be printed in the RECORD.

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

[From the Philadelphia (Pa.) Inquirer, July 30, 1969]

ARSENAL LOSS RAISES FEARS

(By Clifford Linedecker)

Removal of the research and development division from the Frankford Arsenal could lead to American dependence on other countries for evolvement and manufacture of military armament, it was predicted here Tuesday.

The U.S. will be looking to such countries as Japan, Belgium, Germany and France for its arms, warned Kenneth L. Lyons, president of the National Association of Government Employees, "if Congress ever makes the tragic mistake of permitting destruction of our Frankfort Arsenal.

SERIOUS LOSS

Lyons appeared with S. Harry Galfand, director of commerce and city representative; and Thomas W. Langford Jr., regional economist and research associate of the Regional Science Research Institute, at a luncheon meeting of the Poor Richard Club.

The proposed cutback at the 110-acre facility at Tacony and Bridge sts., warned Lyons, would not represent a gain for any other arsenal, and would be a loss for the country.

DEFENSE BLUNDERS

"It would be an end to research and development on these weapons, at a time when our Army, Navy, Marines and Air Force need them most," Lyons said.

Lyons charged that a cutback at the arsenal would continue an "insane" pattern of Defense Department blunders in the last few years that has already seriously affected the quality and production of small arms.

Defense Department errors and meddling, he said, have resulted in situations where "half of our weapons wouldn't work" if our armed forces had been attacked in Europe.

He pointed to the often-criticized M-16 rifle in Vietnam, as another example of Defense Department blundering. "There have already been 142 modifications," he said, "and anytime one of our men can grab an enemy AK (NFLR) they prefer to use that."

Lyons contended that only 4 percent of the arsenal team of highly skilled workers in research and development are prepared to relocate if the division is moved.

"It would be almost an impossibility to recruit the scientists and technicians who would be needed to make research and development work elsewhere," he declared.

## ANTIAMMUNITION REGISTRATION BILL

Mr. SCOTT. Mr. President, I want to announce my firm support of the bill introduced yesterday by the Senator

from Utah (Mr. BENNETT) to amend a major part of the ammunition registration section of the gun control law of 1968.

This bill is almost identical to the Bennett-Scott bill introduced earlier this year which was later withdrawn for parliamentary reasons. I am delighted to join with Senator BENNETT in this new bill.

The Treasury Department has interpreted the ammunition registration provisions of last year's gun bill in such a way that it does not conform to the intent of Congress. Our bill would exempt from this burdensome registration procedure the kind of ammunition most commonly used by legitimate sportsmen.

I urge Congress to act on the bill before the hunting season opens this fall, to prevent confusion and unnecessary hardships on thousands of legitimate hunters and sportsmen in Pennsylvania and throughout the country.

The purpose of the Gun Control Act of 1968 was to help to prevent crime and acts of violence. It was not intended to restrict or harass sportsmen. But in fact, law-abiding citizens are suffering unnecessary inconveniences and burdens because of the interpretation of the act by the Treasury Department.

Our new bill makes it clear that Congress does not intend for sportsmen to be treated as criminals.

On the other hand, criminals who misuse firearms to commit felonies should receive prompt and severe sentences. I have cosponsored and testified in favor of the bill by Senator MIKE MANSFIELD (S. 849) to provide tougher mandatory sentences when guns are used in committing Federal felonies. Of the 20 robberies which were reported in yesterday's Washington Post, 12 were committed by criminals with guns. Tragedy was averted in one case only because the weapon misfired when the trigger was pulled.

The Mansfield bill will assure that criminals who threaten society with firearms will receive strict sentences.

I have joined in sponsoring both bills because I believe we must distinguish between the law-abiding sportsman who has a legitimate right to carry a firearm, and the criminals in our society who misuse guns and terrorize our citizens.

## FUTURE NATIONAL GOALS

Mr. BURDICK. Mr. President, the staggering success of our Apollo 11 moon shot has, quite properly I think, raised the question, "Where do we go from here?" The answer to this question will chart our future for many years to come.

Dave Dyke, editorial director of the North Dakota Broadcasting Co., has kindly furnished me a copy of a recent KX network editorial on the subject. I commend KX for raising these questions. I know I look forward to having the suggested answers.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

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

WHERE DO WE GO FROM HERE?

Our moonwalking astronauts are safely home, so now might be a good time to examine where we go from here with regard to our national emphasis. The space scientists have proven their point with the moon landing, now possibly we need to establish some new national goals toward which the United States can devote its resources of time, talent, and money.

In this land of plenty, it is increasingly evident there is a real problem of poverty. As our citizens live longer lives we see growing problems for the aging. We are still faced with the challenge of conquering many of the diseases that plague mankind, and man has yet to learn to live in peace with his fellowmen. Any one or more of these problems could be a proper target for a major national effort, similar to our recent space effort.

We feel the American people would give full support to any such worthwhile new national project, but the voice of American people should be heard in the setting of any such priority of effort. This means the American citizen must speak up, must speak out, to let his opinion be heard.

The management of this station would urge every concerned citizen to write or otherwise contact their congressman or senator—or the president, to let these national leaders and decision makers know what you feel should be the next target among the several problems that face our nation and our world. You tell them how you want your tax dollars spent.

## CAN THE INFANTS SURVIVE?

Mr. INOUYE. Mr. President, I recently had occasion to read a provocative article published in the June 1969 edition of the Bulletin of Atomic Scientists. It is an article written by an eminent radiologist, Dr. Ernest Sternglass, a member of the Department of Radiology and Division of Radiation Health, University of Pittsburgh. Dr. Sternglass has discovered new data that indicates the potentially catastrophic consequences of a nuclear attack not only on the immediate victims but also on the living and unborn, upon whom must rest the hopes for the regeneration of mankind. The evidence that Dr. Sternglass has gathered illustrates that one of the effects of a large-scale use of nuclear weapons will be the poisoning of genetic material with the danger of the extinction of mankind.

As a layman, I do not feel competent to comment authoritatively on Dr. Sternglass' thesis. Nevertheless, I feel that his findings do add a new dimension to the debate currently raging over the deployment of the anti-ballistic-missile system. If in fact his data is accurate, we may discover that we, the ostensible victors in a nuclear exchange, may have been doomed by the reckless actions of the Soviets and the system which was to have saved us from destruction.

I ask permission to have Dr. Sternglass' thesis printed in the RECORD.

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

CAN THE INFANTS SURVIVE?

(By Ernest J. Sternglass)

(NOTE.—Discussion of chances of recovery from a major nuclear war becomes meaningless, charges physicist Ernest Sternglass, when the children of the nation that launched the strike would die before reaching maturity. Dr. Sternglass's comment is based on data he presented in the April "Bulletin." Dr. Sternglass is a member of the Department of Radiology and Division of Radiation Health, University of Pittsburgh.)

F. J. Dyson's "Case for Missile Defense" (April "Bulletin"), although obviously based on a deeply felt moral revulsion against nuclear war and a sincere desire to minimize its apocalyptic consequences, nevertheless rests on a fundamental fallacy as to the nature of nuclear weapons which has until now been widely accepted in the absence of any serious evidence to the contrary.

This basic fallacy, which vitiates all four of the points in favor of defensive missiles made by Dyson, is to regard nuclear weapons as basically nothing more than large explosive devices or fire-bombs accompanied by a flash of radiation, whose effect may be more or less judged by the local destruction they produce on the targets at which they are aimed, with relatively minor long-range radiation effects on distant populations or succeeding generations that pale in comparison with the immediate effects.

However, the mounting evidence for unexpectedly serious biological effects produced by low dose-rate fallout radiation on the reproductive system and the developing human embryo outlined in the April "Bulletin" makes it clear that the more important aspect of the large-scale use of nuclear weapons in warfare as far as mankind as a whole is concerned would be their action as a subtle new form of biological poison that could lead to the extinction of nations through their action on the genetic material.

The reproductive cells and the developing early embryo can apparently be seriously damaged by ingested or inhaled quantities of Sr-90 some tens to hundreds of times smaller than those needed to produce leukemia or bone cancer in the mature adult. Thus the situation can arise whereby many cities and their existing populations might survive a nuclear war as a result of ABM systems combined with shelters, only to have the society come to an end as the infants born to the survivors die in their first year of life.

We find ourselves confronted with the utterly new situation in which, contrary to all our past thinking, even targets that are either not attacked, or are protected by an anti-ballistic missile system, can be destroyed if these "targets" are people. Dyson's point that "if you are sitting in a city which is not attacked, the defense has worked" therefore becomes specious: the population might indeed have been saved, only to see the end of the very society which they sought to preserve as the newborne die one by one before reaching maturity as a result of the inhaled and ingested radioactive fallout quickly distributed throughout the atmosphere.

It is therefore clear that in the light of the long-range worldwide biological effect of nuclear weapons, all past calculations as to casualties, "loss-exchange ratios" and chances of recovery from a major nuclear war in the presence or absence of anti-missile systems or shelters becomes utterly and completely meaningless. In fact, even the threat of a massive first strike by one major power against another loses all credibility when the resulting release of fission products into the world's atmosphere would be sufficient to insure that the children of the nation that launched this strike would die before reaching maturity.

And yet this is precisely what the existing data on infant mortality as a result of the very limited peace-time testing of nuclear weapons show: The U.S. infant mortality reached about twice the normally expected value by the time the test-ban came into effect in 1963, in a manner directly correlated with the amount of Strontium-90 in the milk and infant bone. This means that close to one out of 100 children born died

before reaching age one as a result of the release of some 200 megatons' worth of fission energy or some 20 million curies of Strontium-90 in remote test-sites and at high altitudes above the atmosphere. Since a first strike, in order to have any chance at all of being effective, would have to involve some tens of thousands of megatons, detonated close to the ground, probably in the form of biologically more effective small multiple warheads carried by MIRVs (multiple independent re-entry vehicles), it is clear what the effect of such a massive release of long-lived fission products into the circulating air-currents of the atmosphere would be, regardless of where the bombs were aimed or where on the ground or above the atmosphere they would detonate.

And since ABM systems, whether effective or not, force an escalation of the number of offensive warheads, not to speak of the additional multi-megaton warheads in the three-to-five anti-missiles needed for each incoming warhead to achieve interception, the net result of their installation would be to seal the doom of mankind ever so much more firmly if the now unstabilized deterrent should ever fail.

The ethical and moral considerations that moved Dr. Dyson to opt for more defensive rather than offensive missiles must therefore be extended to the broader question: Does any nation have the right to destroy the lives of innocent children in countries throughout the world in a vain effort to insure the survival of its own particular ideology and way of life, by weapons that release an indiscriminately-acting, long-lasting biological poison into the world's atmosphere?

---

COMMENT ON STERNGLASS THESIS

I welcome this chance to call attention to Ernest Sternglass's article, "Infant Mortality and Nuclear Tests," in the April "Bulletin." I urge everybody to read it. Compared with the issues which Sternglass has raised, my arguments about missile defense are quite insignificant. Sternglass displays evidence that the effect of fallout in killing babies is about a hundred times greater than has been generally supposed. The evidence is not sufficient to prove that Sternglass is right. The essential point is that Sternglass may be right. The margin of uncertainty in the effects of worldwide fallout is so large that we have no justification for dismissing Sternglass's numbers as fantastic.

If Sternglass's numbers are right, as I believe they well may be, then he has a good argument against missile defense. I have used the same argument myself in an article against bomb-shelters ("Thoughts on Bomb-Shelters," March 1962 "Bulletin"). Only I think the argument applies even more strongly against offensive forces of the size that we have now deployed. Our most urgent objective should be to get rid of the B-52 force which still carries the bulk of our deliverable megatons. Let us hope that Sternglass's argument may impel both sides in the forthcoming Soviet-American discussions to consider some drastic reduction of offensive force-levels.

So far as defense is concerned, the logic of Sternglass's numbers makes it highly desirable to develop a system using non-nuclear interceptors. We do not have a non-nuclear defense ready for deployment now, but I consider the chances good that we could develop one if we tried hard enough. In the long run, I believe a non-nuclear defense would be politically stabilizing and would facilitate the reduction of nuclear forces to levels which would not endanger the survival of mankind.

FREEMAN J. DYSON,
*Institute for Advanced Study, Princeton, N.J.*

## APOLLO 11: MISSION ACCOMPLISHED

Mr. GOODELL. Mr. President, 8 years ago we set our national sights on a lunar landing and the safe return of our astronauts back home.

Now we have accomplished this mission.

As a nation, we are justly proud of the human spirit, the superb mastery of technology and the truly national effort which have combined to propel the community of man to the moon.

Astronauts Neil Armstrong, Edwin Aldrin, and Michael Collins—after the successful completion of their historic exploration of the moon—have returned home. Americans and the people of the world have welcomed them and have commended them on their remarkable feat and outstanding bravery.

Now, while attention focuses on the health safety of the astronauts; while we are hopefully awaiting the end of their quarantine period; while we wonder what new knowledge will come from the photographs taken; while we await discoveries from the study of lunar rocks and soil brought back to earth; while we are suspended in hope and wonder over the unknown, Apollo 11 is remembered for many things which are already known.

Indelibly marked on our memory of Apollo 11 is the courage of our astronauts; the teamwork at mission control; the encouragement given by President Nixon as he spoke to the astronauts on the moon of "the greatest moment of our time," a moment when all of the people on this earth are truly one—in pride and in prayer.

In our memory also is Apollo's message to future moon visitors:

Here men from planet Earth first set foot upon the moon, July 1969, A.D. We came in peace for all mankind.

With this in mind, we wonder now about future visitors to the moon, and the frequency of visits. We wonder about interplanetary exploration and we know that Mars is man's next step. The Mariner Mars program is well under way. With the Mariner flybys scheduled for this week and next, we can expect photographic closeups of Mars. Television viewers now knowing what it feels like to walk on the moon, will also know what it feels like in a spaceship homing in on Mars.

Mr. President, on various occasions I have expressed my views on post-Apollo space programs. I have urged that NASA give top priority to application of space-related knowledge to the needs of people here on earth.

This does not mean to suggest that we turn our backs on further space exploration. What it does mean is that we avoid a crash-effort approach to future space exploration and that we guard against the tremendous drain on resources which such crash efforts entail. We can, and I think we should, digest what we have learned from the lunar landing. We should proceed with more moon exploration at an even, steadied pace rather than at a hectic and hurried one. We should proceed with unmanned exploration of planets and do so with international cooperative effort. This, I think, should be our approach to future space programs rather than the crash-effort approach which would thrust our astronauts on Mars by the 1980's which scientists say is technically possible. Alongside of what is technically possible for future space feats, I think we simply must view our space goals in the context of the immediate need to improve life here on earth.

Spinoffs from space achievements can be helpful to life here on earth. Some byproducts have already begun to influence our lives and hold hopes for the future. I am particularly interested in the potential of space developed fortified foods in meeting the problem of malnutrition in this country and throughout the world. Health needs may be met with medical innovations resulting from space related research. Space scientists have discovered a metal called "vitallium" which is now under study at Cornell Medical Center for potential use in making artificial human joints. Consumer needs may also be met in a variety of ways. Among the consumer byproducts of the space age which already exist is a $2 blanket that can reflect radar signals and can be used to rescue lost hunters or stricken yachtsmen.

Mr. President, we must act now to encourage civilian applications of space-related knowledge. Such useful byproducts for our people and the people of the world whether in health, safety, housing, communication or transportation needs, must not be bypassed. Rather, space technology utilization must be pressed to the forefront in our deliberations on future space program planning.

Man first stepped on the moon with the words:

That's one small step for man; one great leap for mankind.

Future space steps are now focal points of discussion. NASA Administrator, Thomas Paine, has said:

I think the significance of the trip is indeed that mankind is going to establish places of abode outside of his home planet, the Earth.

While lunar and planetary communities may be very long-range extrapolations from present technology; while steps toward these ends may be just plain engineering good sense; while today we reflect on these possibilities, I am particularly struck by the thought expressed in a New York Times editorial of July 30, entitled "Evolution Into Space," which reads:

It will take years, decades, perhaps centuries, for man to colonize even the moon, but that is the end inherent in Armstrong's first step on extraterrestial soil. Serious and hard-headed scientists envision, even in the not remote future, lunar communities capable of growing into domed cities subsisting on hydroponically grown food, of developing the moon's resources, and eventually of acquiring a breathable atmosphere and a soil capable of being farmed. What with the dire threats of population explosion at best and nuclear explosion at worst, the human race, as Sir Bernard Lovell warns, may find itself sometime in the 21st century "having to consider how best to insure the survival of the species."

Mr. President, I think it is time for more good commonsense here on earth. We need to direct our energies toward achieving more livable cities; toward eliminating hunger at home; toward preventing the dire forecast of world mass starvation in the 1980's; toward acquiring a breathable and safe environment here at home; and toward stemming the escalated arms race with its vast destruction potential and doomsday capability.

All of these things remain to be done. I am hopeful that these more earthly feats will not be overlooked as we chart our course further into space.

## THE PESTICIDE PERIL—XXXV

Mr. NELSON. Mr. President, in May of this year a special Committee on Persistent Pesticides of the National Academy of Sciences issued the results of its 2-year study on the growing controversy over the use of pesticides. According to an editorial published in the July 1969, issue of Audubon, the magazine published by the National Audubon Society:

> The report illustrates the characteristics, difficult, and dangerous conflicts of interest that beset our new technoscientific civilization.

Although the report recognizes that "worldwide environmental contamination by DDT is serious" and that general use of DDT will continue until the Government imposes controls, the Academy still failed to recommend a ban on DDT.

A clue to this apparent contradiction between the findings of the study and the recommendations—or lack of recommendations—of the Academy might lie in the backgrounds of the 11-member Committee. Eight, including the chairman, had close commitments to the agricultural community; two represented the chemical industry; while only two had orientation in ecological problems. Of the more than 80 witnesses appearing before the Committee, only 19 could be considered as being ecologically oriented.

As the editorial clearly pointed out:

> The majority, therefore, came to this assignment with the self-assurance that chemical pesticides are "good" since they have helped increase agricultural production.

It is apparent that the effect of persistent pesticides on the ecological balance within our environment was not uppermost on the minds of most of the committee members and its witnesses.

As the Audubon Society puts it so well:

> We have a right to expect more from the National Academy of Sciences—at least the recognition that given our contemporary illiteracy in ecology, this twenty-year pesticide controversy will not yield to concensus.

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

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

THE ACADEMY OF SCIENCES LAYS ANOTHER THIN-SHELLED EGG

In November 1966, the U.S. Department of Agriculture asked those scentific advisors to the nation, the National Academy of Sciences/National Research Council, to appoint a special Committee on Persistent Pesticides to help review the rising challenge to the use of these chemicals mounted by conservationists and a growing segment of the scientific community. The eleven-member committee heard testimony from more than 80 witnesses and issued a report on May 27th, 1969.

The report illustrates the characteristic, difficult, and dangerous conflicts of interest that beset our new technoscientific civilization. It recognizes that controlling the long-lived residues of DDT and other similar chemicals in the world environment will require regulation by all nations. It also recognizes that DDT has had an unfair economic advantage over other more acceptable insecticides, and that worldwide environmental contamination by DDT is serious, but that unless (and until) governmental regulations eliminate the present advantage of cheapness that makes DDT so popular, it will continue in general use.

Despite this, the committee, speaking for the National Academy of Sciences, failed to recommend a ban on DDT!

In 1963 another special committee of the academy failed utterly to come to grips with the problem of persistent pesticide contamination, and the academy's staff recognized the failure. Why did it fail again?

A thorough analysis of the false philosophical assumptions that beset the academy and all of us may be necessary to answer this question fully, but it may suffice to suggest here that too many of the tools and techniques we have so proudly and naively developed are simply beyond our current ability to use wisely. The technologist has become the sorcerer's apprentice! Chemists, engineers, and economists, who make most of the decisions to loose these inventions on the landscape, are unfortunately the least qualified to judge their possible effects.

The academy's Committee on Persistent Pesticides should have been an ecological board, since the pest control problem and pesticide pollution are both ecological problems. But only two of the eleven members were so oriented. Eight others, including the chairman, had backgrounds and philosophical commitments close to the agricultural community; two were from the chemical industry. Even though all these men were highly qualified and respected specialists, most of them were ecologically incompetent.

The majority, therefore, came to this assignment with the self-assurance that chemical pesticides are "good" since they have helped increase agricultural production; this too is "good" because our growing population requires it. The "problem" they were asked to analyze simply called for examining present pesticide use policy to see where it might be *perfected* to minimize formerly unrecognized conflicts, and to assure the public that its interests are being well taken care of by experts, both those on the committee, others in the academy, and all those thousands of experts who have implemented the vast technical programs of modern agriculture.

This is a case where we suffer from the democratic notion that majority opinion is right per se, with "public relations" substituting for education. This stumbling block is evident in the makeup of the persons interviewed by the committee: nineteen more or less ecologically oriented witnesses were exactly counterbalanced by nineteen industry spokesmen whose job has been to produce and sell the technology that has gotten us into trouble. The other testimony came from three people in food processing, fourteen in public health (as yet an unecological field), and twenty-eight from agriculture, men who planned and directed our commitment to DDT!

This report does mark at least one important advance. Though its recommendations are altogether vacuous, it does recognize the damning evidence—but carefully buries it deep in the text, where few will read it. More research is called for, of course, which is always a good way to put off action; in this Age of Science, research is like absolution to medieval man. If we stopped poisoning we could research more important things, and save life too, perhaps more than we know.

The other reliable roadblock to restrictive action is to insist, as this report does, that there are yet no satisfactory alternatives to DDT. It does not specify what it is that cannot be controlled by other means, or how important it is to control at all. Confront any man and he will be against sin—until the next time he wants to sin. And so we are now all, perforce, against pollution—except when it is profitable to pollute, whether with pesticides, oil, or what have you.

We have a right to expect more from the National Academy of Sciences—at least the recognition that given our contemporary illiteracy in ecology, this twenty-year pesticide controversy will not yield to consensus. Someone has to lead, to educate, to hold the mirror up to man.

## WHERE RESPONSIBILITY LIES

Mr. HATFIELD. Mr. President, as common as the human tendency to pass the blame for wrongs is the human proclivity to pass the buck for the curing of ills. Such is often the case among the private and public sectors of our Nation.

Jack Sugg, president of the Associated Oregon Industries, recently brought this problem to light as it relates to the relationship between private business and Government regulation.

In his compelling commentary in the July issue of News Digest, Mr. Sugg reiterated the free enterprise approach to problems of and with industry and the practical approach to Government's role—as other than the cure-all and end-all of the problems of business and consumers.

It is with encouragement and with admiration for Mr. Sugg's appraisal of where responsibility lies that I ask unanimous consent that "We, Not They" be printed in the RECORD.

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

WE, NOT THEY

(By Jack Sugg)

It seems popular these days to look to government at all levels to remedy problems or dissatisfactions of the people. Government is the "they" in "They should do something," and the oft-sighed "There ought to be a law" wishes that "they" would act.

Most measures aimed at so-called consumer protection follow such lines of reasoning. Though contrary to the basis of our free market economy, they represent a limp-wristed desire of many people to substitute distrust and regulation of business for free choice and individual moxie.

It's always refreshing, therefore, to see examples of business constructively policing itself. Such an instance is found in "The Right Thing to Do," a comprehensive code of ethics recently endorsed by the National Association of Direct Selling Companies and the National Better Business Bureau, Inc. Sub-titled "A Credo of Business Responsibility," the prinicples apply to direct selling, verbal representations and advertising of commodities or services sold at people's homes or other places not on the premises of the supplier or seller. Faithful compliance, say the sponsors, "will increase public confidence in the direct selling industry and thereby help to protect the consumer and legitimate business from unfair and deceptive practices.

Listed under 16 headings, the standards

demand accuracy, bona fide offers with adequate supplies to back them up, truthful advertising illustrations, and that customers receive copies of completed contracts and written orders or receipts showing the name and address and the seller. Contract cancellation is called for in case of fraud, misrepresentation or undue influence.

Guarantees must be explained fully as to scope, limitations and conditions, according to the code. Customers should be told whether price savings are compared to previous prices or to prices of other sellers, and when a contract may be sold or assigned to a financial institution.

The standards discourage use of "list" prices, "lifetime" guarantees, "free offer" gimmicks, superlative claims unless backed by fact. They urge that multi-level sales plans conform to existing law and avoid exaggerated earnings possibilities, and that salesmen refrain from attacking competitors or disparaging their products. And they prohibit pre-ticketing items with phony "original" prices, deceptive offers, chain referral selling, asking persons to sign blank contracts, and using false or misleading advertising in recruiting salespeople.

Such ethical standards, of course, always have been used by successful salesmen, for their success has depended upon goodwill and repeat customers. Despite popular sentiment that a vague government "they" should do something, the fact remains that a responsible free choice, free market system is the consumer's best watchdog.

"We" in business must preserve the trust that makes this a fact.

## TRAILS EASY WAY TO EXPLORE AMERICA

Mr. JACKSON. Mr. President, the National Park Service of the Department of the Interior on July 13 issued a press release pointing out that increasing numbers of Americans are following land and water trails this summer.

Many of these trails are really automobile routes that follow in the footsteps of the pioneers or explorers, thus providing an easy way of exploring history. One of these, for instance, is the Lewis and Clark Trail—1,000 miles of good roads from St. Louis, Mo. to Fort Clatsop on the Pacific Ocean.

There are also waterway trails that can be followed utilizing transportation ranging from houseboats to canoes.

And there are wilderness trails, such as those designated in the National Trails System which the 90th Congress established only last year.

The details of this expanding outdoor recreation opportunity is best told by the National Park Service, Mr. President, and I ask unanimous consent that its press release be printed in the RECORD.

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

LAND AND WATER TRAILS EASY WAY TO EXPLORE AMERICA

Many Americans are taking to the trails this summer.

This doesn't mean they're necessarily following a winding footpath through the forest, but that they've discovered the scores of land and water trails that are available for vacationers.

Whether by houseboat or canoe, on foot or in an automobile following a regional trail can be a great experience for the whole family.

One of the easiest ways of exploring history, and enjoying outdoor recreation at the same time, is by following one of the many regional automobile trails crisscrossing the country. These are modern highways specifically designated to follow a historic or scenic route and, generally, marked with an identifying symbol. They're designed for moderately high speed automobile traffic, not foot travel.

The Dixieland Trail, with a distinctive marker of a silhouetted Southern belle, takes you through the famous Bluegrass state of Kentucky into areas of Tennessee and North Carolina and the panoramic countrysides of South Carolina and Georgia.

The Lewis and Clark Trail winds over 1,000 miles of good roads from St. Louis, Missouri to Fort Clatsop on the Pacific Ocean. You can be a Modern explorer on this trail that passes through 11 states, closely paralleling the original route. This is a great trip for historical sightseeing, but there are many recreational opportunities along the way and cities such as Kansas City and Portland are included.

The Old West Trail steers you through the five states of Nebraska, North and South Dakota, Montana and Wyoming. Along this advanturesome route, you can visit historic museums, stop at an Indian pow-wow, or camp out for a few days of hiking, fishing, hunting, or mountain climbing.

The Hiawatha Pioneer Trail travels through Iowa, Illinois, Wisconsin and Minnesota. You'll have a chance to sample the history, agriculture, culture and recreation of America's mid-west region along this trail.

The Ozark Frontier Trail is a memorable loop from St. Louis across Missouri and Kansas, down into Oklahoma and east to Arkansas.

The Lincoln Heritage Trail, starting in Illinois and continuing into Indiana and north central Kentucky encompasses many highlights of the boyhood and career of your 16th president.

New England's Heritage Trail begins in Norwalk, Connecticut, and meanders through the six northeastern states. Early American history will mean more to you when you've stopped at such places as Mystic Seaport with its Waterfront Village, and Cape Cod, famous for its quaint fishing villages and beautiful seashore. There's even a Freedom Trail Walking Tour of Boston available on this route.

To make sure you don't miss important local points of interest, many states and even some cities have inaugurated their own automobile trail systems. The George Washington Trail, for instance, takes you through the coastal section of South Carolina; The Charter Oak Trail begins at Hartford and continues through the state of Connecticut; the Liberty Trail covers the five southeastern counties of Pennsylvania and includes a ride on a scenic railroad along the way; and the Hill Country Trail is one of ten new automobile trails in Texas.

For more information on any of these state or regional trails, write to the tourist office of the state you'd like to visit and ask for their free brochures on automobile tours of their areas. Tourist directors are located in the state capitals.

Regional trails aren't limited to land, however. If you'd like to vacation on water, there are many river and stream trails that provide great fishing, swimming, and boating fun. Houseboats are available for rent in many parts of the country and canoe or float trips are possible, also. Check your state Travel Office or Game and Fish Department for established rental agencies.

Following a trail into the wilderness can be an exciting experience too, but it needn't be a difficult one. Several organizations have set up guided trips into remote regions in various parts of the country.

The Wilderness Society, for instance, offers 45 expeditions this year, including 14 horseback pack trips, 16 walking trips, nine backpacking expeditions, three waterway trips, two ski outings and an Alaska tundra trek. The trips are planned to take into account the inexperienced wilderness travelers as well as the seasoned outdoor enthusiasts. Local outfitters provide most of the equipment and make complete arrangements from the time you arrive at the starting point until the trip is over. You don't have to be a member to take part.

For a listing of available expeditions and fact sheets on the individual trips, write The Wilderness Society, 5850 Jewell Avenue, Denver, Colorado 80222.

Other organizations that promote hiking and outdoor tours are the Appalachian Mountain Club, 5 Joy Street, Boston, Massachusetts 02108; the American Forestry Association, 919 17th Street, N.W., Washington, D.C. 20006; and the Sierra Club, P.O. Box 3471, Rincon Annex, San Francisco, California 94120. For information on hiking and biking trips, contact the local branch of the American Youth Hostels, or the national headquarters at 535 West End Avenue, New York, New York 10024.

One of the most famous regional trails in the country is the Appalachian National Scenic Trail—a beautiful hiking trail that extends 2,000 miles from Maine to Georgia. The route, marked by an identifying symbol can be picked up at any place and you can hike for as little or as long as you'd like. If you're planning an extended hike, you should write for the guidebooks and maps to The Appalachian Trail Conference, 1718 N Street, N.W., Washington, D.C. 20036. Prices are nominal.

Whether you want to canoe in Wisconsin, drive through Maine, hike through North Carolina, backpack in Colorado, or fish in Oregon, regional trails will make traveling easier for you. Look for the identifying marker on whatever route you're following. You'll find it will add greatly to your enjoyment of the countryside, and, probably, lead you to some sights you might have missed.

## CONCLUSION OF MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

## AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1970 FOR MILITARY PROCUREMENT, RESEARCH AND DEVELOPMENT, AND FOR THE CONSTRUCTION OF MISSILE TEST FACILITIES AT KWAJALEIN MISSILE RANGE, AND RESERVE COMPONENT STRENGTH

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the unfinished business.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 2546) to authorize appropriations during the fiscal year 1970 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research, development, test, and evaluation for the Armed Forces, and to authorize the construction of test facilities at Kwajalein Missile Range, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes the Senator from Oregon.

Mr. HATFIELD. Mr. President, on March 14 the President announced his decision to deploy the Safeguard antiballistic-missile system. At that time, the administration gave three reasons justifying its need:

1. Protection of our land-based retaliatory forces against a direct attack by the Soviet Union;

2. Defense of the American people against the kind of nuclear attack which Communist China is likely to be able to mount within a decade;

3. Protection against the possibility of accidental attacks from any source.

Originally, the proponents of this system seemed to give greatest emphasis to the possible threat posed to our deterrent forces by the Soviet SS–9 missile development. But, many have effectively questioned whether the Soviets have either the intention or the capability to develop a first-strike force. Such questioning appears to have had an impact of those supporting the ABM. Now, the first-strike threat seems to be given less emphasis and the role of Safeguard in protecting our population against an accidental missile launch and a Chinese attack have been given greater attention.

I would like to discuss all three aspects of this issue: first, alternatives to Safeguard for the purpose of assuring the viability of our deterrent; second, the Chinese threat; and third, the role of Safeguard in protecting against accidents.

Let me emphasize that the ABM advocates have presented no plausible evidence that the Soviets have the ability or intention to deploy strategic forces which could threaten the viability of our deterrent. A Soviet commitment to achieve meaningful strategic superiority over the entire array of our massive deterrent force would be the most costly, unrealistic, and misguided strategic decision they could make; and I believe they know this to be the case. But, even if prudence counsels one to accept the administration's dubious assertions that the Soviets are seeking a first-strike capability, the proposed Safeguard system seems to be a wholly inappropriate response. Alternatives to Safeguard exist which are less costly and more reliable. Most important, they can be implemented far more rapidly, thus allowing us to determine whether the Soviets are interested in reaching arms control agreements or in pursuing the arms race.

Thus, additional missiles might be deployed. Our land-based missiles might be placed in silos with greater resistance to the effects of a nuclear detonation. Bombers might be more widely dispersed and placed on air alert. A greater fraction of the Navy might be assigned the role of protecting our Polaris submarines. We might place Polaris missiles on the surface ships in a fashion which had only recently been advocated for the multilateral force and claimed as being strategically effective. We could even consider phasing out the supposedly vulnerable Minutemen while adding to the highly invulnerable Polaris submarine fleet.

The very great advantage of these alternatives is that no action is required now. We would be permitted time to gather definitive, certain evidence concerning Soviet intentions. We would avoid committing ourselves to a system of questionable reliability and great cost built as a response to an unproven highly speculative assertion. We would, at least, have attempted to forestall the expansion of the arms race which is quite certain to result from the Safeguard's deployment—deployment, which in conjunction with our MIRV program, could appear to the Soviets as an attempt by us to develop a first-strike capability against them.

The first alternative to Safeguard, procurement of additional missiles, is said by the administration to be provocative. My answer is that we can wait until 1971 before making a procurement decision. In the interim we can assess efforts to achieve arms control agreements and observe the trend of Soviet missile procurement.

Dr. Herbert York has testified that Minuteman missiles can be deployed on 2 years' notice. Therefore, if in 1971 we make the decision to deploy Minuteman, even at the 1962 rate of one missile per day, we could have approximately 700 additional missiles, with 2,100 warheads operational by 1975.

If we decided to wait beyond 1971 to determine whether a threat were going to materialize in 1975, we could, at a much later time, implement a substantial airborne alert. Also, we could degrade any emergency threat to our Polaris submarines on very short notice by assigning a greater fraction of our surface fleet to their protection. Further, we can embark upon an intensive program to make our present land-based missiles less vulnerable to attack by constructing silos with more blast resistance. This would certainly be nonprovocative.

Therefore, even if one grants the administration's underlying presupposition that the Soviets are developing a first-strike strategy, there are responses other than Safeguard which better protect our security, which are far more economical, and which pose no danger to the progress of the forthcoming arms control efforts.

The administration also claims Safeguard is required to protect us against an irrational attack by the Chinese. This justification for the Safeguard system reveals how our ignorance, emotional bias, and lack of understanding of the Chinese prohibit truly responsible strategic planning. Gripped with the picture of millions of Chinese dutifully reciting incantations from the little red book that seem ludicrous to our analytical Western minds, we are quick to conclude that the Chinese are "irrational." Possibly possessing 20 to 30 ICBM's by the mid-1970's, they might launch them against us, we are told, knowing full well of our assured ability to destroy their country. The full force of our retaliatory power would leave no societal life there worth mentioning. It has been estimated that a mere 10 percent of our bomber force, for instance, could destroy 200 million Chinese. Yet, we are told that the Chinese would invite total retaliation since they seem to be thinking and acting in ways that are so unfamiliar and puzzling to us.

Even if one were to accept the administration's psychological diagnosis of the Chinese, the case for Safeguard is still not convincing. If the Chinese did possess such suicidal tendencies and were willing to inflict damage upon us, regardless of the cost to themselves, they would probably be able to do so whether we had an ABM or not. It is possible that the Chinese will have developed penetration aids for their ICBM's which would be effective in exhausting a portion of the area defense component of our ABM, allowing for some of their missiles to reach our cities. Furthermore, means other than missiles could be utilized for delivering nuclear bombs to several of our urban areas—means requiring much less sophisticated technology.

But, the central issue is that our "irrational", suicidal characterization of the Chinese is not justified. It is true that the Chinese are gripped by an ideology and idolatry that seem totally alien to our own patterns of thought. But all man has the instinct of self-preservation, including the Chinese. They understand the meaning of deterrence, and that is our only truly reliable defense against them—just as the administration admits it to be our only defense against the Soviets.

In all candor, the proposed ABM system will be viewed by the Chinese as our attempt to preserve our option of using nuclear weapons against them at will, without a fear of any successful retaliation. This is a first-strike capability, and the Safeguard is an attempt to maintain it against the Chinese. Whether this would in fact be a strategic certainty seems highly doubtful, as I have indicated. But the Chinese, spurred by their tendency to interpret all our actions as provocative and threatening, will conclude that the ABM is an attempt to preserve our undeterred ability to destroy them whenever we believed we were justified in doing so. This development would confirm in their eyes our belligerent, aggressive power and desire for dominance. Safeguard will deepen the tension, suspicion, and hostility between our country and China, denying the credibility of any overtures we may make for new patterns in our relations.

I reiterate that if the Chinese were suicidal they would be able to cause great destruction in the United States in spite of any defensive systems we deployed. Our devastating deterrent force is our protection against the Chi-

nese; it is reliable, for it recognizes the Chinese will not willingly seek their complete destruction.

Moreover, if we believe ABM is vital to our security will not the Japanese, or other Asian nations, believe they too should have ABM systems? Such other nations might legitimately feel they were more threatened than we. If they become convinced of the desirability of their own ABM's, I venture to say that our attempt to prevent the spread of nuclear weapons is doomed—with predictably dire consequences.

Finally, I would like to consider the role of Safeguard in providing protection against accidents. First, I believe it is important to recognize that a system which offers protection against accidents must cover the entire country. It is virtually the same system which the previous administration called Sentinel. It is phase 2 of the system now called Safeguard. It is a system whose cost will be far in excess of $10 billion. But if phase 2 deployment is required for protection against Chinese and accidental attack, how does Safeguard offer, in Mr. Laird's words, "added incentive for productive arms control talks?" Is the implication that in the absence of successful talks, we might go beyond phase 2 to build a heavy ABM system? Or is it that we recognize that even phase 2, in conjunction with our MIRV's, threaten the Soviet second-strike capability? Do they consider the claimed protection against a Chinese and accidental attack really a pretext for defense of populations against the current Soviet forces? The record is ambiguous as to whether the administration would agree and stop deployment of the total system as part of an arms control agreement with the Soviets.

I would emphasize that an accidental missile launch is exceedingly unlikely. We are assured that one of our missiles could not be launched by accident and there is no reason to believe that other nuclear powers will be less careful.

Nevertheless, we should consider the kinds of accidents which could conceivably occur. First, there is the category wherein a single missile is accidentally fired. If this missile did not have penetration aids which allowed it to defeat the Safeguard system, if the system were in a sufficient state of readiness, and if Safeguard performed according to design, then the accidentally launched missile might very well be destroyed in flight. I, however, do not believe that there is sufficient probability of an accident of this type and that all—and I emphasize all—conditions for successful interception would be fulfilled to warrant deployment.

But even if the ABM would protect us against a single missile launched by accident, it is extremely unlikely to provide protection against other types of accidents. Suppose, for instance, many missiles were launched through a failure of the control system. Since the administration admits that Safeguard is not designed to protect our population centers against complex attacks, it is apparent that such a multimissile accident would penetrate the defense.

It is clear, then, that if we begin to construe unlikely accidents against which Safeguard might afford possible protection, we can also construe other equally implausible situations in which Safeguard would leave us defenseless.

Moreover, the likelihood of an accident is certainly related to the level of armaments. Since Safeguard is almost certain to stimulate the arms race, its mere existence will heighten the probability of an accident. The most effective way to safeguard against accidents then, is to limit the growth of the arms race.

Furthermore, we could work for an agreement to share information on safety procedures with other nuclear powers. Why would it not be possible, for instance, for all nuclear powers to install detonating devices which would prematurely destroy any missile in the event of accidental launch?

Should we construct the Safeguard system at a minimum cost of $10 billion to provide highly questionable protection against a very limited number of improbable accidents? Or should we protect against all possible accidents by immediately implementing even more reliable precautions that could prevent them? The latter course would provide far greater safety for only a minute fraction of Safeguard's expense.

The thin shield required for protection against accidents is much like the Sentinel. Besides the cost being potentially enormous, our relations with China, as I explained, would be further strained, and our arms race with the Soviets would be provoked. Therefore, this final justification also fails to compel my support of the system.

Every Senator who has spoken in this debate has made clear his commitment to safeguarding our national security. We all share in this pledge. But what is the meaning of this much-used term? What are the qualities that make us truly secure? From where are the threats that may jeopardize our security?

Throughout our postwar history, the apostles of national security planning constantly have alerted us to potential threats emanating from outside our borders. Turmoil, uprisings, and rebellions throughout the world often are interpreted as direct threats to the security of our country. Our Nation has equipped itself with the idelogoy and armed capacity to intervene in such conflict situations. This has required the devotion of a growing, excessive portion of our budget to defense expenditures, prohibiting sufficient funds, and resources for use to meet our domestic needs. Thus, conditions at home have deteriorated. Now we witness turmoil, uprisings, and rebellions in our own land. Obsessed with fighting revolutions in distant countries, we have spawned a revolution inside our own shores.

The turbulent events destroying the sinew of our Nation are far more direct and grave threats to our security than the remote contingencies in foreign lands that never cease to alarm our national security bureaucracy.

Threats to our internal security can be met only with a policy of "sufficiency"—that is, devoting a sufficient portion of our resources to meet the underlying causes of our social unrest, ferment, and alienation.

We face a revolutionary situation in our land. The question is whether this revolution will be channeled into peaceful avenues of constructive change or whether it will assume a more violent character. That, in my judgment, is of greatest relevance to the security and welfare of our Nation.

It is tragic that we define our security in exclusive terms of military protection, believing that building more weapons of destruction is the only way to insure our safety.

The late President Eisenhower once said:

> Every addition to defense expenditures does not automatically increase military security. Because security is based upon moral and economic strength, as well as military strength, a point can be reached at which additional funds for arms, far from bolstering security, may weaken it.

Where are we placing our trust? The temptation is to believe that our armies are the ultimate guarantee of our livelihood, both as individuals and as a nation. Disruptive threats, many believe, must be quelled only through armed force, whether at home or abroad. Yet, it is this exclusive trust in the instrumentality of armed force that often deepens the tensions of conflict and leads to further violence.

The Old Testament Prophet Hosea spoke with profound insight into precisely this problem thousands of years ago. Speaking to the people of Israel he warned:

> Because you have trusted in your chariots and the multitude of your warriors, therefore, shall a tumult arise among your people.

Those prophetic words have the same relevance to our people today. Excessive, exclusive trust in the instrumentalities of war leads us to war.

Our attitudes, beliefs, and faith, then, have a direct effect on our actions, as well as those of our potential adversaries. We must realize that our interpretation of intentions and future events is a primary force that actually shapes those events. Particularly in military and strategic matters, when speculative, prejudiced, and unfounded prophecies become the basis for our policies and actions, they can cause a reaction from the opponent that fulfills our predictions or creates further strategic tensions.

Let me illustrate. When the Soviets first began to build their limited ABM system, it was claimed they were commencing a major sophisticated effort to protect their population against attack In response, we began deployment of our MIRV system. Since then, the Soviet ABM has not continued as expected and even former Secretary of Defense Clark Clifford questioned its significance in his posture statement of last January. But, nevertheless, our MIRV has still progressed. This will certainly produce a Soviet response as another step in the arms race.

If we choose to believe the worst about the Soviet intention, and conclude they are commencing on a first-strike strategy, our proposed ABM will only motivate the Soviets to further increase their missile production. Secretary Laird could then cite this as proof for the accuracy of his apocalyptic predictions.

Likewise, if we conclude that the Chi-

nese are irrational and erect our ABM in part to preserve our first-strike capability against them, they will see proof of our assertive dominance and continue with their unmitigated rhetorical hostility. And, we will say we were right about them after all.

In Vietnam, when General Wheeler counsels that the month lull is not a peace sign from the North, but only preparation for further offensives, we may then continue with our maximum military pressure. When the enemy finally does respond to such intransigence on the battlefield with renewed operations, General Wheeler will say he was right.

Thus, our mere interpretation of the world actually shapes the world. Overpredicting and overreacting in national security affairs actually can erode, rather than further protect our security. Believing the most dire, threatening, and apocalyptic interpretation of events, and then overreacting to such fateful perceptions is not simply "erring on the side of strength." It is erring on the side of cataclysm.

There was a time when contemplating and planning matters of nuclear strategy was called "thinking about the unthinkable, As we are forced to indulge in the discussions of "overkill" and to calculate the number of millions of deaths it would take to cripple another nation, the actual horror—the unbelievable tragedy and holocaust that would result from a nuclear exchange—these somehow are no longer so vivid in our consciousness. In the process we can easily lose respect for the sacred worth of every individual human life. Today, the likelihood of peace may actually be increased by simply thinking and planning for it more.

Only a few days ago mankind lifted himself off his global home. As man stepped down onto a new world, we all experienced the wonder of stepping out from the confines of our planet.

With the universe now before us, perhaps we can gain a truer understanding of our earthly condition; perhaps we can realize our finitude, comprehend how provincial our perspective has been, and gain a new vision of what kind of world we should create.

What does one see when he looks back upon this earth from a quarter million miles away? Our world appears as a blue, tranquil sphere gliding peacefully through space.

But on the planet, 500 million people live in a state of constant hunger. Ten thousand die each day from starvation—not because the planet lacks sufficient food, but because all its inhabitants cannot partake in the plentiful food-producing capacity.

As the inhabitants of that planet increase at such rapid rates, the disparity grows between a few, living in one part of the globe, who have most of the food, wealth, and knowledge, and the many, living in another part, who suffer escalating hunger, poverty, and ignorance.

Yet, those who live on this beautiful blue sphere suspended in the universe have produced the means to destroy all human life. They have created what equals 15 tons of TNT for every living person. And, what is more, the privileged segments of those who live there keep increasing their ability to annihilate all humanity several times over.

That is the vision of our world from outside ourselves. It is, perhaps, even akin to the way our Creator sees us.

There have been those, including Secretary Laird, who have suggested that our success in placing a man on the moon is somehow further reason for proceeding with the ABM. I believe quite the opposite.

For the first time in his history, man has left his globe and now can see better than ever before the folly of his failure on earth.

As our Nation led in freeing man from his confinement, it can also now lead in freeing man from his fear.

To that end, we must reject the sterile, senseless search for security that relies only on technically innovative weapons systems as symbolized by the ABM.

We must discard the idea that security results from devoting ever-increasing portions of our resources to perfecting weapons of destruction while the deprivation and suffering of the majority of mankind continues to escalate.

It is the time to build a world that will serve man's needs rather than threaten his life. That, fundamentally, is the issue before us, and that is why I take my stand in opposition to the ABM.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HATFIELD. I am happy to yield to the Senator from New York.

Mr. JAVITS. I was not privileged to hear all of the Senator's address, but I have been briefed on it by the Senator from Kentucky (Mr. COOPER), who has been here all the while. I did hear the concluding portion of it, and I appreciate very much the support which the Senator is giving to this side of the debate, considering his longstanding and very intelligent participation in these matters of armaments and arms control, and his very well known deep feeling for the future of our planet in terms of the encouragement of life rather than death.

I should like to ask the Senator a question which the general tone of his address inspires in me.

There is often an effort made to try to characterize those on this side of the ABM debate, either expressly or by implication, as "unilateral disarmers": people who would naively relinquish the power which our own technology and our own resources give us, in some blind trust that the Kremlin's leaders will "see the light" and join us in freeing man from the dreadful overweening fear of the destructive power of the atom and hydrogen bombs.

I ask the Senator—since he is probably as likely as anyone on this side of the aisle to be subjected to that charge—two questions:

First, is this approach postulated upon any such theory as I have articulated, as the devil's advocate, so to speak?

Second, what does the Senator desire to accomplish with respect to the security of the United States, in adhering to his opposition to the Safeguard ABM request?

Let us, for the moment, lay aside the idealistic conception of freeing man, and let us be just as hardheaded as the pro-ABM'ers. I ask the Senator to tell me what he, as the Senator from Oregon, thinks he is doing in terms of enhancing the security of our country by the position he takes.

Mr. HATFIELD. Mr. President, in response to the questions of the distinguished Senator from New York: First, I do not predicate my comments upon a belief in unilateral disarmament. I do not support that proposition. I have no sympathy for the basis upon which unilateral disarmament is advocated.

Second, as far as what are the hard and cold facts of dealing with reality rather than theory, philosophy, or idealism, I would say, first, again based upon the very eloquent words of President Eisenhower, that we have to look to assess the total strength of this Nation—I mean the real strength of this Nation, as made up of its people.

Any nation's ultimate strength is in its people, not necessarily in its arms. I do not ask for abandonment of arms, nor do I ask for abandonment of continued research on the ABM. All I ask is for better balance, and recognition that the true strength of America is measured by the strength of its people: their physical strength, their moral strength, and their economic strength.

When I see the number of people who have become increasingly disenchanted with the so-called American system, because they have not been permitted into the mainstream of American life, perhaps due somewhat to their own deficiencies, but to other forces as well, I say this is weakening the very heart and the very future of this country.

I would like to see a better balance. I do not call for the abandonment of any of the research projects. In fact, as the Senator knows, I headed a committee to study the whole program of military spending. We recommended, in our report, the continuation of funds requested for research and development. I support that, as to both the ABM and other weapons systems. But as the Senator from New York knows, because I have heard him say it many times, when we make a commitment to expend the people's resources in the name of security or any other name, we ought to have compelling and overwhelming evidence that there is going to be a return on that investment.

We have had experience with other weapons systems and specific items of military spending, where we have gone to great expenditures, and then have had to abandon them, because there had not been sufficient research to establish their merit or guarantee their production effectiveness.

These are the things I am asking for, and I think they are the things most of those on this side of the question have asked for: Not abandonment, but balance in terms of our resources, and recognition that America's true strength, real defense, and real security must be based upon healthy people—healthy because they have the necessary protein in their food, and because their medical needs are met; because they have adequate housing and adequate opportunities for education and jobs.

That is the kind of strength we are seeking to build in asking for a delay in actual deployment of the ABM and a

further guarantee of its actual effectiveness through continued research and development.

Mr. JAVITS. One further question. I would assume that the Senator feels able to take this position because he is convinced that we are, in relation to the Soviet Union, in apposition of sufficient deterrent strength so that the time required to fully explore the possibilities of negotiation to freeze this arms race where it is, is available to us without material jeopardy to our security.

Mr. HATFIELD. I would agree with that, and would add the further point that we have, according to the Defense Department's figures, 4,200 deliverable warheads. This places us in a ratio of three to four times that of the deliverable warheads of the Soviet Union, and in a superior position to that extent.

We hear about the need to go to the conference table to discuss arms limitations with strength, and from a powerful position. I say that we have that position now. We have diversity, with our Polaris submarines, our intercontinental bombers, and our other nuclear weapons in Europe. We have that kind of superiority now. We have the ability to deal from strength. We are not endangering our national security.

I fought in World War II, as many other people have fought. I am not a pacifist. I believe in the role of the military. I am willing to see our military used as it should be used, to defend our Nation. But what I am saying is that there is a point at which we should seek to find balance in meeting our other needs on the domestic front, the needs of our people. I think we have reached that place in our spending policies at this time.

I did not need to recite the well-known statistics that, when President Eisenhower left office, our national defense budget was at $40 billion, and it is now approaching $80 billion.

We hear terms that are not defined, as the Senator from New York knows, such as "adequacy" or "sufficiency." What do they mean by that? We have not heard those terms clearly defined, and until we do, I am not persuaded that this additional expenditure and commitment at this time is one we should make.

Mr. GOLDWATER. Mr. President, may I ask a question for clarification? The Senator from Oregon has correctly quoted the size of the military budget, and correctly compared it with the budget in the year President Eisenhower left office. But if we take the slightly over $30 billion that the Vietnam war is costing us—which is not an Eisenhower war—from that figure, we are actually spending less than we have spent since World War II on the military.

The figure of $78.5 billion roughly is occasioned by $2.6 billion a month plus the $44 billion or $45 billion we have to spend for housekeeping.

Mr. HATFIELD. That is a very good point that the Senator makes. I would respond by saying that the very fact we are in Vietnam has been used in many instances as an argument in support of the escalation of our military spending and new, additional weapons, even if we were to end the war in Vietnam today.

There is a shopping list in the Pentagon, with which I am sure the Senator from Arizona is quite familiar, of new weapons that are being held in reserve as far as funds are concerned that would far exceed $30 billion.

It is not purely a question of the $80 billion. I think that our whole policy of military spending is in question here. I think there is no question that once the war ended, we would find the Pentagon coming forth with a number of requests that they have been holding back on until the war was concluded.

Mr. GOLDWATER. Mr. President, the inventory of the military, because of the war in Vietnam, is very sadly depleted. We are looking at a loss of 6,000 aircraft that some day we will have to decide whether we will replace.

Frankly, if we can reduce the Armed Forces by 1 million men as a result of ending the war in Vietnam, we are looking at a saving of $10 billion.

I say as a member of the Armed Services Committee that there will be tremendous savings, savings in the nature of $20 billion or $25 billion for quite a few years after the war in Vietnam ends.

I think the Senator should feel quite pleased with the efforts of the Armed Services Committee this year in that they have already cut $2 billion off the already reduced budget we received from President Nixon.

I feel quite confident that we can cut more from the budget in fields that we have not even discussed as yet.

Mr. HATFIELD. I am very grateful to the Senator from Arizona for this effort. I think it is a step in the right direction. At the same time we are not jeopardizing our security as far as military spending is concerned.

I do feel, however, that the ABM in question here would encourage and have an effect on other expenditures in our military budget, making it very difficult for the Armed Services Committee or other committees to make cuts even if the war in Vietnam were to end.

I think we are committing ourselves down the road to something far more than the budget for this year or for next year, once we embark upon the deployment of the ABM at this time.

Mr. JAVITS. Mr. President, I would not wish to abort that branch of the discussion except to point out that I think one of the big issues at stake in the ABM debate is the determination of many Members of the Senate to really interest themselves in substantive evaluation of our whole defense and security posture.

I join with the Senator from Oregon in saying to the Senator from Arizona that we, of course, appreciate the common purpose of the members of the Armed Services Committee. We add to that an additional purpose, that each of us intends to perform his own responsibility in a way in which we have not performed it before, by coming to an individual and independent judgment, uninhibited but impressed by the recommendations of our military authorities as to what is really proper, not just desirable, for the security of our Nation in terms of weapons systems and of the pattern of organization and deployment.

Mr. President, I should like to ask the Senator one other question on which it occurs to me he might have an interesting view.

The opponents of the ABM are told: "What do you fellows really beat your breasts about? The President has asked for Safeguard. He must want to succeed in the SALT negotiations—the negotiations for the limitation of nuclear armament—as much as any Senator wishes who is alined with the Senator from Kentucky (Mr. COOPER), the Senator from Michigan (Mr. HART), the Senator from Oregon (Mr. HATFIELD), and I. That is one side of the negotiations. So, if the President says he wants the Safeguard and he wants to succeed as much as any Senators do in respect of the negotiations, then he must know what he is doing. And why not give it to him?"

Then, they point to the Russians and they say, "The Russians have made it very clear that they are not going to refrain from negotiating because we deploy Safeguard. They will go right ahead with the negotiations. Indeed, for all we know, they might even revive the Golash system or might move up their MIRV or MRV capability or accelerate work on their SS–9. And we are not going to refuse to negotiate on that ground. So, as long as everybody has his hand in the cookie jar with respect to increasing armaments, what are you fellows arguing about?"

I would greatly appreciate the view of the Senator on that matter, because I hold to one proposition that it is not just the leaders who will negotiate. It will be the whole world and the people of both countries that will be bringing their impact on them. And they may not appreciate themselves what agreement they are capable of coming to with that kind of pressure, rather than if they are left in the conventional pattern in which we deploy Safeguard and the Russians go ahead and do something else to keep pace with us.

Can the Senator comment on that point?

Mr. HATFIELD. Mr. President, I think the Senator from New York has certainly raised a very pertinent question.

I would say in reference to the second part of the question that the Senator is actually posing a question as to whether America should lead or react.

We have great problems in the world, and they are problems in need of solution. I feel that the United States has been, you might call it, on the defensive and reacting on many of these issues rather than analyzing them and trying to do what is best for our Nation and for what we consider to be the cause, the ideals and principles we are committed to. Then, with respect to that leadership which may not be easy to define or find within the present environment, but which is what all humanity is calling for because there is tremendous need, we could stay in the same cookie jar, as the Senator remarks, and out-produce the Russians or some other country on arms. However, at what point do we come to the realization that here are these millions of people who are hungry and in

need, and recognize history tells us that revolutions are not born out of passion for bloodletting, but are born out of impatience with injustice and misery?

We can either take the leadership in trying to get at the causes of these great international differences—injustice, poverty, and ignorance—or kid ourselves and say that we will only deal with the results of these forces and use force to suppress or quell or control.

It is a question of leadership or reaction.

I think the United States has to take the leadership. Second, there is a question of how we put the priorities with respect to our production. We have the resources to double our arms production. However, in so doing, we have to realize that we are neglecting the other areas of needs, to which I referred earlier—housing, education, food, medicine, and so forth—and that, in the long run, by producing more guns we are weakening America by not producing more houses, schools, and hospitals.

I prefer to think that the leaders are contributing far more to our general security and to the security of the world when we show this leadership—a leadership of inspiration and new priorities.

On the second part of the Senator's question as to President Nixon, the Senator knows that I am not a mindreader. I do not know how to respond to the question except to say that I believe the President of the United States is a very sincere man. I think he is totally and without reservation committed to his position on the basis of sincerity. But I also believe that people can be sincerely wrong, and I take the position on the ABM question that the President is wrong. We might say, "Doesn't he have more expertise and more great authorities on these military needs than we in Congress?" But the Senator from New York has been in the Senate a sufficient number of years to have seen instances in which administrations and the Pentagon and agencies of the Government, as well as Congresses, have been wrong. We are still elected by the people to make judgments and evaluations and to weigh evidence.

I think one of the great things out of this ABM debate is the very thing the Senator from New York has pointed out—that we have brought ourselves to the point where we are personally responsible to make independent, individual judgments on these military expenditures. I think the weight of the evidence that I have heard in the debate and have read in the military committee reports, and from those who serve on the military committees, indicates that there is sufficient doubt; and when we consider the vote, which was very close in the two major committees that have been dealing with this subject, I do not believe all the expertise is on one side.

Mr. JAVITS. Finally, does the Senator feel himself any less a loyal Republican because he opposes the ABM than if he favored it? And does not the Senator feel that it is just as much the duty of a loyal member of his party to keep the President from making a mistake as it is to support him in what he wishes to do?

Mr. HATFIELD. To my very good friend I would say, having known the Senator for many years, he would join me in saying that I am concerned about being a loyal American and doing the things which I believe are far more important to my country as a whole than necessarily just to my party; but there does not necessarily have to be a conflict.

In this instance, I feel a staunch and strong loyalty to both my country and to my party in taking this position. Furthermore, I would base it upon the outstanding example of the President of the United States, Mr. Nixon, when he was Vice President of the United States during the Eisenhower administration. The Senator will recall that there were instances when Mr. Nixon, as the Vice President felt, through his own convictions and judgments, that he had to take issue and was on the other side of a question with the President of the United States, with whom he was a more intimate associate than we, as Members of the Senate, are with the executive branch.

So I think there is ample evidence in the great annuals of American history to show that there can be loyalty to party, loyalty to country—which is more important—and still have differences of opinion within as well as between the parties.

Mr. JAVITS. I thank my colleague. I think he has answered in a manner which all of us know to be highly characteristic of him throughout his service to the people of his State and to the Nation.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. HATFIELD. I yield.

Mr. COOPER. Mr. President, it has been said by some proponents of the ABM in the last week that the debate is valueless, that all of us are repeating old arguments. But I should like to say, for all of us who have heard the Senator from Oregon today, that he has made a most valuable contribution to this debate. His analysis of the main elements of this complex issue, and his appeal to the Senate and to the country to use their gift of reason to come to a judgment—a judgment that must be made by the Congress and the people.

The Senator has pointed out correctly, and as clearly as anyone else has, that the central purpose of those who oppose deployment is to determine if it is possible to reach an agreement with the Soviet Union, either formally or tacitly, which will limit and control the arms race rather than expand it.

Is that not the chief purpose of those who oppose the decision to deploy at this time?

Mr. HATFIELD. The Senator is correct.

Mr. COOPER. In a very informed way, one which I believe is unanswerable, the Senator also has shown that in the event we are not able to reach an agreement and the Soviet Union continues to build and to deploy weapons which might threaten our security, there is ample time for us to take countermeasures to protect this country. I do not believe the Senator can be answered in the arguments he has made. The best intelligence this country has obtained, supports his analysis.

The Senator from Oregon quoted President Eisenhower. I recall that President Eisenhower spoke, in one of his speeches, about the necessity to control nuclear weapons. "We should never cease in this attempt," he said. It was in a speech delivered in a radio address on May 25, 1960. President Eisenhower then said, and it is applicable today:

> All of us know that, whether started deliberately or accidentally global war would leave civilization in a shambles. This is as true of the Soviet System as of all others. In a nuclear war there can be no victors—only losers. Even despots recognize this. Mr. Khrushchev stated last week that he well realizes that general nuclear war would bring catastrophe for both sides. Recognition of this mutual destruction capability is the basic reality of our present relations. Most assuredly, however, this does not mean that we shall ever give up trying to build a more safe and hopeful reality—a better foundation for our common relations.

The substance of his whole statement was that we were not doomed to inevitably and inexorably bring about our own destruction and the destruction of life and civilization. Rather that reason could prevail. That is the position that we who oppose the development of the ABM at this time have taken.

I think one of the great contributions the Senator from Oregon has made today has been to call the attention of the Senate and of the country to the higher purpose at this moment in history—to see if, in reason, in a rational way, we can find the means to halt and to control this oppressive and dangerous nuclear arms race. We have now an opportunity to resist unfounded fears and unreasoned beliefs that we have to build more and more nuclear weapons systems to protect ourselves, when in fact they are not now necessary nor would they add to our security.

Mr. HATFIELD. Mr. President, I thank the Senators from New York, Kentucky, and Arizona for this colloquy.

I yield the floor.

The PRESIDING OFFICER (Mr. HOLLINGS in the chair). What is the pleasure of the Senate?

Mr. MONTOYA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

### ABM: EFFECTIVE DETERRENCE OR BILLIONS FOR INSECURITY?

Mr. MONTOYA. Mr. President, I have heard the observations made by the Senator from Oregon, and I have heard him articulate his position on this very vital issue. I express my congratulations to him for the viewpoints upon which he has expounded and which he has so ably conveyed to the Senate.

We are debating this very important issue in the Senate, and we have had testimony presented as well as expert opinion on both sides of the matter. At the outset, I wish to say that I do not question the motives of the proponents or the opponents, because I believe they are sincere individuals who are trying to convey their true viewpoints and are trying to do things, in their espousal or their opposition, in the way which will best serve the interests of the country in their opinion, as the case may be.

Mr. President, today I wish to offer my comments on the decision of the administration to deploy the Safeguard anti-ballistic-missile system (ABM). In the past few weeks I have listened to and read the testimony of many of my colleagues in the Senate, read numerous articles, studied several scientific papers, both pro and con, on the subject of whether or not to deploy an ABM system.

Never before has a Pentagon budget request been so carefully scrutinized. During my lifetime and for the first time in the history of the nuclear age the heretofore "untouchable" military budget, bearing the label of "national security," has been seriously questioned.

My colleague, the Senator from Missouri (Mr. SYMINGTON) has pointed out that more than $23 billion in Government expenditures have gone for missile systems development that quickly became obsolete, and in many instances were never even operative. Thus, our past failure to carefully examine and evaluate defense spending has permitted an incredibly large amount of taxpayers money to be wasted.

Mr. President, I believe we are witnessing the beginnings of a new era of congressional responsibility. Whatever the vote on the ABM, the debates and testimony of the past weeks have renewed the prerogatives vested in us by our Founding Fathers. In the future our very grave constitutional responsibilities as guardians of the taxpayer's money must be exercised, in this instance by and a careful review of all budget requests for defense programs should be conducted. No longer can we afford the luxury of a dole to our Pentagon strategists. I do want to make it very clear that I am not suggesting we lower the importance of defense spending for our national security. On the contrary, in this age of the nuclear warhead, it becomes even more important to protect the American people from attack by seeking the counsel and advice of scientists and diplomats. To this end we should continue to support research programs designed to shed additional light on sophisticated weapons systems capabilities. Only in this manner can we decide wisely.

Because of the advent of the nuclear age, however, a new dimension has been added to our strategy of defense. And this is that beyond a certain point in our arms buildup additional military expenditures for sound military defense purposes may not necessarily improve our national security posture. Instead, it may create a serious escalation in the arms race and place America in the tragic and paradoxical position of increasing the uncertainty of the balance of nuclear power in the world. Arms control talks between the Soviet Union and the United States depend largely upon the ability of nations to calculate the missile strength of the other. By deploying the ABM and provoking the Soviets into developing their own multiple independently targeted reentry vehicle—MIRV—we will only increase uncertainty—further provoking each side to develop more and more missiles, and thereby creating an endless and dangerous world military instability that can only heighten the future prospects for a nuclear holocaust.

Much has been said in the Congress recently about the Pentagon's principal reasons for wanting to deploy the Safeguard system. I would like to recount briefly the Pentagon's reasons and offer some of my own thoughts on why I believe the ABM system should not be deployed.

The Pentagon has said there are three principal reasons for deploying the Safeguard. They are as follows:

First, to protect land-based deterrent forces—ICBM's and strategic bombers—from a Soviet first strike.

Second, to protect the entire United States against a possible Chinese attack.

Third, to protect the entire United States from the accidental or irrational launching of a small number of nuclear warheads by any nation.

The Pentagon has also indicated what the ABM is not supposed to accomplish.

First, it is not to provoke the Soviet Union into reacting, and thereby escalating the arms race.

Second, it is not intended to undermine in any manner our chances of reaching an agreement with the Soviet Union on arms control and limitation.

Third, it is not a defense for American cities against an all-out attack, for this is beyond our present technological capabilities.

Let us examine first what defense officials say the ABM will not do. As I have said previously, any increase in our missile program will create an uncertainty about the balance of nuclear power and will certainly provoke an escalation in the arms race. A key factor controlling the arms race is the knowledge held by the countries concerned that there is in fact a balance. The statement by the Defense Department that ABM will not undermine the chances of an arms control agreement is nonsense. How can one negotiate for arms control while at the same time promoting the deployment of additional missiles? Could we expect the Soviet Union to respond favorably to an arms control proposal? The answer is "No."

Another contention by the Defense Department—that the ABM is not to be a defense of our cities—has some very serious implications. If the Russians and/or Chinese chose to attack us they would go after our major cities, and not the Minuteman sites the Pentagon wants to protect in Montana and North Dakota. Even if all the proposed ABM sites were deployed as proposed they would still not be able to protect our major population centers. Knowledgeable scientists contend that it would be a relatively easy matter to decoy the Spartan missiles and render them ineffective against a nuclear attack. Sprint, the other major component of ABM, would not protect adequately the population because the proposed sites are entirely outside their range. To me this evidence suggests the critical lack of defense capability—and therefore ABM as a deterrent.

There are those proponents of ABM who contend that the system is designed to guard against a first strike threat by the Soviet Union. This position is highly questionable.

First, the national intelligence estimate—a consensus view of the intelligence community—is that the Soviets are not planning for a first-strike capability. Second, the Soviets know they do not have the capacity to destroy our retaliatory ICBM's. Even if the U.S.S.R. did launch a massive first strike it is inconceivable that we would rely solely on the Sprint defense to protect the Minuteman missile sites. Secretary Laird said the ABM was needed in the event of a surprise attack when the President of the United States did not have sufficient time to order a retaliatory attack. It is very hard to believe our present retaliation system is so slow that we would allow 100 or 1,000 Russian nuclear warheads to land on U.S. soil before clearing the Minuteman silos.

The third major reason for the Pentagon's desire to deploy the ABM system is to guard against accidental or irrational nuclear attacks. I believe the possibilities of this occurring are unfortunately very real. However, the deployment of ABM for this reason is open to several serious questions. First, any Soviet attack at the United States would be suicidal on their part. Our retaliation would so annihilate the Soviet Union or any nation that only an all-out effort by an enemy nation would be a more likely reality. If, however, there was an irrational small attack, the only city potentially protected by Sprint would be Washington, D.C. The Spartan, dubious in capability at best, would not be the primary protection in the event a missile was launched toward a U.S. city by accident.

A critical question in the debate over deployment of the ABM system is whether the proposed system will in fact work. Will the ABM disarm or render ineffective enemy missiles? The last five science advisers to the President and the President's Science Advisory Committee have raised very serious doubts as to ABM's ability to do what its supporters say it can do. The questions they raise are still unanswered. Also, most scientists concede we could render any Soviet ABM system ineffective. If that is true, it is reasonable to assume that the Soviets and eventually the Chinese would develop similar countermeasures to our ABM system. That would leave the United States with a billion dollar boondoggle of the most tragic proportions, an even larger defense budget, an escalated arms race, and millions of disenchanted American citizens.

Mr. FULBRIGHT. Mr. President, will the Senator from New Mexico yield at that point?

Mr. MONTOYA. I am happy to yield to the Senator from Arkansas.

Mr. FULBRIGHT. First, I congratulate the Senator on a most perceptive statement. I was not intending to interrupt until that paragraph, which I think emphasizes a point which many of us who are opposed to the ABM have not been, perhaps, so alert to make as the Senator is making it, when he says how ineffective it is and even if we build it, it would merely leave us with a billion-dollar boondoggle.

I have heard all the testimony before our committee by some of the best scientists we have. They do not say that in peacetime conditions, under laboratory conditions, where there is no war, that we could not make a system work that would shoot down a missile which was anticipated coming, in any case, under ideal conditions. I think we can make it. Thus, it makes it difficult to say that we cannot make a system that will cut a missile down.

However, under wartime conditions, unexpectedly, where a missile would come in unexpectedly and we would not know where it could come from, or when, or whether there would be a precursory explosion, or whether there would be any attempt to jam the radars, under those conditions, I think that the Senator is absolutely correct. There is very little evidence that this would work under those circumstances. So, when I said that I do not think they would work without proper qualifications, I was immediately attacked by some of our colleagues who said that if we can go to the moon, we can build an ABM system. I think we could build an ABM system that would function under the conditions of going to the moon—that is, with no opposition; no opposition other than from nature herself. But the Senator is quite right, a very important point is that it cannot be made, I do not believe, to work, under the circumstances which we anticipate.

One other point I will say to the Senator is that we are having, this afternoon, at 4:30, a hearing in the Committee on Foreign Relations—a briefing, I should say, in which a movie made by the General Electric Co. will be shown to prove how easy it is to overcome an ABM system with MIRV's. I invite the Senator to come, if he has time.

Mr. MONTOYA. I will be looking forward to doing that.

Mr. FULBRIGHT. It will, I believe, support what the Senator is saying here. I believe that the Senator has presented very concisely and very persuasively the most significant aspects of this problem.

Mr. MONTOYA. I thank the Senator from Arkansas.

Mr. LONG. Mr. President, will the Senator from New Mexico yield?

Mr. MONTOYA. I am happy to yield to the Senator from Louisiana.

Mr. LONG. May I ask the Senator this: What difference does it make whether an ABM can overcome a MIRV, or the MIRV overcome an ABM if we do not have either one and the enemy has both? If we feel that way, we would never have had a hydrogen bomb, we would never have had the atom bomb, or the ABM, or a MIRV. All we would have now would be the bow and arrow.

I ask the Senator, What difference does it make whether MIRV can overcome the ABM or the ABM can overcome the MIRV? What the Senator is saying, in effect, is that he wants us to be absolutely defenseless; that there will be no war because we will not be able to fight. So why not send a message to the Soviet Union and say, "Come and take our country in peace. Not a shot will be fired to defend it." That is the logical conclusion to such an argument.

Mr. MONTOYA. My answer to the statement just made by my good friend from Louisiana is——

Mr. LONG. Is the Senator for the MIRV?

Mr. MONTOYA. I might state to the Senator from Louisiana that I do not think there is one Senator in this body who is against providing an adequate defense to promote the security of this country. Most of those who oppose the ABM feel that we should be meditative in our research and our development and not plunge into an expenditure of billions of dollars, such as expenditures which have been made on other parallel missile situations, which have been rendered obsolescent or useless. I think that is the main thrust of the opposition in this particular debate, that we should proceed methodically with adequate research and planning, geared toward coming out with an ABM system that will protect us. If it is resolved that it will not protect us adequately to justify the investment in such a system, then we can abort our progress in that particular field and go into something else.

Mr. LONG. Let me answer the Senator. Let us see if I can understand his position. We must have either a MIRV or the ABM if we are going to wage war successfully against what they have. He says if we can defend ourselves against what they have, we still would not be able to defend ourselves against something they might develop. As I understand it, the Senator is against defending ourselves against what they do have or will have in the future. If I understand the Senator's position, he is saying he is against defending ourselves against what they have even now.

Is the Senator in favor of developing something so that we can destroy them if they decide to destroy us?

Is the Senator in favor of having no defense, just leaving us to their mercy?

Mr. MONTOYA. I think that I have made——

Mr. LONG. Not to me.

Mr. MONTOYA. I think that I have made my position clear to the Senator, that the main thrust of the opposition is that we should provide the funding for continued research and development but not for deployment until we are in a position to know that we can adequately safeguard the security of this Nation.

Mr. LONG. May I say this: If we proceeded on that basis, we would never have had an atomic bomb, we would never have had a supersonic bomber, or a bomber that could break the sound barrier, either because many people did not think it would work or for fear that it might be objectionable to a potential aggressor.

I served in World War II, the Senator from New Mexico did also. With some of the guns we were given we could not hit anything at first. After we had been shooting for a while, we improved so that we could hit the targets—airplanes—pretty well, after we had learned how to use them.

Is the Senator in favor of unilateral disarmament? Is the Senator in favor of giving everything away, so that we cannot win? Is that the Senator's program?

Mr. MONTOYA. I should like to answer that question by asking the Senator another one: Does not the Senator know about all the missiles which have become obsolete in the past? I recall another ABM system, in 1956, the Nike-Zeus——

Mr. LONG. That has certainly not become obsolete.

Mr. MONTOYA. Yes, it has.

Mr. LONG. My answer to the Senator is that it has not become obsolete.

Mr. MONTOYA. After we spent $1½ billion on it.

Mr. LONG. I have in mind the latest missiles in use by both sides. The 1956 missiles were not obsolete in 1956 just as the 1969 missiles are not obsolete in 1969 altho they will probably be obsolete in 1989. By that time we should have something better, unless Congress refuses to provide it.

Someone said that the atomic tests rendered the defense impotent. That was probably because the transistors were subject to radiation. Today we have better transistors the ones we are using on ABM systems are to be far superior to the early ones. That is one reason why, after they had tried them out, we went to work to improve on them.

Put yourself in the position of developing a missile that can shoot down MIRV and by that time the Russians may have a MIRV.

Hopefully you should have by that time both a better defense missile and a better offense. As I understand it, the Senator wants to fix it up so that we cannot defend ourselves while they can defend themselves. Therefore, I presume the Senator is what I would call a pacifist in saying that we will do nothing to offend the Soviet Union because it might mean war.

Would the Senator agree with Mr. Goodwin's argument when he said the mistake President Kennedy made was to permit the Army to acquire the ability to fight a conventional war because had it not been for that, there would have been no war in Vietnam? The same man is against us acquiring the ability to fight any other kind of war. That is pacifist philosophy. Why does not the Senator take a white flag to Moscow and say, "Here we are boys. Come and take our country. There will be no resistance."

Mr. MONTOYA. Let me say to my good friend from Louisiana that I have served in Congress for 14 years, and I have voted for every appropriation that was geared to build up the security of this Nation. I have voted for materiel for our GI's in Vietnam and all over the world. I have done everything possible as a patriotic

American, and I certainly look with disfavor upon the Senator's trying to cast reflection upon my patriotism and what I have done to promote the security of this Nation.

Mr. LONG. What I would like to know is, Senator, what are you for? You tell us that we cannot defend ourselves against MIRV.

In fact, I think the Senator is saying we cannot defend ourselves against what they have now, and he is against defending ourselves against what they have now and even trying to defend ourselves against MIRV or building MIRV's so we strike back even if we cannot defend ourselves against an attack by them. What is the Senator for? Surrendering?

Mr. MONTOYA. Mr. President, I will continue with my statement. I think the Senator and I have had enough dialog to reveal our divergent viewpoints.

Mr. LONG. Or is the Senator in favor of giving it away, like foreign aid, without ever appropriating for defense?

The PRESIDING OFFICER. The Senator from New Mexico refuses to yield to the Senator from Louisiana.

Mr. MONTOYA. Mr. President, the basic issue is whether or not Safeguard is necessary to deter a massive Russian first strike at the United States. I believe the evidence shows conclusively the answer is "No." Our deterrence depends on the unquestioned ability to retaliate on a massive scale. We now have that ability.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MONTOYA. I refuse to yield, Mr. President. Some 645 strategic bombers, 41 missile-launching submarines carrying a total of 656 weapons, and 1,054 land-based ICBM's are now part of our operational defense. Each one of these forces can inflict devastating damage on the Soviet Union or China. Approximately 22 of the 41 Polaris submarines are stationed in different parts of the world within striking distance of the U.S.S.R. Twenty-four hours a day, every day of the year the giant Strategic Air Command—SAC—bombers are on full alert, ready to take off on a moment's notice to defend our Nation. Day and night, long-range, early-warning radar systems scan the skies for the first indications of an enemy attack.

Why does not the Soviet Union attack us? The answer is because of a certain knowledge—deterrent knowledge—of the ability of the United States to inflict a fatal blow to their country. The Russians have this ability also, and hence the balance is there. The ABM system threatens to alter this balance drastically; it threatens to escalate the arms race to a point where we would be contributing to instability in the world instead of working toward arms control and world peace.

Any government or business endeavor costs money, and the ABM system is no exception. If the ABM deployment caused the expected Soviet military reaction—we would have to expand into an even more expensive, and heavier Safeguard system. The estimated $7 billion initial cost would run into the hundreds of billions of dollars. The prospects for even higher taxes and additional inflationary trends would be increased. Mr. President, this would be an unnecessary burden on the already overburdened taxpayer. Our dollar continues to lose its buying power, domestic social ills mount, and the poverty and hunger in America that so urgently requires our attenion will continue to be neglected—a pawn to the overblown defense budget. Eventually our own internal disorder and neglected domestic social ills will act as a measure of national insecurity.

Today a measure of our tax dollars should definitely be for defense; however, only when the defense programs planned show evidence that they will work and they will contribute to our national security, and not insecurity.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield.

Mr. FULBRIGHT. I do not like to interrupt the Senator too much, but I wish to refer to some comments that have been made. Neither the Senator from New Mexico, nor I, nor the Senator from Tennessee, nor any other Senator, is proposing anything like what the Senator from Louisiana suggests—unilateral disarmament, and so forth. The evidence is very clear that this country possesses today a substantially greater number of nuclear weapons and a substantially greater number of weapons that are necessary to destroy the Soviet Union completely, all of its major cities, and so forth.

The issues the Senator from Louisiana raised are not the issues at all, in my opinion. We have plenty of defense. This testimony comes from the Department of Defense, from the highest officials both in the military and in the intelligence community. So I think the comments of the Senator from Louisiana were completely irrelevant to the point the Senator from New Mexico is making.

I do not want to interrupt the Senator further, but I want to compliment him. I think he especially deserves a compliment because his State happens to be the State in which the development of some of our missiles have taken place. It is my understanding that the principal proving ground for the Sprint missile is in New Mexico, if I am informed correctly.

Mr. MONTOYA. That is correct.

Mr. FULBRIGHT. So the Senator, in my view, is not only exercising discriminating judgment in seeking to bring the great military establishment back under some degree of supervision by the civilian branch of government, more particularly the Senate; I think he has performed a great service to the Senate and to his people. I congratulate him on his political courage and on his discrimination in taking the position he has.

Mr. MONTOYA. I thank my good friend from Arkansas. May I state that I did not arrive at my position lightly. I attended many briefings at the Pentagon. I have read a great deal on the subject. I have read the testimony of others. I have read and listened to the scientists on both sides of the issue. I arrived at my decision because I felt that this is the position that I should take in good conscience.

Mr. FULBRIGHT. If the Senator will yield further, I am quite certain that is true. When the Senator, at the very beginning of his speech, stated that one of the principal issues in this debate and concerning the ABM is whether or not the Senate of the United States is capable of exercising a degree of supervision, a degree of examination and criticism of a military budget, I point out that it has not been done since I have been here on the floor of the Senate. I do not mean to criticize the committee. I am sure the committee has gone over that. But never before in 25 years—I believe the Senator from New Mexico has been here 12 years—have I ever seen a debate like this. I thank the Senator for the great service he has rendered.

Mr. MONTOYA. I would like to add further that because the Senate has decided to assert its right of deliberation and decide its prerogative of surveillance over national defense expenditures, the country is now well informed on this issue and it can support any judgment made by any Member of this body.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MONTOYA. Yes, I yield to the Senator from Tennessee.

Mr. GORE. I have listened intently to the address of the distinguished Senator from New Mexico. In my opinion, he has delivered and is delivering one of the most learned addresses on this subject that this great debate has afforded in the Senate. He has demonstrated a degree of study and acquaintance with the basic problems and the scientific principles involved that few have shown. I wish to express my gratitude and my admiration for the speech and to him for having made it.

In the context of security and who is for the security of the country and who is for surrender—I regret the terms that have been introduced into the debate—to return to the question of security, is not the goal of every Senator, in the view of the junior Senator from New Mexico, the security of the United States?

Mr. MONTOYA. There is no question about that. As I stated at the beginning of my talk, I did not question the motives of Senators here who were on either side of the issue with respect to whether or not they were for or against the security of our Nation or for or against maintaining it. I believe every one of them is motivated in the same direction.

Mr. GORE. True; and those of us who sincerely reached the conclusion that the deployment of the ABM system as proposed would lessen rather than increase the security of our country are entitled to respect for our judgments.

Again with respect to security, is not the security which we seek the avoidance of nuclear war?

Mr. MONTOYA. That is the greatest security that we seek.

Mr. GORE. And with two nations, great and powerful as they are, each with the power to destroy the other several times over, is not the real security for us, as well as for them, avoidance of war; and if avoidance of war is the

goal, and our strategy in trying to avoid war is one of deterrence, is it not axiomatic that if ABM missiles were necessary to use to try to combat a nuclear attack upon the United States, then the strategy of deterrence itself would have failed, and the security that we seek in the avoidance of nuclear war would indeed have been breached? Does the Senator agree with that?

Mr. MONTOYA. Yes; I agree with the Senator from Tennessee on that point.

Mr. GORE. So if what we are really seeking here is a formula of security to avoid a nuclear war, then the question is, Will deployment of an antiballistic missile nuclear weapons system lessen or increase our security?

I submit that the real measure of security is avoidance of nuclear war, and that avoidance of nuclear war can best be achieved by an understanding between the United States and Russia on the limitation of the deployment and the use of nuclear weapons.

If that be true, then the question is, Will deployment of the ABM system make it easier to achieve such an understanding, or more difficult to achieve such an understanding?

I have reached the conclusion that it would make it more difficult; indeed, it might make an understanding impossible; and I think I am entitled to reach that conclusion without being accused of waving a white flag of surrender.

I thank the Senator. I recognize him as one of the patriots and one of the able men in the U.S. Senate. He is making a very learned address, to which respect is due and attention is directed.

Mr. MONTOYA. I thank the Senator from Tennessee.

Mr. STENNIS. Mr. President, is it convenient for the Senator to yield to me briefly on one point?

Mr. MONTOYA. I yield to the Senator from Mississippi.

Mr. STENNIS. I appreciate the Senator's yielding to me particularly at this time, because I have a pending matter, and I shall be quite brief.

If I may point it out, on page 1 of the Senator's talk, which I have before me, the Senator made the following reference:

> My colleague the Senator from Missouri (Mr. SYMINGTON) has pointed out that more than 23 billion dollars in government expenditures have gone for missile systems development that quickly became obsolete, and in many instances were never even operative. Thus, our past failure to carefully examine and evaluate Defense spending has permitted an incredibly large amount of taxpayers money to be wasted.

Mr. President, first a wish to say to the Senator that I think he has made a splendid presentation here on this subject matter, and that it is an important contribution to the debate. I know he is sincere, and I do not believe that anyone accuses the Senator from New Mexico, or any other Senator, of being otherwise.

Mr. MONTOYA. Mr. President, may I also say to my good friend from Mississippi that I have listened carefully to his many presentations on this subject, and I have nothing but great respect for him, even though we differ in viewpoint on this matter.

I wish to say that I do not question his motivation or his sincerity, because I know he is a sincere man and a conscientious man, and I respect his position on the vital issue before us.

Mr. STENNIS. I thank the Senator very much, and look forward to working with him in the future.

On this $23 billion item, I call to the attention of the Senator from New Mexico and other Senators that on July 2, just as soon as we got this bill written up, I undertook to answer 5 or 6 months of charges of various kinds that had been leveled against that same $23 billion, and, in a presentation to the Senate beginning on page 18190, I gave what might be called a speech—it is really a documentation—of all the major items that go to make up that $23 billion.

I respectfully call it to the Senator's attention, and hope that he will look at it, and, if I may, I shall just briefly refer to a few of these items that are alleged by some, though not the Senator from New Mexico, to have been waste, but alleged by him to be items that "quickly became obsolete and in many instances were never operative."

First, as to those that were never operative, there is a list on this page that I have already referred to of these various missiles, in which those that never became operative are listed first, and they total $4.1 billion. That list goes back as far as 1945, or perhaps earlier, on through the year 1965, and represents a large number of efforts to get missiles—many of them small missiles—that never did come through, so to speak. They never were perfected, due to various wrong starts or misconceptions of the proper starts.

Many of them, however, without going into details, became really the original, first generation of those that were later highly successful.

I refer to one here, the mobile Minuteman, charged here with $108.4 million. One principal sponsor of that item was none other than Dr. Wernher von Braun. I remember hearing his testimony about how our bombers put him out of business so many times in World War II, and he thought it made a very great difference. He had to keep on the run all the time. He wanted a mobile Minuteman. I think that is the first type that we envisioned and merely, in effect, authorized the research on; but it did not turn out that way. It developed in another direction, and the Minuteman became our first major solid fuel weapon. I hear a rumor every once in a while that they may want to go back and try to make it mobile again, but that was years and years ago that that decision was made.

I refer to another item. Here is the Skybolt. That was one thing that was quite hopeful at first, and it turned out that it got mixed up in some bad company, maybe, or they got into a hassle about it some way. Anyway, it was finally cancelled out, but we learned a great deal from it, and it has been displaced by other families of weapons now.

Now dropping down to the ones I consider to have been outstandingly successful, in this other list, we have the old Redstone. That was one of the most successful missiles we have ever had—not one of the larger ones, but when we were thrashing around, looking for something to try to put up a little Sputnik, when we were on the small end of things, it was this old Redstone missile that we finally turned to to put that little old pellet, more or less, in size, in orbit; and it was the standby, for a long time, as one of the most important missiles of the Army.

Here is the Polaris, listed as now no longer deployed, with an investment of $1.132 million. Waste? Let us see what its history is.

By the way, there was no missile system that was more unpromising, in the beginning, than the Polaris.

I remember going down to Florida because I had doubt and disbelief. When I looked over what they had then, I had more disbelief. It blossomed, however, into the most successful one we perhaps have ever had—Polaris I and Polaris II, the next generation.

We are now going into the Poseidon. We have these submarines on the seven seas, as the Senator knows, with those marvelous weapons. That goes with it. It is all based upon the basic concept of Polaris I. However, in some way that item got thrown in here and has been charged to waste. The Senator made reference to that.

Atlas D, E, and F cost $5 billion of that $23 billion the Senator mentioned.

The old Atlas stood there with all of its might and was the only thing we had for years to span that gap when we were threatened.

The Titan would still be our principal defense in this way had we not perfected the Poseidon and the Minuteman that we think are better. Even today, we still have the old Titan missile. The Titan I is listed here as being one of those that were of questionable value and is now no longer deployed.

I will not detain the Senator any more. I appreciate his yielding to me.

Here is a list of what I believe has a full explanation of all the major items on the list.

Mr. MONTOYA. Mr. President, I appreciate that the Senator from Mississippi has furnished me with that list. I failed to find the list heretofore. I did ask for a breakdown of the $23 billion, and I was unable to get it up to the last minute. However, as the Senator knows, I ascribed this $23 billion figure to the Senator from Missouri (Mr. SYMINGTON), who mentioned it on the floor.

Mr. STENNIS. I am not blaming the Senator.

Mr. MONTOYA. Mr. President, I should also like to add to the list, if the Senator does not have it on the list, the following reference with respect to the other missile development.

I mentioned a few minutes ago the development of an ABM system beginning in 1956 with the Nike-Zeus. This program terminated in 1965, after we had spent $1.4 billion.

Secretary McNamara said in 1967 that if the Nike-Zeus had been completed and deployed, it would have cost about $13 billion to $14 billion and that most of it would have been torn down and replaced by new missiles of the Nike X system long before it became operational.

The Nike X system was begun and was

modified as research and development progressed. That missile was replaced by Spartan. The investment cost in research and development, according to McNamara, would have amounted to $16 billion.

In 1966 Secretary McNamara estimated that it would be around $24 billion over a 5-year period. By 1969 the estimate was up to $40 billion.

Significantly, Secretary McNamara argued against its deployment because it could easily be rendered ineffective at that time in his opinion.

Mr. STENNIS. Mr. President, the $40 billion was an estimate. That was not an expenditure.

Mr. MONTOYA. The Senator is correct. I did say that.

Mr. STENNIS. There is a long history behind this effort by Soviet Russia and the United States of America. This has not been an easy, primrose path.

I remember that the old Nike program began with Ajax and Hercules. We are still using them. We finally went into the Zeus. However, that did not work out well. Therefore, it was dropped as such.

I would have added this explanation, but getting together the bill and the hearings kept all of us very busy. I wanted the matter to be fully researched.

May I refer to one other item. The Senator referred here, on page 2, to the question about the chances of arms control and the fact that the ABM is just nonsense, and he argued that it does not have a place here.

With all due deference to the Senator, I have come to the belief that perhaps the best hope against a nuclear war is for the Soviet Union and the United States of America both to have an effective weapon and for each to know that the other has it.

That will be the greatest achievement, I believe, in avoiding a nuclear war. And I am awfully concerned that if one ever starts, it will be too late.

Mr. MONTOYA. I think that is where an equal division of Senators occurs, on whether it would accomplish that objective.

Mr. STENNIS. I think that if we both had something that was effective and each knew the other had it, that would come close to stopping trouble.

Mr. MONTOYA. Mr. President, I believe, because of what I have said, that my position on the ABM is sound. I believe, however, that there should continue to be a vigorous and carefully planned research and development program to answer the many scientific and technological questions still unanswered about the ABM. The amendment offered by Senators COOPER and HART—S. 2546—and amended in a joint statement on July 23, 1969, offers a constructive alternative to deployment, and I intend to support their measure. Under this amendment none of the funds could be used for deployment of any component or element of the proposed Safeguard system at any proposed deployment site. There should be no premature and dangerous commitment to deploy antiballistic missiles, and we should pass legislation to insure that.

In summary, Mr. President, I will vote against the deployment of the ABM missile system, but intend to support continued scientific and technological research in this area.

Mr. HART. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield.

Mr. HART. Mr. President, I rise simply to join the other Senators in thanking the Senator from New Mexico for the soundly reasoned comments he has voiced. I believe the Senator to be right.

I hope that none of us doubt the desire on the part of each of us to be right. And I am delighted that the Senator from New Mexico came to the conclusion he did.

Mr. MONTOYA. I thank the Senator from Michigan.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield.

Mr. MANSFIELD. Mr. President, I had an opportunity, thanks to the distinguished Senator from New Mexico, not only to hear part of the speech, but also to read it in its entirety.

I join with the distinguished chairman of the Committee on Armed Services, the senior Senator from Mississippi (Mr. STENNIS), and all others who have spoken on the floor this afternoon in commending the Senator from New Mexico for the thoughtfulness and the study and the detail into which he has gone to explain his position on this most important question. It is perhaps the most important question which may come before this particular Congress, because so much hinges on it in so many ways.

I have known the Senator since he served in the House of Representatives on the House Appropriations Committee and since he came to the Senate, where he now serves on the Committee on Appropriations and I believe on some committees which have to do with defense matters.

I wanted the Senator to know that I thought his speech was statesmanlike. I commend him for the care which went into it and assure him that it was a pleasure for me to listen to the Senator make arguments that I would have been honored to join him in making.

It was a statesmanlike speech. I commend the Senator.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield.

Mr. LONG. Mr. President, may I point out to my good friend, the Senator from New Mexico, that the point he makes about waste brings me back to something I heard when I first came to the Senate about 20 years ago.

At that time we were trying to defend ourselves against Russian agression. We were talking about whether we were satisfied that these expenditures to beef up our defense would be wise expenditures or would be wasteful.

As one military officer said to me at that time, "Senator, you ought to hope that every nickel you spend on the defense of this Nation will be wasted. You ought to hope you will never have to use any of those weapons to defend our country. You ought to hope that every cent of it will be wasted."

However, I cannot for the life of me see that we would be wise to rely in the future upon weapons that by that time will become obsolete, because they all become obsolete in time if better weapons are developed to save this country, when a competitor is developing better weapons and more sophisticated weapons which can totally destroy the weapons which are today modern weapons.

For that reason, I find myself believing that, in defense of a great nation such as this, we must be at least as good, and hopefully better, with the best of weapons, particularly when confronting countries that outnumber us by as much as 4 to 1 in population. They will proceed with the development of the most sophisticated weapons. There is no way to keep them from doing it.

It seems to me that the money spent on research would be wasted unless you are going to go ahead and build the weapons. Even when you build them, you never know how good they are until you have tried them, but for that matter neither will your adversary.

The Senator has used the illustration of our supreme achievement, putting a man on the moon. We put a man in space and then a man orbited the earth several times. We then put several men in space and they orbited the earth, and then we proved we could orbit and dock the orbiting missiles together.

After that, we proved that we could reach the moon, that we could orbit the moon, that we could put two vehicles up there, separate them, and bring them together again. So we proved everything before the final stage of landing and reentry from the moon.

I am certain the Senator saw the supreme achievement of this country, which is the pride of our generation. I think it is the finest technical achievement of our time. It was done step by step.

For the life of me, I cannot see how one could hope to improve on his way of doing business unless he first went into business. We have developed the capacity to build the best missiles, make supreme achievements to outcompete the other fellow. But if we do not begin to build missiles and to follow through with it and to prove that they will work, how can the Senator hope, by merely doing research on something and not building it, ever to be able to defend, when the other fellow not only is doing the research but also is building them and trying them out under field conditions? How can one go into business 20 years behind the other fellow and hope to overcome him on the day of going into business?

For example, trying to shoot down incoming missiles requires several things. First, it requires the electronics, it requires the missile, and it requires somebody who knows how to aim it. If he never has tried it, he will not be a very good shot. Compare that to a hunter shooting ducks. If he has never tried it before, he will not be a very good duck hunter.

You have to try it in order to find out where you fail and where you succeed. If you never build the thing, never put it into place, never begin to implement it and improve on it, how would you know whether you have achieved anything? How does one know he cannot succeed unless he tries it?

Mr. MONTOYA. I do not think the Cooper amendment discourages that.

Mr. LONG. The Senator says he would not put anything in place; he would not start building the defense. If an enemy knows you have no defense and he wants to attack you, he knows he can do that pretty much with impunity, because you have no defense. If you have a defense, at least he is taking a chance. Your defense might work and you are striving to improve it.

I have not followed the entire debate. Some of it was not very enlightening and some of it made a lot of good sense. I read a newspaper story the other day in which someone said that on an atomic test, for 800 miles the defenses would not work. I assume that would be because at that particular time we did not—at that time—have a transistor which could resist radioactivity. We have that now, so we have overcome it. That problem, I believe, has been solved. We will move on to the next problem.

Mr. MONTOYA. Is the Senator aware that under the Cooper amendment, research, development, and testing would be permitted?

Mr. LONG. I understand that, but the point is that there would not be anything with which to defend ourselves.

Mr. MONTOYA. The Cooper amendment really is designed to prevent deployment and prohibit the expenditure of money for hardware until the research, development, and testing indicate to Congress that it would be a sound investment.

Mr. LONG. To me, it would be like saying, "Please, mother, may I go out to swim?" and receiving the reply, "Yes, but don't go near the water."

If a man is coming at you with a loaded rifle and you have a beautiful rifle on the drawing board, what good are those blueprints going to do you when the other fellow is using a rifle on you?

I recall my own experiences—sometimes one is prejudiced by that—back in the days when we were trying to defend ourselves against enemy aircraft. We were very poor to begin with. After a while we got so that we were bringing a lot of them down. Suddenly our side developed a projectile that had a proximity fuse on it. At that time, our antiaircraft fire was absolutely brutal murder on the German airplanes. They had no chance.

One may develop something which leaves something to be desired, but we never can tell what day someone will come up with the final solution.

Let us compare it with what the North Vietnamese have done to our airplanes. When they first put their SAM missiles against our planes, they were very ineffectual. But as they used them and gained more experience and overcame the defects, they became very effective. That is what our planes will be competing with if they try to invade the Soviet Union—all the experience of Russian missiles employed against our planes, with Russian advisers, with North Vietnamese at the trigger. They are very effective, but they were not effective at first.

If you never build the hardware, it will never do you any good. Sometimes all you need is a few technical changes to make the thing work.

It seems to me that the Russians are a great deal ahead of us in missile defense. It is dangerous to permit them to get any further ahead unless one takes the view that some take—which the great White House adviser Richard Goodwin seems to have—that there will be no war if we are not able to defend ourselves. I do not think the Senator shares that view.

Mr. MONTOYA. I do not subscribe to that view, because in this case we have the Safeguard and the deterrent of having the SAC bombers on alert and the Polaris submarine with the Poseidon missile—we will have it—with the multiple warhead. I do not think Russia would ever risk sending an offensive missile to destroy our cities or to do harm to our landscape, for fear that our effective retaliation would be set in motion.

Mr. LONG. All these things become obsolete as the enemy improves his defense. It can be compared to any game, whether it is football, baseball, or anything else. As the other fellow improves his defense, your attack becomes ineffective unless you improve your attack. Any team or any army which can attack but cannot defend cannot win a war against an army which can do both effectively.

In view of that, for the life of me, I cannot see how we could hope, by failing to have a good missile defense, to advance this national interest.

I believe we have wasted a great deal of money in some instances. I once served on the Committee on Foreign Relations. Hearings against this missile are being developed by that committee. Having served on that committee, I must say that in the past we have spent a great deal of money and have given our resources away to foreign nations, without getting anything in return. Much of this was utter waste, and we have no hope of ever getting anything in return, except perhaps some good will. In many instances, the countries hate us now, despite all the money they have received from us. This country has been strong enough to defend itself and to remain at peace with all the major powers. Admittedly, we have had to contest our position with some of the minor powers.

But we have never had to fight a major war because they knew we were strong and we knew they were strong; we respected one another for what we were.

Mr. President, I think the Senator made a statesmanlike presentation but I hope he considers the feeling of some of us that we must defend our Nation effectively.

Mr. MONTOYA. Mr. President, I want the Senator from Louisiana to know that I thoroughly respect his position on this matter. I have never questioned his position and I have never questioned his motives. I stand on that.

Mr. LONG. Mr. President, the same compliment goes both ways. I thank the Senator.

Mr. MONTOYA. I yield the floor.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 13080) to continue for an additional 15 days the existing rates of income tax withheld at source, in which it requested the concurrence of the Senate.

### EXTENSION OF THE SURTAX

Mr. MANSFIELD addressed the Chair.

The PRESIDING OFFICER (Mr. GURNEY in the chair). The Senator from Montana is recognized.

Mr. MANSFIELD. Mr. President, what is the status of the bill from the House of Representatives which is at the desk?

The PRESIDING OFFICER. The message has just been received from the House of Representatives and is at the desk.

Mr. MANSFIELD. Mr. President, what is the next move?

The PRESIDING OFFICER. It can be referred or a Senator could ask that it be laid before the Senate for its first reading.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. Normally, Mr. President, we could have first reading; but after the second reading I think that would be the appropriate place to ask that it go on the calendar.

The PRESIDING OFFICER. The Chair can lay it before the Senate and have first reading under the rule, but a second reading has to be requested by the Senate.

Mr. MANSFIELD. Mr. President, has first reading been had?

The PRESIDING OFFICER. The Chair lays before the Senate a message from the House of Representatives, which the clerk will read.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 13080) to continue for an additional 15 days the existing rates of income tax withheld at source.

Mr. MANSFIELD. Mr. President, to keep the record straight, have we now had first reading?

The PRESIDING OFFICER. We have had first reading.

Mr. MANSFIELD. Mr. President, after discussing the matter with the Senator from Louisiana (Mr. LONG) and others, we would have no objection to having the bill placed on the calendar in the ordinary course of events rather than to delay action by endeavoring to refer it to the Committee on Finance, or by entering an objection which would force the measure to lay over for a day, which in turn would place it on the calendar tomorrow, but by the same token would not make it available for consideration until the next legislative day. That would take us beyond midnight tomorrow, the time at which the present surtax law expires.

The position of the Democratic Policy Committee and the Democratic members of the Committee on Finance has not changed one bit, but in an effort to further accommodate those who are so desirous that this matter be rushed into, we have decided that this would be the best way to face up to it.

Mr. DIRKSEN. Mr. President, to reserve all rights, I would normally, I think, interpose an objection after the second reading. Then, the bill would go to the calendar. But before I do so——

The PRESIDING OFFICER. It would have to wait until after——

Mr. DIRKSEN. That is correct. I understand.

The PRESIDING OFFICER. Does the Senator from Illinois ask for a second reading now?

Mr. DIRKSEN. I could ask for it, but I shall withhold now because I do wish to address an inquiry to the distinguished majority leader.

Normally, they had in mind that the bill go to the Committee on Finance for further consideration. In that event, it would have to be reported back. My whole hope was to have immediate consideration and if that were appropriate I could ask for immediate consideration of the proposal that is now before us. I would anticipate there might be objection, but if it is in order to make that request at the moment, I think I shall do so. I do not know whether that comes after the second reading or before.

The PRESIDING OFFICER. The Chair advises the Senator he could ask for second reading or he could ask unanimous consent that the bill be considered immediately.

Mr. DIRKSEN. I make the latter request.

Mr. MANSFIELD. I object.

The PRESIDING OFFICER. Objection is heard. Does the Senator from Illinois wish the bill to be read a second time?

Mr. DIRKSEN. Yes.

The PRESIDING OFFICER. The bill will be read the second time.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 13080) to continue for an additional 15 days the existing rates of income tax withheld at the source.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Mr. President, does this mean that the bill now goes on the calendar?

The PRESIDING OFFICER. If there is an objection to further proceedings then, yes, it would go on the calendar under the rule.

Mr. DIRKSEN. I would have to make that objection.

The PRESIDING OFFICER. Objection is heard. Under rule XIV, paragraph 4, the bill will be placed on the calendar.

Mr. MANSFIELD. Now, Mr. President, before that bill will become liable for action on the part of the Senate it would have to lay over 1 legislative day. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. And that on tomorrow it does become liable for some action.

The PRESIDING OFFICER. It would be in order to take it up tomorrow.

Mr. MANSFIELD. Mr. President, in explanation to the Senate, may I say that even in the field of accommodation one can go too far, and that was the reason I had to most respectfully and reluctantly object to the unanimous-consent request of the distinguished Senator from Illinois.

Mr. DIRKSEN. I understand the position of the majority leader. At the same time I would like to make abundantly clear the problem that confronts us and the administration.

I thought I made it abundantly clear on yesterday, in pursuance of the memorandum that was submitted by the majority members of the Committee on Finance and the Majority Policy Committee that there would be acceptability of a 5-month extension of the surtax, provided the administration accepted and provided that the majority leadership accept it.

Last night some time after 8 o'clock the President was contacted in Asia. The telephone call was made by the Vice President. I was not privy to that conversation. Therefore, I do not know in what detail they discussed the matter. But in any event, on the basis of the President's reply a statement was made this morning to the effect that it was not acceptable to the President; and he had hoped that perhaps the Senate would proceed with H.R. 12290, presently on the calendar, which came out of the House on the 30th of June and which came out of the Committee on Finance of the Senate on July 17. That is the five-package bill, taking care of those at the impoverished levels, taking care of the excise taxes, the surtax, the investment tax credit, and I think one other item.

We have gone through that lesson book and we could very well call up H.R. 12290 and satisfy the administration by discussing and disposing of the bill, because that is quite consonant and quite in line with the request the administration made in its tax message to the Congress.

Now, today, by a 3-to-1 vote, the House of Representatives has passed the so-called 15-day extension. However, it deals only with the question of withholding rates and nothing more. Fifteen days takes it, roughly, about to the point of the agreed midsummer recess which begins on August 13. At that point, of course, the extension bill is then payable. From then on, the complications develop for industry, business, and for every other enterprise in the country.

I mentioned only a little while ago that not the least of the headaches, of course, will be in the case of employees on whom withholdings have been made where probably not enough was withheld, in which event, at the end of the calendar year, they would be owing a larger sum of money, provided the surtax was finally continued. That would be an unhappy state of affairs, and they would be grousing all over the place.

But I see a greater crisis and a greater danger, Mr. President, than all that. Those are probably the inconveniences of the moment. What frightens me a little, first, are the gyrations of the market which reflect not only domestic thinking but also the thinking abroad. We have a tendency to forget that there are $40 billion in money and in short-term securities mainly in the hands of European bankers. Our gold supply is only about $10 billion and there are $40 billion in obligations abroad. Every time the Chairman of the Federal Reserve Board, every time the Secretary of the Treasury in this and prior administrations went abroad and undertook to get a report, it was the same old story. Always and always those who were the stewards of the fiscal welfare of these countries on the other side of the Atlantic have constantly said to us, "Are you going to face up to your responsibility, or aren't you?"

Now that followed a policy of restraint and is causing us no undue difficulty up to this point; but if, on the other hand, they decide that this body in its entirety—and I have to include the House—will not face up to this problem in the terms and under the conditions prescribed by the administration, then what?

Suppose they undertake a massive liquidation. Who do we think will get hurt? We are going to get hurt. We shall be hurt in a great big way before we get through. That is what bothers me.

Thus, I had hoped that we could go along and probably extend that surtax a little longer.

I should observe that one objection I had to the November 30 cutoff date was merely that they tell me from a practical standpoint it does become too operable. I presume by that they mean the administrative difficulties that somehow ensue.

I pretend to be no expert in that field. I am content to rely upon the observations of others who have some knowledge of it as to whether it is really operable without undue inconvenience. They say, "No." I am content to abide by their judgment. That is the reason I took exception to it. I did say yesterday—and I was quoted correctly—that it was an old rule with me that if we cannot get a whole loaf of bread, then let us take whatever bread we can get because we cannot always be a chooser in this world.

Had this been extended to December 31, I think, because of the fiscal year indication as well as the calendar year indication, it would have been easier than it is now. But evidently at least there has been no indication that this will be done. Had an amendment been offered or had this proposal submitted by the joint Finance and Majority Policy Committees been offered, let us say, either as a substitute or as an amendment to the 15-day extension bill, we probably could have made something of it.

I think there is an inclination toward restraint here in not loading up the measure that came along with extraneous or even germane amendments, in the hope that action can be had. But there is no hint, there is no clue, that that will be the case.

I allude to only one other thing, that there has been such a passionate expression about tax reform—meaningful tax reform—comprehensive tax reform. I think it was a disposition to believe that it was one of those vague and nebulous things that was in the offing somewhere. I am advised now, this afternoon, that the tax reform bill will be filed in the House of Representatives this afternoon. It means that the Ways and Means Committee in that body have certainly been diligent. They are about 10 days ahead of their timetable.

In view of that fact, that tax reform is on the threshold, is there any reason now that we cannot accept these protestations in good faith and say, "All right. As gentlemen and as people who are addicted to reason, the tax reform bill is here?" Not in this body, but in the other body. It is on track. Why cannot we put this on track, consonant, of course, with what the administration asked for in the first place?

I have to point out one other thing, of course, that in the first memorandum from the joint majority committee, it was pointed out that repeal of the so-called investment tax credit would be held back until the tax reform bill came along.

Well, it can be put in there, but depending on how long it takes, since this memorandum calls for action sometime on or before October 31, it might have to wait that long. But this is the first of August. Thus, we have August, September, and October—that is 3 months. Under the investment tax credit proposal, as long as that remains in being, we will be pumping roughly $700 million into the industrial bloodstream of the country every 30 days. That is three times seven, which is $2.1 billion of additional purchasing power, because that is disposable income.

Thus, all it does is to aggravate the problem that is before us now.

Is it any wonder that the market should drop nine points by noon today and 10 points the day before yesterday?

No, it is not, because it is a reflection of the uncertainty in the country and, obviously, the uncertainty in the minds of the enterprisers, both here and abroad, as to what in Government we propose to do; because we make the rules, so to speak, under which they live and move and have their being. They have got to have some idea of what the rules are like and what they will be like, not only for a month or 2 months but for a longer period, if they are going to shape their policies in line with those rules giving direction to the farflung and gigantic business enterprises that we call the production and distribution system of the United States of America.

It is that simple, and that is why I say, with some trepidation and some fear, that perhaps America is in a crisis already.

I lived through it in 1929, when bankers were jumping out of 14-story windows. I know it was only a few years thereafter that I became a candidate for Federal office, and then spent 16 years wrestling with the problems that were finally spawned by that horrible economic dislocation that we call the Depression of 1929.

Do we invite it now by our refusal to face up to the problem which is here? Well, we may not be inviting it, but, Mr. President, we are toying with it, and that is a matter of alarm in my book. So I hoped that perhaps there would be a suggestion here.

For myself, I can embrace what was in the memorandum that the distinguished majority leader so graciously sent me at our policy meeting yesterday, but I am one of five in the leadership. I did so. I accepted it. But I cannot speak for others. It is for them to decide, because when the term "minority leadership" was used, that was something more than the minority leader; that was the rest of the leadership, and there are four others who would have to acquaint me and acquaint the Senate with their views.

But at the moment that is neither here nor there. The administration has indicated that all this is not acceptable. So I simply have to abide it as best I can. I make no charges of fiscal irresponsibility. I have to assume that every Member of this body is as interested in the well-being and the durability and the viability of our institutions as the Senator from Illinois. If I did not believe that, I would wonder whether or not my membership here would be of any great value. I have to assume that every one of the other 99 Senators brings the same good faith and the same hope and the same interest to his responsibility that I do.

I saw the document which is in the nature of a speech which was delivered this afternoon in the House of Representatives. I have never quite gotten around to the point where I could use that kind of language, because Senators ought to read it. It is pretty "iffy," a little truculent in evaluation, and it has a powerful clout in it. I did not say it, but I simply remind the Senate that here we are up against a challenge and up against a crisis, and the country looks down upon us and says, "What an amazing spectacle that the world's most deliberative body has reached a fiscal and monetary impasse and cannot move forward or backward." That is an appalling state of affairs.

So I have done with it for the moment. If I were free to do it, I would embrace what my distinguished counterpart, the majority leader, suggested in that memorandum. I would take it on the outside theory that at long last the healing forces would move into the little gaps that were being created and that after some months of experience we would come out reasonably whole.

I am willing to gamble on that, but I cannot speak for others. As I indicated yesterday, I cannot speak for the administration, because that is not my full responsibility for the moment, unless the head of that administration, the President of the United States, warrants me to speak and to express his views. He has done so himself. He has stated that this so-called compromise proposal is not acceptable, and in that respect, 50 percent of the condition precedent in the memorandum of yesterday goes out of the window, and as for the rest of it, I speak for 20 percent of the balance. That is the whole story.

Mr. MANSFIELD. Mr. President, as always, I have listened with intense interest to what the distinguished minority leader has had to say. I honor him for his courtesy, his understanding, and his frankness of what responsibility in the positions that he and I both hold in our respective parties entails.

Mr. President, I do not know any European bankers. I do not know what the effect of their desire to get our gold, small though it is in amount, would have on our economy. But I have an idea that they are not too eager to get it, because if there is any danger of instability there or here, it will be felt where they are, too.

Then, reference has been made to the stock market. It is not what we are doing in the Senate, in my opinion, which is having the effect on the stock market which has been evident over the past several months. Perhaps it is what is being done in the other body in the way of tax reform proposals, because that is where the guts of the market are and that is where the effect of what the House committee is doing is being felt, in my personal opinion.

Like the minority leader, I am not a financier or an economist. I do not doubt the integrity of anybody on that side of the aisle who finds fault with what we are attempting to do on this side. In my opinion, every Senator in this body—all 99, aside from the Senator from Montana—is a Senator of honor, integrity, and understanding. As long as we operate on that basis, I think this institution will survive and this Republic will continue to stand.

This is no time for allusions, illusions, or delusions. This is a time for questioning, on a statesmanlike basis. For all I know, the Senator from Illinois may be right and I may be wrong, but it is a matter of judgment that we have to face up to. It is a responsibiilty which none of us can avoid. But regardless of one's feeling, I certainly find no fault personally with the attitude taken by any individual Senator in this body.

As a matter of fact, I am extremely glad that this administration was able to announce in the last day or so that it was able to show a surplus of $3.2 billion—$2 billion above the previous estimate. I was glad that this administration brought an end to the Cheyenne helicopter contract and the manned orbital laboratory as well. I was glad when President Nixon said he was going to bring about a further $3.5 billion reduction in expenditures. I think he is moving in the right direction.

It is a responsibility on our part to do at least as much along that line—not cutting in the field of expenditures so much, as cutting in the field of budgeted appropriations.

It would be my hope that before we are through with the fiscal year which we are now in, we will be able to reduce the President's budget requests by something on the order of $10 billion. It was done last year; there is no reason why it cannot be done this year. But that is our responsibility, and those of us who are here will be the determiners of that particular problem.

Mr. President, I regret that the effort to arrive at a responsible procedural resolution of the matter of linking the surcharge extension with a more equitable tax policy has been represented in some quarters as an "ultimatum." Far from an ultimatum, it was the best accommodation that could be obtained. The lack of enthusiasm for extension of the surtax, the growing desire to restore some equity to the tax structure, the public statement that this administration was for tax reform in this session of the Congress and its view that the surtax was necessary to curb in-

flation—all would be satisfied by the proposal of extending the surtax until November 30—and, thereafter, beginning on January 1, 1970, at a lower rate until June 30 upon the assurance of tax reform. One wonders which aspect of the proposed accommodation is ingenuous and how the whole can possibly be construed as an ultimatum.

May I say that I was also disturbed to find the somewhat flippant characterization of "pocket veto" applied to the effort to provide a measure of tax reform which would be of primary benefit to the wage earners and salaried employees of the Nation—the group which is now heavily saddled with the onus of the surtax? The suggested compromise is not a veto—pocket or any other variety. Indeed, in this reference the basic constitutional provision of the veto is not fully understood. The veto is reserved to the Executive but only after legislative action—not before action. There is no provision in the Constitution for a premature veto in the Executive—prior to legislative action—especially when there is a will on the part of the leadership on both sides of the aisle to seek an accommodation. Far from a veto, the suggested compromise is an invitation to effective action on both the surtax and tax reform.

What has been done has been done in the open and for all to judge. What has been asked at this point is that tax reform be disposed of in connection with the matter of the surcharge extension. The procedure offered is simply that the surcharge be extended now—today. That is what the administration desires. What is asked in return is [illegible]t 3 months from now an opportunity be assured, at last, for a bona fide consideration of the long-standing public demand for changes in the present tax structure in the direction of greater equity.

I am surprised at the use of the term "ultimatum." Is it an ultimatum to try to assure tax reform when all Members of this body as well as the administration publicly seek tax reform? Moreover, the procedural accommodation of a 5-month extension would go far in the direction of the expectations of the administration with respect to the surtax. If there is an ultimatum here, it is being presented by the Nation's taxpayers who are beginning to insist, in their millions, that the long-awaited reforms in the tax structure come into existence without further delay.

If there has been a veto, it has been imposed by those who refuse to acknowledge that tax inequities cannot be eliminated by words but only by facing up to the procedural realities of the Congress and by digging in for a long siege until these inequities are brought down.

If it is believed sincerely that the surcharge is vital to curb inflation, then I suggest that excuses, name-calling and finger-pointing be forgotten and that the surcharge be enacted for 5 months now—today. If it is believed that there are inequities in our tax structure then I suggest we take the nod from what is transpiring in the other body and join together to do what is necessary in the Senate to assure their correction before this session ends. The way is open. We need only take it.

Mr. SCOTT. Mr. President, I rise in support of the statement made by the distinguished minority leader. He has stated the situation quite correctly. I agree with him, and wish to add merely some additional comments.

The nature of the time limit which we received would seem to me to mean that we either had to act in the way in which it was suggested that we act, or that certain dire consequences would occur. If that causes any unhappiness by reference to it as an ultimatum, we do not need to do that. None of the remarks referred to here have been made—by me, in any event—with the implication that they were of that critical character. What I said, I said within our own party policy committee.

I should like to deal with some of the statements, and with the situation as I see it.

Reference was made to a $3 billion surplus. We can only call it a surplus, because of the change in the bookkeeping methods we use, as against the original, more accurately presented earlier budgets. We have no surplus, because we are including the trust funds; and if we did not include them, we would have a very substantial deficit.

But if we take the bookkeeping surplus for what it is, at about $3 billion, and remember that the phasing out of the surtax would bring us $7.6 billion, then, indeed, by failing to act on the administration bill, we would be incurring a defi[illegible]$4.6 billion.

[illegible] else is going on while the re[illegible] out the surtax is occurring. [illegible]y the way, I do not think it ought to be called a surtax extension.

Mr. COTTON. Mr. President, a point of order. The Senate is not in order, and we cannot hear.

The PRESIDING OFFICER. The Senate will be in order.

Mr. SCOTT. This is not a surtax which this administration imposed. Up until now, it has been a 10-percent surtax, and we have all had to pay it. But this administration proposes, not the indefinite continuance of the surtax, but its orderly phasing out. It proposes a very limited continuance, to the end of the year, the normal time. December 31, as the distinguished minority leader has pointed out. Then we propose to cut it in half, and then we propose to eliminate it. Therefore, we are doing something which has not been done before, and that ought to be credited to our account.

What is going to happen in the fiscal world as a result of the action of the majority steering committee? This is not an imputation of their motives or anything of the sort. We honestly disagree here. But frankly, we ask, what is going to happen to the American economy by virtue of the fact that they are not willing to give the President the fiscal authority which he says he needs, in order to help the economy maintain itself on an even keel?

What happens if we do not accept the administration's proposal for the orderly phasing out of the surtax and the inclusion of a number of tax reforms in the first bill? The second bill is right on the heels of it. It is shortly to go to the floor of the other body, perhaps by way of the Rules Committee. But it is on its way.

I can tell the Senate one thing that is happening already. There has been a loss in values on the stock market this year of $180 billion. And the market is hitting another low each day this week, or virtually so.

What does that mean? That means that the reports are that every day certain securities hit a new low and every day virtually no security hits a new high. That $180 billion loss is reflected in Treasury revenue for this year, because there will be far less taxes received on capital gains, whether long or short term, because of the fact that the capital gains have been wiped out.

I think I know where the responsibility lies, and I must regretfully disagree with the distinguished majority leader on this. I think that the responsibility lies in those who the leader says have to make the rules. We make the rules.

Another thing that is about to happen—and I got this information from the Secretary of the Treasury yesterday—is that if we do not provide for the orderly phasing out of the surtax, the Treasury in the open market will have to pay more money in the form of interest rates for its Treasury borrowings than it is paying today.

Anyone who speaks here about wanting to save the Government money is not saving them money if the Treasury will have to pay more money in the form of interest rates for its borrowings.

Another thing that will happen, the Secretary of the Treasury and various economists in and out of the Government have pointed out that we are going into the month of September when we will be meeting with the world bankers.

It does not matter whether we know the world bankers or not. They know us, and they know what we are doing. These meetings in September are of the highest importance and will be extremely critical to the future of the dollar, because in those meetings there will be discussions that pertain to the alleged overvaluation of the mark, the alleged undervaluation of the franc and the pound. And this action will bring the dollar into those calculations. So, in September, we may—by failing to act here promptly and with the certitude that our economy needs—have made a dangerous contribution to the instability of the dollar.

Another thing needs to be borne in mind, and that is that it has been made as crystal clear as it can be made that the other body, which passed this tax bill we are talking about by a mere five votes, has indicated in the person of its leadership of both political parties, in private to us, and some have done so publicly, that there is not a single chance in the world of the House accepting the formula proposed by the majority steering committee.

That means that members of that party and members of our party are agreed. The other body will not take it. Therefore, why ask us to do a useless

thing? Why argue, however fervently, that we should accept the formula because it is presented to us as the only thing we can get since we are told that if we do not get that, we can let the surtax go.

I would like to ask whom we are hurting by that action, whether we are hurting ourselves or the taxpayers, whether we are not hurting the consumers and the workers, even though we are told, "If you do not do it our way, because we have the votes, we will not do it at all." That is a part of our process of fixing responsibility. Nevertheless, it seems to me that a part of that process ought to envision what the other body will do; and the other body is getting up its second tax relief reform bill.

I have the greatest feeling of certainty that the other body will not accept the formula proposed to us.

It is said that the administration bill is not a reform bill and is not a relief bill. I say that it takes off the tax rolls 5 million taxpayers who are at the poverty level. It benefits dollarwise 8 million other taxpayers.

We are trying to pass on the benefits to the people who need it the most. We are being blocked and prevented from doing it. We are being told with great rationalization why it cannot be done.

I hope that my voice will go beyond these Chambers to these 13 million people who are in uncertainty that it is not my action or the action of the people whose views I share which is depriving these 13 million people of tax relief in the first tax relief bill.

How can the 5 million taxpayers who no longer pay taxes get any more tax reform than that? We can reform the taxes from here to Gehenna, but we will not give any more tax reform to those 5 million taxpayers than to say, "One day you are paying taxes, and the next day you are not." So far as income taxes are concerned, he has all the tax reform he can get. He has it all. The other 8 million taxpayers are standing by and wondering why they do not get tax reform.

I asked the Secretary of the Treasury yesterday if it would be just for me to make this statement. I said, "Would it be just for me to say that the formula of the majority policy committee favors the rich because it eliminates from the administration's bill the repeal of the investment tax credit and hurts the poor because it defers their chances of getting such a tax benefit?"

The Secretary of the Treasury said to me, "Yes, Senator; it would be a just statement."

Therefore, my view is that we must do here what is just, economically. We must do what is right, economically. And we must take whatever risk is involved politically in doing that.

In the long run if we accept the kind of compromise which runs against the grain because we know it is not right, because we know it defers relief long deferred, because we know it prevents us from taking off a tax we did not put on, and because we know it is the wrong thing to do, then it seems to me that we are becoming part of an act which is in itself an error. And if we do that, we are compounding the error.

I repeat that I made no statements about a pocket veto. If the word "ultimatum" offends, I would hope we would be forgiven. But whenever somebody tells me, "You have to act now or get nothing," and the time expires Thursday, I do not mind what one calls it. I only know it puts me over a barrel and forces me to make a decision. One can call it what he wants to, but to me it is a moment when I have to decide where I stand with regard to the taxpayers of the United States. And I have made my decision.

The distinguished minority leader is quite right when he says that this formula—and I carefully call it a formula rather than an ultimatum—is not acceptable to the administration. That was one of the conditions of its acceptance. Therefore, it would not matter what the minority leaders were agreed on.

As the distinguished minority leader knows, I expressed myself in the policy committee. However, he also knows I have pointed out that if it would have helped him to secure an agreement here, I would be in accord with any decision he finally reached.

Had it been possible for the leadership to come together, as well as the administration, from my point of view, there would have been no difficulty and I would have done anything I could have to uphold and strengthen the hands of the distinguished minority leader. When the administration says—and I think quite rightly—that we cannot accept this kind of formula because it endangers the fiscal security of the country, because it delays doing justice to many taxpayers who have waited a long time for it, because it leaves in turmoil the economy of the country, because it increases the price of Government bonds, because we are losing revenue from it through the loss of capital gains revenue, and because all these things are in a state of confusion, then we cannot accept the responsibility for it by acceding to the form of a compromise which we believe does not do economic justice to the American community.

Mr. WILLIAMS of Delaware. Mr. President, although there seems to be an impasse at this time, I am still confident that when the chips are down the Senate will act responsibly. I do not for a moment question the motives or the sincerity of any Member of the Senate on either side of the aisle, yet I cannot conceive of the Senate letting this matter go by so that the American taxpayers will be left in a continuous state of uncertainty: Uncertainty as to whether this surtax tax will or will not be extended and, if so, at what rates and for how long; uncertainty as to whether we will or will not repeal the investment credit and, if so, the effective date of that repeal; and uncertainty as to what exceptions, if any, will be made.

Those points must be considered, and the taxpayers have a right to know the answers. There is no reason in the world why Congress cannot take this action either today or tomorrow.

Mention has been made of the surplus of $3.1 billion that was reported just yesterday. I want to point out to the Senate, as I pointed out last year, that there was no surplus. The unified budget very properly takes into consideration all of the revenues that the U.S. Government collects from any category minus the expenditures, without regard to what they represent. It is the total amount that the Government is taking out of the economy as related to the amount it is pouring back through various agencies and departments, but it does not mean that it is actually a surplus so far as the operation of the Government is concerned.

For example, in arriving at that figure of a surplus this year, $8.4 billion represented the accumulation in the various trust funds during the past 12 months. Part of the accumulation is made up of the social security retirement fund, the railroad retirement fund, the civil service retirement fund, and various other trust funds of which the Government of the United States is only the trustee. Under the law not one dime of that money can be used by the Government, by any Government agency, or by Congress to defray the normal operating costs of the Government.

In addition, it is overlooked that last year we enacted a 10-percent surcharge, effective retroactively to January 1, 1968, but we did not pass that bill until July 1. That meant that the surcharge for 18 months was collected in the 12-month period of fiscal 1969. The surcharge for 15 months on individual taxpayers was collected in the same 12-month period, fiscal 1969.

In addition there was the acceleration of corporate taxes, which last year brought in $700 million of nonrecurring income. The acceleration of the payment of excise taxes brought in an additional $200 million last year, which is nonrecurring income.

When those items are taken into consideration with the trust fund accumulation, which by no line of reasoning can be used for the purpose of reporting a balanced budget, we have a total of $11.3 billion. When $3.1 billion of the so-called surplus is subtracted we find that the Government actually operated last year with a deficit of over $8 billion. Taking the cost of operating our Government as related to its income under the old administrative budget, we would have a deficit of $8.25 billion, or approximately $700 million per month.

In the face of that deficit, even to think that the Senate may neglect to extend the surcharge at this time is indefensible. It would mean pouring into the spending stream an additional $700 million a month, which would further fan the fires of inflation. I just cannot conceive, and I do not believe, that the Members of the Senate will go home to their constituents later this week without voting on this measure and tell them that they gambled with the financial stability of this Government in such a loose manner.

I am confident that, as reasonable men, we can bring this matter to a vote. All we are asking is a chance for every Member of the Senate to vote for whatever proposal he favors, whether it be a 1-month, 3-month, 5-month, or a 1-year extension of the surcharge. But let each Member of the Senate vote as he thinks is in the best interest of his country. Certainly, the Senate has not reached the stage at which any small group of men—

nine men it happens to be—can sit back in a closed, smoke-filled room and come back to the other 91 Members and say: "Gentlemen, this is what we have agreed on. If you will all agree to vote for the amendments we recommend and against those to which we say no we will bring the measure up for consideration."

I do not for one moment think that is the manner in which the Senate is going to operate.

Furthermore, when any vote is taken on the question of extending the surcharge the Senate should at the same time make a decision as to whether it will or will not repeal the investment credit.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

---

## THE REVISED PHILADELPHIA PLAN: EQUAL EMPLOYMENT OPPORTUNITY IN THE BUILDING TRADES

Mr. JAVITS. Mr. President, I wish to call to the attention of the Senate the revised Philadelphia plan, which was promulgated on June 27, 1969, by Mr. Arthur Fletcher, Assistant Secretary of Labor. The revised Philadelphia plan is a program requiring building construction contractors to undertake certain obligations to accommodate the problem of an absence of minority workers, workers from minority groups, in the building trades, attributable to longstanding discrimination on the grounds of race and color among those trade unions which they are seeking to overcome.

This is a plan which was developed by the Department of Labor under Secretary Shultz and it is designed to deal with this situation. Both the Department of Labor and the Department of Justice are involved in these arrangements in Philadelphia. If the revised plan succeeds in Philadelphia it will be followed in other cities and it could make an appreciable dent in tne problem of workers from minority groups having opportunities in the building construction field.

I believe the plan is an important step forward in the struggle to eradicate racial discrimination in employment in the construction industry and to insure effective affirmative action by construction contractors doing business with the Federal Government. The goal is true equality of employment opportunity in the industry.

Predictably, the plan has been criticized by some, including a few of my colleagues in the Senate, and a ruling on the plan has been requested from the Comptroller General. I believe that the criticism which has been made of the plan is unjustified. It is premised on a basic misconception of what the plan requires and the legislative history of title VII of the Civil Rights Act of 1964.

I feel, and many others feel, that before the Comptroller General does rule we should make clear what the plan is about and why, in our judgment, it is completely lawful; why his ruling should be favorable and what is to be done if it is not favorable, to wit, the matter should be taken into the courts and dealt with appropriately; but we should not be foreclosed by the ruling.

The basic criticism of the revised Philadelphia plan is that it requires an illegal "quota" system for hiring minority group employees. That is simply not so. All that the plan really does is to translate the abstract requirement of "affirmative action" contained in Executive Order 11246 into concrete terms for seven of the better paid building and construction trades in the Philadelphia area. In the plan itself, these trades are found to have excluded minority group applicants. At the end of 1967, less than one-half of 1 percent of the membership of the unions representing employees in the seven trades were black.

Under the plan, OFCC, taking into consideration a number of factors, determines a range of minority employment which should normally result from a good faith, affirmative action program. A contractor, rather than making a vague promise of taking "affirmative action," must, in his bid, set a goal for himself which falls within this range established by OFCC for the seven trades. If the contractor meets the goal, he will be presumed, absent other evidence, to have complied with the affirmative action requirement of Executive Order 11246. If he does not meet the goal, he is not automatically disqualified or subject to sanctions. He is still given an opportunity to demonstrate that he made good faith efforts to meet the goal. Finally, the express terms of the plan make it clear that in attempting to reach any goal for minority employment no contractor may discriminate against any qualified applicant or employee.

There are thus three critically important features of the revised Philadelphia plan which completely negate the idea that it imposes a quota system: First, there is no absolute requirement that any contractor must hire a certain number of minority group employees; all that is required, essentially, is a promise to use good faith efforts to meet a goal within a range of minority employment established by OFCC to be the normal result of an affirmative action program implemented in good faith. If the goal is not met but the contractor has attempted in good faith to meet it, the plan is satisfied. Second, the ranges of minority employment determined by OFCC to be the normal result of a good faith affirmative action program are not based on mere racial imbalance or gross demographic, statistics. Rather, they include the following four factors: First, the current extent of minority group participation in the trade; second, the availability of minority group persons for employment in such trade; third, the need for training programs in the area and the need to insure demand for those in existing training programs; and fourth, the impact of the program upon the existing labor force. Third, contractors, are not required—indeed they are specifically forbidden—to practice any "reverse discrimination." Thus the plan specifically states:

> The purpose of the contractor's commitment to specific goals is to meet the contractor's affirmative action obligations and is not intended and shall not be used to discriminate against any qualified applicant or employee.

I think it is clear that from a legal, moral, and practical standpoint the revised Philadelphia plan is not subject to the criticism which has been leveled at it. Indeed, it is quite ironic that those who seem to be most critical of this plan are precisely those who have been most critical of the previous ambiguity, conflict, and needless duplication of programs and policies under Executive Order 11246 which the revised Philadelphia plan is designed to correct. For, in addition to being an important forward step in improving the efficacy of the equal opportunity program under the Executive order, the plan, insofar as it establishes specific criteria for judging compliance, will unquestionably prove to be a boon to businessmen and trade unions who have, in the past, justifiably criticized the program under Executive Order 11246 on the ground that they never knew what was really expected of them and that they were subjected to a whole panoply of different standards from different Government agencies with oftentimes conflicting views. The plan should also do much to eliminate the problem of repetitious compliance investigations and reviews which have allegedly proved so burdensome to some members of the business community.

It is noteworthy, in this connection, that the original Philadelphia plan was revised to require the setting of specific goals specifically to meet objections which had been voiced by the Comptroller General on the grounds that the original plan did not set up specific criteria which could be incorporated in bids and that the original plan permitted continued negotiations after low bidder had been selected concerning compliance with Executive Order 11246. In response to those objections, the revised Philadelphia plan not only provides for the establishment of specific goals but also prohibits any negotiations concerning the meeting of those goals after bids have been opened on any project.

The criticism of the plan on legal grounds, insofar as these grounds have been articulated, proceeds from the mistaken premise that all that is or should be required of Government contractors is a policy of passive nondiscrimination in employment. I readily concede that the revived Philadelphia plan requires more than that; what is involved is a very basic distinction between the passive duty not to discriminate and the express duty, under the Executive order, as well as under title VII of the Civil Rights Act—where discrimination has been a pattern or practice in the past—to take "affirmative action" to insure equality of employment opportunity for minority groups.

It is clear from the history of the current Executive order that something more than passive nondiscrimination was necessary and was intended to be added with the "affirmative action" language. In addition, it is clear that a Federal contractor is required to take such affirmative action whether or not there has been a specific finding that it has engaged in unlawful discrimination.

Hence, although it is true the revised Philadelphia plan requires contractors to take action in which race is a consideration, this does not invalidate the plan. Such consideration of race is the heart of the "affirmative action" concept, particularly where, as here, there is a past history of discrimination. This type of affirmative action has, furthermore, frequently been approved—indeed required—by the courts in cases involving various aspects of discrimination.

Thus, some 14 years after *Brown* v. *Board of Education* (347 U.S. 483 (1954)) the judiciary came to recognize that an affirmative duty attaches to take steps to correct a discriminatory system. The Supreme Court spoke again just a month ago in *U.S.* v. *Montgomery County* (289 F. Supp. 647, aff'd 37 LW 4461 (1969)) when it unanimously upheld a district court's order that a school board "must move toward a goal under which in each school the ratio of white to Negro faculty members is substantially the same as it is throughout the system." The Court has also spoken to this issue in *Green* v. *New Kent Co.* (391 U.S. 430 (1968)) dealing with the HEW school guidelines and in *Gaston County, N.C.* v. *U.S.* (37 L.W. 4478 (1969)), *U.S.* v. *Alabama* (80 Sup. Ct. 924), and *U.S.* v. *Louisiana* (380 U.S. 145 (1964)) dealing with voting rights. There have also been significant court of appeals cases dealing with racial discrimination in housing *Norwalk Core* v. *Norwalk Redev. Auth.* (395 F. 2d 920 (1968)), and perhaps most importantly in employment practices *Heat and Frost Insulators* v. *Vogler* (407 F. 2d 1047 (1969)).

Similarly, in the *U.S.* v. *Jefferson County Board of Education*, 372 F. 2d 836 (5th Cir. 1966), the court, in approving HEW school guidelines containing percentages, pointed out that good faith or progress cannot be measured without taking race into account and characterized the use of percentages there as "a general rule of thumb or objective administrative guide for measuring progress in desegregation rather than a firm guideline that must be met." The revised Philadelphia plan uses goals for precisely the same purpose.

Indeed, the courts have gone even further than this in sustaining classification by race where necessary to undo the effects of past discrimination. As the Second Circuit has recently observed in the Norwalk Corp. case, mentioned above:

> What we have said may require classification by race. That is something which the Constitution usually forbids, not because it is inevitably an impermissible classification, but because it is one which usually, to our national shame, has been drawn for the purpose of maintaining racial inequality. Where it is drawn for the purpose of achieving equality it will be allowed and to the extent it is necessary to avoid unequal treatment by race, it will be required.

It has also been contended by opponents of the plan that section 703(j) of the Civil Rights Act of 1964 prohibits the revised Philadelphia plan. The short answer to that contention is that section 703(j) on its face applies only to proceedings under title VII of that act, and hence does not apply to the revised Philadelphia plan, which was issued under Executive Order No. 11246. Moreover, even if the section did apply, it clearly would not prohibit the plan since it merely forbids finding an employer or union in violation of title VII solely because the racial composition of its work force or membership does not mirror the ratio that a given minority group bears to the general population. As I have explained above, the revised Philadelphia plan is an attempt to spell out, in concrete terms, the meaning of affirmative action; it is certainly not predicated solely on demographic considerations or statistics, although it does, of course, take these into account, as is entirely proper. As the courts have said in cases involving possible racial discrimination, "statistics often tell much, and courts listen."

Any discussion of the plan must also take into account the special problems of eradicating racial discrimination in the building and construction industry.

We have long recognized that the history of this industry requires special programs. We have specific provisions relating to it in sections 8(e) and 8(f) of the Taft-Hartley Act, our basic labor law, and the unique aspects of its employment practices are recognized in title VII of the Civil Rights Act itself. We specifically reach hiring halls in section 701(e) and without regard to the limitations as to number of individuals involved. We also reach joint labor management committees controlling apprenticeship and training programs in section 703(d).

With regard to the Executive order program which supplements title VII of the Civil Rights Act, it was necessary to augment Executive Order 10925 with Executive Order 11114 which specifically related to construction. The substance of these previous orders is now embodied in 11246 on which we continue to rely heavily as an essential element of our equal employment opportunity program.

Beyond that, in administration of the Executive order program, special construction compliance staff had to be deployed and programs tailored to the industry's problems have had to be devised. Proportionately greater manpower has been expended for this industry with less yield. Without special approaches, such as the revised Philadelphia plan, administratively manageable with limited staff, and approaches which may be checked and verified for results, the elimination of employment discrimination will not be achieved—and the mission under Executive Order 11246 is more than the prohibition of discrimination.

On the basis of all the factors I have outlined above, both the Labor Department and the Justice Department, the agencies which have the primary responsibility for enforcing the equal employment opportunity policy embodied in Executive Order 11246 and title VII of the Civil Rights Act of 1964; have concluded that the revised Philadelphia plan is the proper way to satisfy the urgent necessity of promoting true equality of employment opportunity in the building and construction industry. I find myself entirely in agreement with their conclusion and I would hope that, given the broad issues of principle involved, and the expertise of the Justice Department and the Labor Department in this area, that the Comptroller General will come to the same conclusion. I believe that in this case it would be entirely proper for the Comptroller General simply to defer to the primary authority and responsibility of the Labor and Justice Departments, especially since the revised plan does not appear to entail any additional cost to the Government and satisfies the Comptroller General's own requirements for bids on Government construction projects.

Mr. President, I ask unanimous consent that the text of the revised Philadelphia plan be printed in the RECORD, and refer to the fact that the Solicitor of the Department of Labor has submitted an extensive memorandum which refers to the legal basis for the plan. The memorandum is extensive and detailed. I do not wish to impose the added cost of including it as part of the RECORD and therefore wish to refer to it as being available for consultation in my office, or in the Departments of Labor or Justice. It can easily be obtained by any Member of the Senate by asking for it.

Thus, I would hope that any Member who wishes to look it over will do that, rather than for me to have it printed in the RECORD.

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

U.S. DEPARTMENT OF LABOR,
*Washington, D.C., June 27, 1969.*

To: Heads of all agencies.

From: Arthur A. Fletcher, Assistant Secretary for Wage and Labor Standards.

Subject: Revised Philadelphia Plan for Compliance with Equal Employment Opportunity Requirements of Executive Order 11246 for Federally-Involved Construction.

1. PURPOSE

The purpose of this Order is to implement the provisions of Executive Order 11246, and the rules and regulations issued pursuant thereto, requiring a program of equal employment opportunity by Federal contractors and subcontractors and Federally-assisted construction contractors and subcontractors.

2. APPLICABILITY

The requirements of this Order shall apply to all Federal and Federally-assisted construction contracts for projects the estimated total cost of which exceeds $500,000, in the Philadelphia area, including Bucks, Chester, Delaware, Montgomery and Philadelphia counties in Pennsylvania.

3. POLICY

In order to promote the full realization of equal employment opportunity on Federally-assisted projects, it is the policy of the Office of Federal Contract Compliance that no contracts or subcontracts shall be awarded for

Federal and Federally-assisted construction in the Philadelphia area on projects whose cost exceeds $500,000 unless the bidder submits an acceptable affirmative action program which shall include specific goals of minority manpower utilization, meeting the standards included in the invitation or other solicitation for bids, in trades utilizing the following classifications of employees:

Iron workers, plumbers, pipefitters; steamfitters; sheetmetal workers; electrical workers; roofers and water proofers; and elevator construction workers.

4. FINDINGS

Enforcement of the nondiscrimination and affirmative action requirements of Executive Order 11246 has posed special problems in the construction trades. Contractors and subcontractors must hire a new employee complement for each construction job and out of necessity or convenience they rely on the construction craft unions as their prime or sole source of their labor. Collective bargaining agreements and/or established custom between construction contractors and subcontractors and unions frequently provide for, or result in, exclusive hiring halls; even where the collective bargaining agreement contains no such hiring hall provisions or the custom is not rigid, as a practical matter, most people working in these classifications are referred to the jobs by the unions. Because of these hiring arrangements, referral by a union is a virtual necessity for obtaining employment in union construction projects, which constitute the bulk of commercial construction.

Because of the exclusionary practices of labor organizations, there traditionally has been only a small number of Negroes employed in these seven trades. These exclusionary practices include: (1) failure to admit Negroes into membership and into apprenticeship programs. At the end of 1967, less than one-half of one percent of the membership of the unions representing employees in these seven trades were Negro, although the population in the Philadelphia area during the past several decades included substantial numbers of Negroes. As of April 1965, the Commission on Human Relations in Philadelphia found that unions in five trades (plumbers, steamfitters, electrical workers, sheet metal workers and roofers) were "discriminatory" in their admission practices. In a report by the Philadelphia Local AFL–CIO Human Relations Committee made public in 1964, virtually no Negro apprentices were found in any of the building trades classes; [1] (2) failure of the unions to refer Negroes for employment, which has resulted in large measure from the priorities in referral granted to union members and to persons who had work experience under union contracts.

On November 30, 1967, the Philadelphia Federal Executive Board put into effect the Philadelphia Pre-Award Plan. The Federal Executive Board found that [2] the problem of compliance with the requirements of Executive Order 11246 was most apparent in Philadelphia in eight construction trades: electrical, sheetmetal, plumbing and pipefitting, steamfitting, roofing and waterproofing, structural iron work, elevator construction and operating engineers; and that local unions representing employees in these trades in the Philadelphia area had few minority group members and that few minority group persons had been accepted in apprenticeship programs. In order to assure equal employment opportunity on Federal and Federally-assisted construction in the Philadelphia area, the plan required that each apparent low bidder, to qualify for a construction contract or subcontract, must submit a written affirmative action program which would have the results of assuring that there will be minority group representation in these trades.

Since the Philadelphia Plan was put into effect, some progress has been made. Several groups of contractors and Local 543 of the International Union of Operating Engineers have developed an area program of affirmative action which has been approved by OFCC in lieu of other compliance procedures, but subject to periodic evaluation. The original Plan was suspended because of an Opinion by the Comptroller General that it violated the principles of competitive bidding.

Equal employment opportunity in these trades in the Philadelphia area is still far from a reality. The unions in these trades still have only about 1.6 percent minority group membership and they continue to engage in practices, including the granting of referral priorities to union members and to persons who have work experience under union contracts, which result in few Negroes being referred for employment. We find, therefore, that special measures are required to provide equal employment oppotunity in these seven trades.

In view of the foregoing, and in order to implement the affirmative action obligations imposed by the equal employment opportunity clause in Executive Order 11246, and in order to assure that the requirements of this Order conform to the principles of competitive bidding, as construed by the Comptroller General of the United States, the Office of Federal Contract Compliance finds that it is necessary that this Order, requiring bidders to commit themselves to specific goals of minority manpower utilization, be issued.

5. ACCEPTABILITY OF AFFIRMATIVE ACTION PROGRAMS

A bidder's affirmative action program will be acceptable if the specific goals set by the bidder meet the definite standards determined in accordance with Section 6 below. Such goals shall be applicable to each of the designated trades to be used in the performance of the contract whether or not the work is to be subcontracted. However, participation in a multi-employer program approved by OFCC shall be acceptable in lieu of a goal for the trade involved in such training program. In no case shall there be any negotiation over the provisions of the specific goals submitted by the bidder after the opening of bids and prior to the award of the contract.

6. SPECIFIC GOALS AND DEFINITE STANDARDS

a. *General.* The OFCC Area Coordinator, in cooperation with the Federal contracting or administering agencies in the Philadelphia area, will determine the definite standards to be included in the invitation for bids or other solicitation used for every Federally-involved construction contract in the Philadelphia area, when the estimated total cost of the construction project exceeds $500,000. Such definite standards shall specify the range of minority manpower utilization expected for each of the designated trades to be used during the performance of the construction contract. To be eligible for the award of the contract, the bidder must, in the affirmative action program submitted with his bid, set specific goals of minority manpower utilization which meet the definite standard included in the invitation or other solicitation for bids unless the bidder participates in an affirmative action program approved by OFCC.

b. *Specific Goals:*

(1) The setting of goals by contractors to provide equal employment opportunity is required by Section 60–1.40 of the Regulations of this Office (41 CFR § 60–1.40). Further, such voluntary organization of businessmen as Plans for Progress have adopted this sound approach to equal opportunity just as they have used goals and targets for guiding their other business decisions. (See the Plans for Progress booklet Affirmative Action Guidelines on page 6.)

(2) The purpose of the contractor's commitment to specific goals is to meet the contractor's affirmative action obligations and is not intended and shall not be used to discriminate against any qualified applicant or employee.

c. *Factors Used in Determining Definite Standards.* A determination of the definite standard of the range of minority manpower utilization shall be made for each better-paid trade to be used in the performance of the contract. In determining the range of minority manpower utilization that should result from an effective affirmative action program, the factors to be considered will include, among others, the following:

(1) The current extent of minorly group participation in the trade.

(2) The availability of minority group persons for employment in such trade.

(3) The need for training programs in the area and/or the need to assure demand for those in or from existing training programs.

(4) The impact of the program upon the existing labor force.

7. INVITATION FOR BIDS OR OTHER SOLICITATIONS FOR BIDS

Each Federal agency shall include, or require the applicant to include, in the invitation for bids, or other solicitation used for a Federally-involved construction contract, when the estimated total cost of the construction project exceeds $500,000, a notice stating that to be eligible for award, each bidder will be required to submit an acceptable affirmative action program consisting of goals as to minority group participation for the designated trades to be used in the performance of the contract—whether or not the work is subcontracted. Such notice shall include the determination of the range of minority group utilization (described in Section 6 above) that should result from an effective affirmative action program based on an evaluation of the factors listed in Section 6c. The form of such notice shall be substantially similar to the one attached as an appendix to this Order. To be acceptable, the affirmative action program must contain goals which are at least within the range described in the above notice. Such goals must be provided for each designated trade to be used in the performance of the contract except that goals are not required with respect to trades covered by an OFCC approved multi-employer program.

8. POST-AWARD COMPLIANCE

a. Each agency shall review contractors' and subcontractors' employment practices during the performance of the contract. If the goals set forth in the affirmative action program are being met, the contractor or subcontractor will be presumed to be in compliance with the requirements of Executive Order 11246, as amended, unless it comes to the agency's attention that such contractor or subcontractor is not providing equal employment opportunity. In the event of failure to meet the goals, the contractor shall be given an opportunity to demonstrate that he made every good faith effort to meet his commitment. In any proceeding in which such good faith performance is in issue, the contractor's entire compliance posture shall be reviewed and evaluated in the process of considering the imposition of sanctions. Where the agency finds that the contractor or subcontractor has failed to comply with the requirements of Executive Order 11246, the implementing regulations and its obligations under its affirmative ac-

[1] Marshall and Briggs, *Negro Participation in Apprenticeship Programs* (Dec. 1966), pg. 91.

[2] These findings were based on a detailed examination of available facts relating to building trades unions, area construction volume and demographic data.

tion program, the agency shall take such action and impose such sanctions as may be appropriate under the Executive Order and the regulations. Such noncompliance by the contractor or subcontractor shall be taken into consideration by Federal agencies in determining whether such contractor or subcontractor can comply with the requirements of Executive Order 11246 and is therefore a "responsible prospective contractor" within the meaning of the Federal procurement regulations.

b. It is no excuse that the union with which the contractor has a collective bargaining agreement failed to refer minority employees. Discrimination in referral for employment, even if pursuant to provisions of a collective bargaining agreement, is prohibited by the National Labor Relations Act and Title VII of the Civil Rights Act of 1964. It is the longstanding uniform policy of OFCC that contractors and subcontractors have a responsibility to provide equal employment opportunity if they want to participate in Federally-involved contracts. To the extent they have delegated the responsibility for some of their employment practices to some other organization or agency which prevents them from meeting their obligations pursuant to Executive Order 11246, as amended, such contractors cannot be considered to be in compliance with Executive Order 11246, as amended, or the implementing rules, regulations and orders.

9. EXEMPTIONS

a. Requests for exemptions from this Order must be made in writing, with justification, to the Director, Office of Federal Contract Compliance, U.S. Department of Labor, Washington, D.C., 20210, and shall be forwarded through and with the endorsement of the agency head.

b. The procedures set forth in the Order shall not apply to any contract when the head of the contracting or administering agency determines that such contract is essential to the national security and that its award without following such procedures is necessary to the national security. Upon making such a determination, the agency head will notify, in writing, the Director of the Office of Federal Contract Compliance within thirty days.

c. Nothing in this Order shall be interpreted to diminish the present contract compliance review and complaint programs.

10. AUTHORITY

This Order is issued pursuant to Executive Order 11246 (30 F.R. 12319, Sept. 28, 1965) Parts II and III; Executive Order 11375 (32 F.R. 14303, Oct. 17, 1967); and 41 CFR Chapter 60.

11. EFFECTIVE DATE

The provisions of this Order will be effective with respect to transactions for which the invitations for bids or other solicitations for bids are sent on or after July 18, 1969.

APPENDIX

(For Inclusion in the Invitation or Other Solicitation for Bids for a Federally-Involved Construction Contract When the Estimated Total Cost of the Construction Project Exceeds $500,000.)

NOTICE OF REQUIREMENT FOR SUBMISSION OF AFFIRMATIVE ACTION PLAN TO ENSURE EQUAL EMPLOYMENT OPPORTUNITY

1. It has been determined that in the performance of this contract an acceptable affirmative action program for the trades specified below will result in minority manpower utilization within the ranges set forth next to each trade: Identification of Trade; Range of Minority Group Employment.

2. The bidder shall submit, in the form specified below, with his bid an affirmative action program setting forth his goals as to minority manpower utilization in the performance of the contract in the trades specified below, whether or not the work is subcontracted.

The bidder submits the following goals of minority manpower utilization to be achieved during the performance of the contract: Identification of Trade; Estimated Total Employment for the Trade on the Contract; Number of Minority Group Employees.

(The bidder shall insert his goal of minority manpower utilization next to the name of each trade listed.)

3. The bidder also submits that whenever he subcontracts a portion of the work in the trade on which his goals of minority manpower utilization are predicated, he will obtain from such subcontractor an appropriate goal that will enable the bidder to achieve his goal for that trade. Failure of the subcontractor to achieve his goal will be treated in the same manner as such failure by the prime contractor prescribed in Section 6 of the Order from the Office of Federal Contract Compliance to the Heads of All Agencies regarding the Revised Philadelphia Plan, dated June 27, 1969.

4. No bidder will be awarded a contract unless his affirmative action program contains goals falling within the range set forth in paragraph 1 above, provided, however, that participation by the bidder in multi-employer program approved by the Office of Federal Contract Compliance will be accepted as satisfying the requirements of this Notice in lieu of submission of goals with respect to the trades covered by such multi-employer program. In the event that such multi-employer program is applicable, the bidder need not set forth goals in paragraph 2 above for the trades covered by the program.

5. For the purpose of this Notice, the term minority means Negro, Oriental, American Indian and Spanish Surnamed American. Spanish Surnamed American includes all persons of Mexican, Puerto Rican, Cuban or Spanish origin or ancestry.

6. The purpose of the contractor's commitment to specific goals as to minority manpower utilization is to meet his affirmative action obligations under the equal opportunity clause of the contract. This commitment is not intended and shall not be used to discriminate against any qualified applicant or employee.

7. Nothing contained in this Notice shall relieve the contractor from compliance with the provisions of Executive Order 11246 and the equal opportunity clause of the contract with respect to matters not covered in this Notice, such as equal opportunity in employment in trades not specified in this Notice.

8. The bidder agrees to keep such records and to file such reports relating to the provisions of this Order as shall be required by the contracting or administering agency.

## ORDER OF BUSINESS

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## SENATE RESOLUTION 228—RESOLUTION RELATING TO GENEVA PROTOCOL OF 1925 BANNING THE FIRST USE OF GAS AND BACTERIOLOGICAL WARFARE

Mr. HARTKE. Mr. President. I submit a resolution for myself, and other Senators, which reads:

*Resolved*, That it is the sense of the Senate that the President of the United States should resubmit the Geneva Protocol of 1925 banning the first-use of gas and bacteriological warfare to the United States Senate for advice and consent to ratification.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution (S. Res. 228) was referred to the Committee on Foreign Relations.

Mr. HARTKE. Mr. President, the Geneva Protocol should be ratified. It was in April of 1915 on the Western front at Ypres, the German army attacked with chlorine gas, a chemical agent inducing coughing, retching, and finally lethal asphyxiation. The French, British, and Americans began using the same horrible weapon and by the end of the war nearly 100,000 men had been killed by gas and over 1 million men were blinded or crippled by gas. The horrors of chemical and biological warfare inspired the drafting of an international agreement at Geneva in 1925. This agreement banning the use of chemical and biological weapons was based on the understanding that chemical and biological warfare had been "justly condemned by the general opinion of the civilized world." Since that time, in spite of a terrible global war, chemical and biological weapons have never been used in struggles between major powers.

The Geneva Protocol is one of the few examples of successful agreement in arms limitation. It is a rare act of sanity. I wish I could say that the United States has participated in this noble venture.

The United States is one of the few large nations in the world which has withheld ratification of the Geneva Protocol. It may surprise some citizens of the United States to learn that this country introduced the protocol at Geneva, endorsed its purposes over the years, voted for a United Nations resolution inviting others to sign, and yet we have never actually ratified the protocol ourselves. In the hope that our negligence can be corrected, I submit today a resolution expressing the sense of the Senate that President Nixon resubmit the Geneva Protocol of 1925 to the U.S. Senate for ratification.

I am extremely honored and pleased to be joined in this resolution by many of my distinguished colleagues. Joining me as cosponsors are: CLAIBORNE PELL of Rhode Island, MIKE GRAVEL of Alaska, STEPHEN YOUNG of Ohio, JENNINGS RANDOLPH of West Virginia, MARLOW COOK of Kentucky, ABRAHAM RIBICOFF of Connecticut, WILLIAM PROXMIRE of Wisconsin, PHILIP HART of Michigan, DANIEL INOUYE of Hawaii, CHARLES PERCY of Illinois, ROBERT PACKWOOD of Oregon, FRED HARRIS of Oklahoma, EDMUND MUSKIE of Maine, WALTER MONDALE of Minnesota, BIRCH BAYH of Indiana, EUGENE MCCARTHY of Minnesota, HARRISON WILLIAMS of New Jersey, JOSEPH TYDINGS of Maryland, HAROLD HUGHES of Iowa, and ALAN CRANSTON of California.

This resolution is similar but not identical to a resolution introduced in the House of Representatives by Congressman RICHARD MCCARTHY of New York. The House resolution now has 96 cosponsors.

By requesting reconsideration of the protocol, I hope to do more than simply correct a past mistake. Chemical and biological warfare, as we know, is a current issue, and this resolution will be considered at a time when public doubts and fears about chemical and biological warfare have promoted a full-scale administrative review of America's CBW policies. In the hope that this policy review will yield a consensus for responsibility and restraint, I ask the Senate to consider the need to formalize our intention never to initiate war with lethal chemicals or disease.

It may seem improbable to us today that the U.S. Senate has never ratified the 1925 protocol. Every other nuclear power is presently a party to the treaty. Except for the United States, every member of the NATO and Warsaw pacts has ratified. Except for tiny Albania, every nation in Europe has ratified. Indeed, except for the United States and Japan, the protocol has been agreed to by every industrial nation in the world, including both Russia and China.

One would assume that the Senate had some good reason to reject such a widely accepted treaty, but a brief look at history indicates just the opposite—our failure to ratify the protocol was circumstantial, somewhat accidental, and certainly premature.

As a matter of record, the protocol was introduced at Geneva by the head of the American delegation, Representative Theodore E. Burton of Ohio, with the full support of President Coolidge and Secretary of State Kellogg. The language of the protocol was patterned after a ban on chemical and biological warfare which had been sponsored by the American delegation at the Washington Conference on Arms Limitation, held 3 years earlier, in 1922. This earlier document had been accepted by the Senate without a dissenting vote, and would have become international law had it not been for French objections to certain restrictions on submarines. When our representatives signed the protocol in Geneva, therefore, they did not anticipate opposition in the Senate, and they certainly did not anticipate the circumstances that would prevent the treaty from ever coming to a vote.

In the year that passed before Senate consideration of the agreement, however, the Army Chemical Warfare Service was able to mobilize determined resistance from veterans groups, the American Chemical Society, and the chemical industries at large. The leader of the opposition, Senator Wadsworth, argued that the treaty would be torn up in time of war, and with the support of his powerful Military Affairs Committee he was able to block ratification. Advocates of the protocol were poorly prepared—perhaps overconfident, they neglected to take the same steps which led to unanimous acceptance of the earlier CBW treaty. They failed to send Senate representatives to Geneva with our negotiators, and they failed to enlist the support of an advisory committee of prominent citizens which had been influential in the earlier decision. The protocol never came to a vote. It languished for 20 years in the Foreign Relations Committee, and was finally sent back to the White House with all unratified treaties which had been submitted prior to 1941.

Since Senate rejection of the protocol in 1926, several developments have occurred fully justifying our reconsideration of that early decision. First, the Senate acted in 1926 before all major nations of the world had signed the protocol. The Geneva protocol came into force on February 8, 1928, without being ratified by several large nations. It was not until 2 months later, when the Soviet Union agreed to the protocol, that the strength of the agreement became apparent. The Soviets signed "with reservations," promising never to initiate chemical or biological war, but preserving the option to retaliate if CBW was used against them first. When Great Britain and France acceded to the protocol along similar lines, the Geneva ban was effectively modified to restrict only the "first-use" of chemical and biological warfare. This more acceptable restriction proved immediately popular, and it has served as the basis for solid international agreement ever since.

Also, the Senate acted on the false assumption that the protocol would be "torn up" in the time of war. If the Senate could have known in 1926 that a second world war would be fought, even larger than the Great War they remembered so well, without the use of chemical or biological weapons, they surely would have joined in a formal ban on such weapons. Furthermore, if the Senate had known in 1926 that an American President, Franklin D. Roosevelt, would one day define our Chemical and Biological Warfare policy with words taken from the 1925 protocol, they might have considered ratification more carefully. In 1943, in the middle of the war, President Roosevelt paraphrased the protocol in his response to rumors of German plans to initiate gas warfare:

> Use of such weapons has been outlawed by the general opinion of civilized mankind. This country has not used them. I state categorically that we shall under no circumstances resort to the use of such weapons unless they are first used by our enemies.

Clearly, the Senate rejection of the protocol was premature. In retrospect, it seems certain that we would have accepted the protocol in 1926 if we had known at the time that so many other nations would sign, or if we had known that our own expressed policy would someday be entirely consistent with the provisions of the protocol.

Mr. President, our neglect of the protocol represents a needless inconsistency. On numerous occasions since the Roosevelt proclamation, we have reaffirmed our official policy of "no first-use." In 1945, when the War Department suggested the use of poison gas in the invasion of Iwo Jima, Adm. Chester Nimitz made the tough decision not to use gas because, as he said:

> The United States should not be the first to violate the Geneva Convention."

Throughout the Korean conflict we jealously guarded this record of restraint in the face of vicious enemy propaganda. More recently, in 1965, Secretary of State Dean Rusk chose to defend our Vietnam weapons policy in terms of its consistency with the Geneva protocol. And 1 year later the United States even cosponsored the operative paragraph in a United Nations resolution calling for strict observance by all states of the principles and objectives of the Geneva protocol, and condemning all action contrary to those objectives. The United States voted for this 1966 resolution along with 100 other nations. In explaining our vote at that time, the American Ambassador said:

> While the United States is not a party to the Protocol, we support the worthy objectives which it seeks to achieve. We have repeatedly endeavored to find adequate means to attain those objectives.

In 1967, the Deputy Secretary of Defense restated our "no first-use" policy in testimony before the Subcommittee on Disarmament of the Committee on Foreign Relations of the Senate. He said:

> It is clearly our policy not to initiate the use of lethal chemicals or lethal biologicals.

In April of this year, 1969, John S. Foster, Jr., the Director of Defense, Research and Engineering, reaffirmed our intention to abide by the spirit of the protocol. Making a specific reference to biological weapons, he said:

> The United States policy and its rationale with regard to biological warfare is generally the same as for chemical. As a matter of policy the United States will not be the first to use biological weapons . . .

Finally, Secretary of Defense Melvin Laird is reported in the New York Times of July 29 as asserting that the United States will never use chemical and biological warfare first.

At this point, it is only natural to wonder why we have never taken the trouble to ratify the protocol, if our policy is truly consistent with its purposes and with its provisions. The passage of time, of course, is probably the biggest reason; any policy or nonpolicy becomes sacrosanct after 43 years.

But the inconsistency of our position is sustained by more than its own inertia—there are those in the Government, particularly in the Pentagon, who have bitterly opposed a "no first-use" policy over the years, and these people are fighting hard to keep the legal door open for their techniques of chemical and biological war. Beneath the surface, our expressed policy of restraint is seriously jeopardized by formal neglect of the Geneva ban. The danger is apparent in the language of the "U.S. Army Field Manual on the Laws of Land Warfare (1956)":

> The United States is not a party to any treaty now in force, that prohibits or restricts the use in warfare of toxic or nontoxic gases . . . or of bacteriolotical warfare. The Geneva Protocol . . . is not binding on this country.

A similar hedge against a policy of restraint is found in official Pentagon statements. When asked to comment on a 1959 congressional resolution calling for limitations on chemical and biological warfare, the Defense Department replied:

> No reason is perceived why biological and chemical weapons should be singled out for this special declaration.

Even more disturbing is the casual attitude of Brig. Gen. J. H. Rothschild, the former head of the Army's CBW program. In response to questions about the purposes of our CBW arsenal, General Rothschild said that chemical weapons should be considered "just another weapon in our arsenal" and he noted that the use of germ warfare would, in his words, "depend upon the situation."

For all of these reasons, I feel that the Senate should request resubmission of the protocol for Senate ratification. Our expressed policy needs the reinforcement of a formal agreement; only then will we be sure that our CBW arsenal is under reliable control.

Objections will be raised, of course. We may be told that ratification of the protocol will restrict the use of tear gases and herbicides, such as those employed in Vietnam at the present time. Admittedly, some international lawyers have tried to include riot control agents and defoliants under the Geneva ban. But official American interpretations do not, and no international consensus exists to effectively challenge our position. I have written elsewhere at length on American military tactics in Southeast Asia, and I can assure my colleagues that I have serious personal reservations about some of the uses we have made of tear gas in Vietnam. But it would make no sense to postpone ratification of the Geneva Protocol until Vietnam is behind us; the present hostilities only make the need for formal restraints more urgent and more compelling. We must not be distracted by unnecessary controversy; Vietnam need not confuse our purposes. The Defense Department contends that it is presently abiding by the terms of the Geneva Protocol, and it will be useful for our purposes to accept that position.

The objection will also be raised that ratification of the Geneva protocol will somehow tie the hands of American delegates at the current arms limitation discussions in Geneva. But just the opposite is the case: our continuing neglect of the Geneva protocol has long been a crippling liability for American diplomats. We are continually embarrassed when Soviet delegates remind us that we are not a party to this widely accepted international agreement. During the Korean conflict, when cold war propaganda was at a premium, American discussion in the United Nations of Soviet CBW policies was quickly cut off by a Soviet reminder that our neglect of the Geneva protocol gave us no room to talk. And as recently as July 10 of this year, a Soviet delegate in Geneva avoided responsible comment on a new treaty proposal by suggesting that the 1925 Geneva agreement should be "strengthened" first, which was a thinly veiled reference to America's reluctance to ratify. Clearly, ratification of the protocol would strengthen America's bargaining position in arms control talks. This conclusion is shared by Prof. George Bunn, the former general counsel for the Arms Control and Disarmament Agency and the former American delegate to the 18 Nation Disarmament Committee at Geneva.

Finally, someone may argue that we should not act while the current policy review is being conducted and while new discussions are under way in Geneva. But what better time to express the sense of the Senate on this important matter than the present, when crucial policy decisions are in the process of being made, when minds are open, and when positions are still flexible. If we wait for others to speak, we will only weaken the import of what we have to say. The Department of Defense continues to speak out on chemical and biological warfare. Why must the Senate remain silent?

In fact, the Senate has a special obligation to express itself on the Geneva Protocol. In recent months chemical and biological warfare has become a source of considerable public alarm. Legitimate questions about the Utah sheep-kill, nerve gas disposal, open-air testing, and stockpiling overseas could lead to ungrounded fears and uncontrolled emotions. Indeed, public fears about chemical and biological warfare may grow to be as serious a problem as CBW itself. For this reason, the purposes of our CBW program must be clarified as soon as possible. What better way to restore publice confidence than to formalize our existing promise never to initiate chemical or biological warfare? And where will we find a better formal agreement than the 1925 Geneva Protocol, a document with wide acceptance, modest purposes, and proven value?

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## EXTENSION OF THE SURTAX

Mr. MANSFIELD. Mr. President, as a result of conversations and conferences today with the distinguished minority leader, as well as his considerate remarks on the floor, other conferences and conversations with the distinguished senior Senator from Delaware (Mr. WILLIAMS), ranking Republican member of the Finance Committee, and other Senators on both sides of the aisle, on my own initiative I called a meeting of the Democratic Policy Committee, and the chairman of the Finance Committee and the Democrats on that committee were kind enough to accede to my request that they meet with us.

At that time we discussed the pros and cons of the situation which had developed. We were of the opinion that the Senate, as a responsible body, was at an impasse on a most vital question and that time was running out.

When I called the joint committee together, I stated to the members in attendance that, as far as I was concerned, I stood on the original 5-month extension and all the attributes thereto. That agreement was announced on the Senate floor last Thursday or Friday, and that agreement, by and large, still holds.

However, in an attempt to accommodate the Senate and the administration, the members of the joint committee discussed the matter of what could or should be done pro and con. Finally, the two committees unanimously—again, and every action taken by those two committees has been unanimous, I am happy to say—agreed that we ought to give heed to the suggestions made by the distinguished minority leader, and I believe the distinguished senior Senator from Delaware as well, that at least some consideration should be given to a 1 month's extension, from November 30 to December 31, because of the factors which they and others had enumerated as being of some urgency in this matter; the principal factor was the recomputation of the withholding rate from 10 percent to 9.165 percent and the difficulties caused to the business community thereby.

The distinguished chairman of the Finance Committee, who presided over most of the meeting, and other distinguished Senators then came up with suggestions which finally culminated in an agreement by the two committees that the chairman of the Finance Committee and I would meet with the distinguished minority leader, express to him what had happened in the meeting this afternoon, ask his advice and counsel, and see what, if anything, could be done to arrive at a mutually acceptable agreement—mutually acceptable in the sense that it was not necessarily satisfactory to any or all of us.

He informed us that he would be glad to give what consideration he could to our suggestion. We gave him, in outline only, the proposed unanimous-consent agreement which we had considered and agreed to unanimously. He said he wanted to take it up with the Senator from Delaware (Mr. WILLIAMS), the Senator from Colorado (Mr. ALLOTT), the Senator from North Dakota (Mr. YOUNG), the Senator from Maine (Mrs. SMITH), and others in the leadership, and would let us know later what the result was.

On the basis of what I consider to be a hard and fast agreement—and I emphasize hard and fast, and do so on the basis of good faith and mutual trust—it is my intention to ask unanimous consent—and I do this with the approval of the distinguished Senator from Mississippi (Mr. STENNIS), the chairman of the committee handling the pending business—at the appropriate time, to lay aside the pending business and turn to the consideration of Calendar No. 272, H.R. 9951.

It is my understanding that when this is done, the distinguished senior Senator from Delaware (Mr. WILLIAMS) will at that time withdraw his amendment having to do with the question of taxing foundations. I ask the Senator, is that a correct statement?

Mr. WILLIAMS of Delaware. That is correct.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. CURTIS. Mr. President, it is true that the amendment is the result of the efforts of my beloved friend, the distinguished Senator from Delaware. It was adopted by the Committee on Finance. I am anxious to expedite the procedure outlined here. Will it be possible for the Senator from Delaware to withdraw that amendment, or will it require some further action?

Mr. MANSFIELD. He can withdraw it voluntarily by unanimous consent. He has indicated he would, and I would expect that any other foundation amendment would find its way on the tax reform bill, which we confidently expect will be reported by the Committee on Finance not later than October 31.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. WILLIAMS of Delaware. As indicated in the earlier colloquy, I told the Senator that if we could work out an arrangement we could use this bill as a vehicle to take care of the surcharge and the tax credit, I would be agreeable, but that amendment now being withdrawn will definitely be reoffered as a part of the tax reform package. In order to retain this as a bill dealing with these two subjects alone—namely, the questions of extending the surtax and of repealing the investment credit—I was willing to make that concession and would make the proper request immediately after the bill was called up.

Mr. MANSFIELD. Yes, that was the understanding, and the Senator from Delaware is a man of his word.

The ACTING PRESIDENT pro tempore. Does the Senator from Delaware ask unanimous consent at this time——

Mr. WILLIAMS of Delaware. The bill is not yet before the Senate.

Mr. MANSFIELD. No, it is not before the Senate at this time. I shall ask that it be laid before the Senate later.

To make the RECORD clear, before we lay aside the pending business and lay before the Senate this new proposal, I think it should be stated to the Senate that I am no parliamentary wizard, and there are lots of ways in which I could be cut short in handling such a delicate matter as this. But I am doing so because I have the utmost faith, trust, and confidence in the Members of this body, regardless of their positions on this particular bill.

In other words, what I am trying to say is that everything is on the table. Nothing in the way of subterfuge will be tried. We are trying to arrive, as men and women who have the interest of the Nation at heart and are aware of the present difficulties, at a solution to a most trying and most vexing problem, which confronts the Nation at this time.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HOLLAND. What would happen to the investment credit matter under the course of action the Senator suggests?

Mr. MANSFIELD. Frankly, I would hope that the amendment on investment credit which I understand is to be offered by the distinguished Senator from Delaware (Mr. WILLIAMS) will be defeated, not that there is not any merit to it, but with the assurance that, at an appropriate time—and the membership would have to trust the majority leader in that respect—I would call up the bill now on the calendar which contains the matter which the Senator has referred to, as well as the continuation of the excise taxes on telephones and automobiles and the exemptions for the lower income groups. It would not be lost in the shuffle, because what we are trying to do now is tend to just the surtax and its extension for 6 months.

Mr. HOLLAND. What bill is it that the Senator proposes to take up? I understood that he was proposing to take up the so-called surtax bill, which includes the investment credit and also the other two matters the Senator has mentioned.

Mr. MANSFIELD. I missed the first part of the Senator's query.

Mr. HOLLAND. I said my understanding was that the Senator intended to take up the bill which covered both the surtax extension and the investment credit cancellation, and the two other matters which the Senator mentioned.

Mr. MANSFIELD. We are not taking up Calendar No. 312, H.R. 12290, but rather Calendar No. 272, H.R. 9951. So the matter of the excise taxes, the matter of the exemptions for the lower-income groups, and the matter of the investment tax credit would remain on the calendar, and the Senate, if it concurred, would have to allow the majority leader, in conjunction with the minority leader, to call those matters up at an appropriate time.

Mr. HOLLAND. As I understand it, then, the investment credit and the matter which would exempt a number of small-income people from the payment of income taxes, and also the matters affecting the extension of excise taxes, will come up positively at a later date?

Mr. MANSFIELD. Yes. May I say that the matter of the exemption for lower income groups does not, under the House-passed bill, go into effect until January 1, 1970, and the matter of the excise taxes on automobiles and telephones does not expire until December 30, 1969. The effective date of the repeal of the investment tax credit will be April 18, 1969; that has been categorically emphasized.

Mr. HOLLAND. I thank the Senator. I think he has made the matter very clear.

Mr. LONG. Mr. President, let me clarify one thing.

My understanding is that after this matter of the extension of the surtax is disposed of, we will, at the earliest convenient date, on some proper vehicle, pass whatever we think is appropriate in the way of the repeal of the investment tax credit. I am not wedded to the precise mechanics; I have some doubt whether the House-passed surtax bill would be the right vehicle. I hope we do not try to agree on that right now.

Mr. MANSFIELD. All right. But let me say to the distinguished chairman of the Committee on Finance that the Senator from Montana is firmly wedded to what he said previously relative to the scheduling of this bill, which passed the House and came out of the Finance Committee; and as far as I am concerned, and I must be honest, it is my intention to stick to those three items, because, as I have said before, this is not a matter of politics, it is a matter of conviction. I want to see these items kept in the bill and called up at the appropriate time, but I want to see tax reform, too. I am sure that every Senator feels as I do. If, in the course of this explanation, any Members on the Democratic side of the Committee on Finance or of the Democratic Policy Committee should find that I am not stating the facts as they are or am misinterpreting them, I hope that they will please stand and correct me, because I want the record to be clear.

Mr. HOLLAND. Mr. President, will the Senator yield for one more question?

Mr. MANSFIELD. I yield.

Mr. HOLLAND. Do I correctly understand that the bill that is proposed to be enacted would cover the extension of the surtax at the rate of 10 percent throughout the rest of this year?

Mr. MANSFIELD. That is correct.

Mr. HOLLAND. Would it deal with the 5-percent extension proposed for the first half of next year?

Mr. MANSFIELD. No; but that is something which is in the future; it remains a part of the House-passed surtax bill.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. WILLIAMS of Delaware. As I understand it, the Senator from Louisiana plans to offer an amendment to extend the surcharge at the rate of 10 percent for the remaining 6 months of this calendar year. As a substitute for his amendment I will offer an amendment to extend the surcharge for a full year, or at a 10-percent rate for the remainder of this year and for the first 6 months of next year at the rate of 5 percent. What the Senate may decide to do will be its own decision. But the extension of the surtax for the full year will be before the Senate tomorrow. Likewise, the amendment to repeal the investment credit, with whatever modifications may be agreed upon, will be offered and voted upon tomorrow as a part of this package.

The repeal of the investment credit is, in my opinion, an important part of this tax bill. I appreciate the position of the Senator from Montana, but I feel that the Senate should decide this question now. I reserve the right to offer amendments dealing with both these points. I shall offer them and ask for a rollcall vote because I feel that both proposals should be agreed upon if we are effectively to cope with this inflation.

Mr. MANSFIELD. I have no doubt about that.

The Senator from Delaware is referring to an amendment he will offer tomorrow, if everything goes according to Hoyle.

Mr. WILLIAMS of Delaware. That is correct.

Mr. MANSFIELD. I am referring to the unanimous-consent agreement and

to the commitments which have been made, which I intend to uphold to the letter.

Mr. LONG. It is my hope that we can dispose of the investment tax credit matter prior to the major tax reform bill. It is a very important item. I think it is a reform which should be considered in and of itself, and I shall be glad to discuss it with the Senator from Delaware at any time. I hope that it will not have to wait until after October 31.

Mr. MANSFIELD. Oh, no; the Committee on Finance will report a tax reform bill before October 31, so I think what the Senator is now suggesting can be worked out. I merely want my position to be made clear. That position will be adhered to, and I think it will fit in with what the Senator from Louisiana has said.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. The Senator said he will present a unanimous-consent request at the appropriate time.

Mr. MANSFIELD. Yes.

Mr. JAVITS. Will that be tonight?

Mr. MANSFIELD. Yes.

Mr. JAVITS. I should like to lock in the reporting of a tax reform bill by October 31 as a part of the reason why I, and perhaps other Senators later, will not object to the unanimous-consent agreement.

Mr. MANSFIELD. Mr. President I appreciate what the Senator has said. However, if there is even one objection, that is it.

Mr. JAVITS. I understand that. We have all agreed on that. We will carry it out. We have to carry it out here within a given frame of reference.

Mr. MANSFIELD. The Senator is correct.

Mr. JAVITS. When an admission is made against interest, it is a lot more binding than one made in general conversation.

I have one other question to ask the Senator. It relates to the investment tax credit. The Democratic Policy Committee refers to the fact that it will have an ex post facto application. In other words, it will refer back to April 18, 1969.

Mr. MANSFIELD. Exactly.

Mr. JAVITS. Again, that had better be made extremely clear in all the give and take which now takes place so that the world may be warned about that date. That is the tradition in the tax business, even if one is not prepared to give warning, that that warning concerns a very important decision for businessmen.

I hope again that when the proper time comes, it will be made very clear by the majority leader, the minority leader, the chairman of the Finance Committee, and the ranking minority member that there is no departure from that respecting the whole economic community.

Mr. MANSFIELD. Mr. President, I have the definite assurance of the chairman of the Finance Committee and the ranking minority member of the Finance Committee and of the majority of the Finance Committee that that will be the case and that that date—April 18, 1969—will be adhered to. So, at least in that area there ought to be some stability in the business community.

Mr. WILLIAMS of Delaware. Mr. President, the Senator will have a chance to offer amendments dealing with either of these two subjects.

Mr. JAVITS. The Senator is correct. If anyone has any alternate plan, he may offer that as a substitute in the proper parliamentary manner to the amendment.

Mr. MANSFIELD. The Senator is correct.

Mr. JAVITS. Of course, a lot of amendments cannot be offered.

Mr. LONG. Mr. President, the point I would like to make clear is that it would be my hope that the Senate tomorrow would not agree to any immediate repeal of the investment tax credit for the reason that the committee has some work to be done on the matter. The Senate might want to look at the matter and understand the House bill and see whether it thinks we are right or whether the House is right.

We would be ready to report on that matter within a week.

Mr. MANSFIELD. No. We have to consider the three together. We have to consider the excises and the low-income groups. And I hope that we can get together. I think that we can if my beloved friend, the Senator from Louisiana, will keep in mind what we agreed to when the two committees met.

Mr. LONG. I thought I understood what we agreed to. It is not in writing, but I will be glad to discuss the matter with the majority leader.

I hope that we can dispose of the investment tax credit without waiting until we have a comprehensive overall tax reform bill.

Mr. MANSFIELD. Mr. President, the Senator mentioned the date of October 31. That looks to me like a reasonable date to arrive at a constructive agreement in that matter.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. STENNIS. Mr. President, so that all may know and also so that it may be on record and the press will know, as I understand the unanimous-consent request—and I will agree to it as I understand it, of course—it will be that the pending business will be temporarily set aside for the disposition of this matter. When this matter is disposed of, then the measure that has been temporarily set aside will become the pending business again.

Mr. MANSFIELD. As some comedian said, "Indubitably."

Mr. STENNIS. Mr. President, we may get to a vote early next week. Does the majority leader contemplate finishing the tax matter tomorrow?

Mr. MANSFIELD. I say to the distinguished Senator from Mississippi, "If it ain't finished by midnight tomorrow, that's it."

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. McCLELLAN. Mr. President, the Senator is not going to call up H.R. 12290. He is going to call up another bill.

Mr. MANSFIELD. The Senator is correct.

The ACTING PRESIDENT pro tempore. Will the Senator suspend until we have order?

The Senator may proceed.

Mr. McCLELLAN. Mr. President, the Senator will call up another bill, and to that bill he will offer an amendment which would simply extend the present income tax surcharge until December 31.

Mr. MANSFIELD. The Senator is correct.

Mr. McCLELLAN. Having done that, we anticipate that a reform tax bill will come from the House.

Mr. MANSFIELD. The Senator is correct.

Mr. McCLELLAN. That will be some time later, of course. I do not know if the majority leader knows when that will be. With respect to those other provisions of H.R. 12290, which involve the continuation of the excise taxes on automobiles and communications services for temporary periods, to terminate the investment credit, to provide a low-income allowance for individuals, and for other purposes. Do I understand that after this surtax bill has been passed, or the amendment which will be offered to the other bill, at some appropriate time the Senator will call up H.R. 12290 to give the Senate an opportunity to consider the other provisions which will not be considered under the unanimous consent agreement at this time?

Mr. MANSFIELD. The Senator is correct.

Mr. McCLELLAN. That means that the Senate will act on three separate tax bills.

Mr. MANSFIELD. The Senator is correct.

Mr. McCLELLAN. When is it proposed that the other two, if we act on this measure and dispose of the surtax as now suggested, will be acted on? What do we mean by "at some appropriate time"? What is within that time contemplation?

Mr. MANSFIELD. I would say somewhere in the vicinity of October 31, not later than that.

Mr. McCLELLAN. In other words, we hope to get to the other provisions of H.R. 12290 not later than October 31.

Mr. MANSFIELD. The Senator is correct, and very likely before then because of the enthusiasm in the Finance Committee for tax reform.

Mr. McCLELLAN. Mr. President, I was trying to ascertain whether the Senator would wait until the tax reform bill comes over and then use it as a vehicle for the other provisions of H.R. 12290.

Mr. MANSFIELD. That is something which would be under consideration, but my initial reaction is that we will consider them both separately.

Mr. McCLELLAN. That is what I wanted to find out. So we can expect to consider three separate tax bills before the adjournment of this session of Congress.

Mr. MANSFIELD. The Senator is correct. All of the provisions of the three separate bills will be considered before

the adjournment of this session of the Congress.

Mr. McCLELLAN. I thank the Senator.

Mr. MANSFIELD. Mr. President, if I may read the agreement contained in the RECORD of Friday, July 25, it is the genesis of the understanding which hopefully will soon be arrived at:

The Democratic Policy Committee and the Democratic members of the Finance Committee have agreed upon the following understanding: (1) Support an extension of the surtax until November 30, 1969.

I would interpolate there and change that date as of now to December 31, 1969.

I continue to read:

This will be accomplished by attaching this temporary extension to a separate House-passed bill. The House-passed surtax extension containing the investment credit repeal, the extension of the excise taxes, and the change of the standard deduction will remain on the Senate Calendar until the tax reform bill is reported by the Senate Finance Committee.

2. The chairman of the Finance Committee and the Democratic members of that committee have given their assurance that the tax reform package will be reported to the full Senate not later than October 31, 1969.

3. The Democratic Policy Committee has endorsed the position of the Finance Committee that the date of the investment tax credit repeal—

I would call this to the attention of the Senator from New York.

will be identical to that date in the House-passed bill (April 18, 1969). The endorsement was at the specific request of the Democratic Finance Committee members to assure all that the investment credit repeal is endorsed and the date is specified as contained in the bill on the Senate Calendar.

Pursuit of this understanding in the Senate is contingent upon its acceptance by the Administration and the Republican leadership which has been pressing in the Finance Committee and on the Senate floor for the extension of the surtax. May I say that many of the Members present today went along with this understanding notwithstanding grave reservations about the usefulness of the continuance of the surtax as an anti-inflationary measure. The approach is offered as an accommodation to the Administration.

And this undercurrent of feeling still exists on this side of the aisle.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. WILLIAMS of Delaware. I think there may be some misunderstanding. I realize that that was the earlier proposal, but it is my understanding that what we are agreeing on today is that we will make H.R. 9951 the pending business. That will be made the pending business, following which I shall ask for the removal of sections 5 and 6, which embrace the foundation amendments.

Mr. MANSFIELD. That is correct.

Mr. WILLIAMS of Delaware. And that would leave it a clean bill, dealing only with the acceleration of the payment of withholding taxes. From that point on, under this agreement, as I understand what has been agreed upon, any amendment dealing with the questions of the extension of the surtax, at what rates, and for what period, will be in order, and also an amendment to repeal the 7-percent investment credit along the lines of the House bill or as modified will likewise be in order under this agreement.

On this bill amendments dealing with those two subjects—that is, the question of the extension of the surcharge, at what rates, and for what period and the question of whether we do or do not repeal the investment credit and, if so, at what date and what exemption there may be—all these would be eligible items to be voted on under this agreement.

Mr. MANSFIELD. Yes. All I was doing was restating the unanimous agreement on this side of the aisle, so that the RECORD would be clear as to the position of the Senator from Montana.

Mr. WILLIAMS of Delaware. I understand that, but some Members on this side just want to be sure that the record is clear and that they will not be precluded from the chance of voting on both these proposals.

Mr. MANSFIELD. No. But that is an understanding that I hope would be given recognition. The only substantive change is the change of date from November 30, 1969, to December 31, 1969.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. CURTIS. This unanimous-consent proposal calls for 1 hour of consideration on each amendment. Is that correct?

Mr. MANSFIELD. Yes.

Mr. CURTIS. Does that apply to an amendment to an amendment?

Mr. MANSFIELD. Yes.

Mr. President, do any of my colleagues have any comment to make as to what I should have said or what I did say that I should not have said?

Mr. LONG. Mr. President, if I might interject one point, I understand what the majority leader has said. I think I made the motion or part of the motion to which we agreed, and it was my hope that we would move to repeal the investment tax credit long before October 31. But I will seek to discuss that matter with the majority leader later.

It is my thought that as soon as the Committee on Finance could recommend what the committee thinks should be done, and as soon as the majority leader could schedule it, we would offer the Senate a chance to vote on the investment tax credit. I hope that will be long before we complete action on what the House is working on.

Mr. MANSFIELD. It could be, but it would not be any later than October 31.

Mr. WILLIAMS of Delaware. It could be that it would be repealed tomorrow, too.

Mr. MANSFIELD. Oh, no. I hope the Senator is not overestimating the appeal of his amendment on this bill. I feel confident of its repeal at a latter date.

## COLLECTION OF FEDERAL UNEMPLOYMENT TAX

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily, and that the Senate proceed to the consideration of Calendar No. 272, H.R. 9951.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none and it is so ordered.

The bill will be stated by title.

The BILL CLERK. A bill (H.R. 9951) to provide for the collection of the Federal unemployment tax in quarterly installments during each taxable year; to make status of employer depend on employment during preceding as well as current taxable year; to exclude from the computation of the excess the balance in the employment security administration account as of the close of fiscal years 1970 through 1972; to raise the limitation on the amount authorized to be made available for expenditure out of the employment security administration account by the amounts so excluded; and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Finance with amendments.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I send to the desk a unanimous-consent request and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The unanimous-consent request will be stated.

The bill clerk read as follows:

*Ordered,* That, effective immediately H.R. 9951 be made the pending business and that during its further consideration, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to one hour, to be equally divided and controlled by the mover of any such amendment or motion and the Chairman of the Committee: *Provided,* That in the event the Chairman is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of any amendment dealing exclusively with the extension of the surtax or the repeal of the investment tax credit shall be received.

*Ordered further,* That on the question of the final passage of the said bill debate shall be limited to two hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided,* That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

The ACTING PRESIDENT pro tempore. Is there objection to the unanimous-consent request?

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. Mr. President, I have discussed this with the Senator from Montana (Mr. MANSFIELD), and we have agreed that we would deal with this question in this colloquy.

I have proposed an amendment which would make it the sense of Congress that on or before the end of this session, we would consider a meaningful tax reform bill. Now, appreciating the good faith involved—to which I thoroughly subscribe—I only point out that the commitment to bring in a tax reform package, as it is called in the Democratic policy committee's resolution, is only a resolution of the Democratic policy committee

and the Democratic part of the Committee on Finance.

I would therefore ask—as this now becomes part of an action which is against the interests of myself, who wishes to present such an amendment—if the majority leader, the chairman of the Committee on Finance, and, very important, the minority leader, and the ranking minority member of the Committee on Finance, would represent to the Senate that it is their purpose—I am using these words very advisedly—to bring up a tax reform package not later than October 31 and to use their best efforts toward that effect.

Mr. LONG. Mr. President, I have committed myself to the Democratic Senators on the policy committee and anyone else who is interested in the matter on this side of the aisle that I would endeavor to see that we would report a tax reform bill not later than October 31 of this year. It is my intention that we would report whatever bill the House sends us, with our amendments. If the Senator likes the House amendments better than the Senate amendments, he can vote for the House amendments. If he does not like either, he may offer his own amendments, as I am sure he will.

Mr. MANSFIELD. The answer of the Senator from Montana is "yes."

Mr. JAVITS. May we hear from the minority leader and the ranking minority member of the Committee on Finance?

Mr. DIRKSEN. Mr. President, I was advised that as of this day they are going to file the tax reform bill in the House. The House Ways and Means Committee has done this ahead of the time schedule. If they file it today, it will be filed before the month of July has ended. If we cannot get tax reform between July and October 31, we evidently will have gone fishing somewhere or have been recreant in our duty. It seems to me that we can get it done long before the 31st of October.

Mr. JAVITS. I call that, I say to the minority leader, a Dirksenian "yes." [Laughter.]

Mr. WILLIAMS of Delaware. Mr. President, as the original author of many of these tax reform proposals, I will do my best to get them to a vote at an early date. I learned long ago not to say what we can or cannot do so far as the Committee on Finance is concerned.

Mr. JAVITS. I thank my colleagues.

The ACTING PRESIDENT pro tempore. The Senator from Montana has propounded a unanimous-consent agreement. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield briefly?

Mr. WILLIAMS of Delaware. I yield.

Mr. MANSFIELD. Mr. President, for the information of the Senate, and I do not desire to keep Senators here too long because I know that many Senators have engagements, the first motion will be made by the Senator from Delaware to withdraw an amendment.

Mr. WILLIAMS of Delaware. I was going to do that now.

Mr. MANSFIELD. Then, I understand the chairman of the Committee on Finance will lay down his amendment to extend the surtax to December 31, 1969. There will be no voting tonight. We will come in at 11 o'clock tomorrow. There will be two speeches which will take up the hour until 12 o'clock, there will be no morning hour, and then at 12 o'clock noon we will start on the bill.

The ACTING PRESIDENT pro tempore. Does the Senator from Montana wish to make a unanimous consent agreement?

## ORDER FOR RECESS TO 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 11 a.m. tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER FOR RECOGNITION OF SENATOR THURMOND AND SENATOR AIKEN TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that tomorrow, after the prayer and approval of the journal, the distinguished Senator from South Carolina (Mr. THURMOND) be recognized for a period not to exceed one-half hour; that then the distinguished Senator from Vermont (Mr. AIKEN) be recognized for a period not to exceed one-half hour; that there be no morning hour, and that at the conclusion of the speeches by the Senator from South Carolina and the Senator from Vermont the Senate take up the business at hand.

The PRESIDING OFFICER. Is there objection? The Chair hears no objection, and it is so ordered.

## COLLECTION OF FEDERAL UNEMPLOYMENT TAX

The Senate resumed the consideration of the bill (H.R. 9951) to provide for the collection of the Federal unemployment tax in quarterly installments during each taxable year; to make status of employer depend on employment during preceding as well as current taxable year; to exclude from the computation of the excess the balance in the employment security administration account as of the close of fiscal years 1970 through 1972; to raise the limitation on the amount authorized to be made available for expenditure out of the employment security administration account by the amounts so excluded; and for other purposes.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent to withdraw the amendment of H.R. 9951, beginning with line 3, on page 8, and through the remainder of the bill, which strikes out sections 5 and 6.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT NO. 109

Mr. LONG. Mr. President, I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk proceed to read the amendment.

Mr. LONG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment (No. 109), ordered to be printed in the RECORD, is as follows:

At the end of the bill add the following new sections:

"Sec. 5. Extension of tax surcharge.

"(a) SURCHARGE EXTENSION.—Section 51(a) of the Internal Revenue Code of 1954 (relating to imposition of tax surcharge) is amended—

"(1) by striking out so much of paragraph (1)(A) as follows the table heading "CALENDAR YEAR 1969" and inserting in lieu thereof the following:

"'TABLE 1.—SINGLE PERSON (OTHER THAN HEAD OF HOUSEHOLD) AND MARRIED PERSONS FILING SEPARATE RETURN

| "'If the adjusted tax is: | | |
|---|---|---|
| At least | But less than | The tax is— |
| 0 | $148 | 0 |
| $148 | 153 | $1 |
| 153 | 158 | 2 |
| 158 | 163 | 3 |
| 163 | 168 | 4 |
| 168 | 173 | 5 |
| 173 | 178 | 6 |
| 178 | 183 | 7 |
| 183 | 188 | 8 |
| 188 | 193 | 9 |
| 193 | 198 | 10 |
| 198 | 203 | 11 |
| 203 | 208 | 12 |
| 208 | 213 | 13 |
| 213 | 218 | 14 |
| 218 | 223 | 15 |
| 223 | 228 | 16 |
| 228 | 233 | 17 |
| 233 | 238 | 18 |
| 238 | 243 | 19 |
| 243 | 248 | 20 |
| 248 | 253 | 21 |
| 253 | 258 | 22 |
| 258 | 263 | 23 |
| 263 | 268 | 24 |
| 268 | 273 | 25 |
| 273 | 278 | 26 |
| 278 | 283 | 27 |
| 283 | 288 | 28 |
| 288 | 295 | 29 |
| 295 | 305 | 30 |
| 305 | 315 | 31 |
| 315 | 325 | 32 |
| 325 | 335 | 33 |
| 335 | 345 | 34 |
| 345 | 355 | 35 |
| 355 | 365 | 36 |
| 365 | 375 | 37 |
| 375 | 385 | 38 |
| 385 | 395 | 39 |
| 395 | 405 | 40 |
| 405 | 415 | 41 |
| 415 | 425 | 42 |
| 425 | 435 | 43 |
| 435 | 445 | 44 |
| 445 | 455 | 45 |
| 455 | 465 | 46 |
| 465 | 475 | 47 |
| 475 | 485 | 48 |
| 485 | 495 | 49 |
| 495 | 505 | 50 |
| 505 | 515 | 51 |
| 515 | 525 | 52 |
| 525 | 535 | 53 |
| 535 | 545 | 54 |
| 545 | 555 | 55 |
| 555 | 565 | 56 |
| 565 | 575 | 57 |
| 575 | 585 | 58 |
| 585 | 595 | 59 |
| 595 | 605 | 60 |
| 605 | 615 | 61 |
| 615 | 625 | 62 |
| 625 | 635 | 63 |
| 635 | 645 | 64 |
| 645 | 655 | 65 |
| 655 | 665 | 66 |
| 665 | 675 | 67 |
| 675 | 685 | 68 |
| 685 | 695 | 69 |
| 695 | 705 | 70 |
| 705 | 715 | 71 |
| 715 | 725 | 72 |
| 725 | 735 | 73 |
| 735 and over, 10% of the adjusted tax' | | |

" 'TABLE 2.—HEAD OF HOUSEHOLD

| " 'If the adjusted tax is: At least | But less than | The tax is— |
|---|---|---|
| 0 | $223 | 0 |
| $223 | 228 | $1 |
| 228 | 233 | 2 |
| 233 | 238 | 3 |
| 238 | 243 | 4 |
| 243 | 248 | 5 |
| 248 | 253 | 6 |
| 253 | 258 | 7 |
| 258 | 263 | 8 |
| 263 | 268 | 9 |
| 268 | 273 | 10 |
| 273 | 278 | 11 |
| 278 | 283 | 12 |
| 283 | 288 | 13 |
| 288 | 293 | 14 |
| 293 | 298 | 15 |
| 298 | 303 | 16 |
| 303 | 308 | 17 |
| 308 | 313 | 18 |
| 313 | 318 | 19 |
| 318 | 323 | 20 |
| 323 | 328 | 21 |
| 328 | 333 | 22 |
| 333 | 338 | 23 |
| 338 | 343 | 24 |
| 343 | 348 | 25 |
| 348 | 353 | 26 |
| 353 | 358 | 27 |
| 358 | 363 | 28 |
| 363 | 368 | 29 |
| 368 | 373 | 30 |
| 373 | 378 | 31 |
| 378 | 383 | 32 |
| 383 | 388 | 33 |
| 388 | 393 | 34 |
| 393 | 398 | 35 |
| 398 | 403 | 36 |
| 403 | 408 | 37 |
| 408 | 413 | 38 |
| 413 | 418 | 39 |
| 418 | 423 | 40 |
| 423 | 428 | 41 |
| 428 | 433 | 42 |
| 433 | 438 | 43 |
| 438 | 445 | 44 |
| 445 | 455 | 45 |
| 455 | 465 | 46 |
| 465 | 475 | 47 |
| 475 | 485 | 48 |
| 485 | 495 | 49 |
| 495 | 505 | 50 |
| 505 | 515 | 51 |
| 515 | 525 | 52 |
| 525 | 535 | 53 |
| 535 | 545 | 54 |
| 545 | 555 | 55 |
| 555 | 565 | 56 |
| 565 | 575 | 57 |
| 575 | 585 | 58 |
| 585 | 595 | 59 |
| 595 | 605 | 60 |
| 605 | 615 | 61 |
| 615 | 625 | 62 |
| 625 | 635 | 63 |
| 635 | 645 | 64 |
| 645 | 655 | 65 |
| 655 | 665 | 66 |
| 665 | 675 | 67 |
| 675 | 685 | 68 |
| 685 | 695 | 69 |
| 695 | 705 | 70 |
| 705 | 715 | 71 |
| 715 | 725 | 72 |
| 725 | 735 | 73 |
| 735 and over, 10% of the adjusted tax' | | |

" 'TABLE 3.—MARRIED PERSONS OR SURVIVING SPOUSE FILING JOINT RETURN

| " 'If the adjusted tax is: At least | But less than | The tax is— |
|---|---|---|
| 0 | $293 | 0 |
| $293 | 298 | $1 |
| 298 | 303 | 2 |
| 303 | 308 | 3 |
| 308 | 313 | 4 |
| 313 | 318 | 5 |
| 318 | 323 | 6 |
| 323 | 328 | 7 |
| 328 | 333 | 8 |
| 333 | 338 | 9 |
| 338 | 343 | 10 |
| 343 | 348 | 11 |
| 348 | 353 | 12 |
| 353 | 358 | 13 |
| 358 | 363 | 14 |
| 363 | 368 | 15 |
| 368 | 373 | 16 |
| 373 | 378 | 17 |
| 378 | 383 | 18 |
| 383 | 388 | 19 |

" 'TABLE 3.—MARRIED PERSONS OR SURVIVING SPOUSE FILING JOINT RETURN—Continued

| " 'If the adjusted tax is: At least | But less than | The tax is— |
|---|---|---|
| $388 | $393 | $20 |
| 393 | 398 | 21 |
| 398 | 403 | 22 |
| 403 | 408 | 23 |
| 408 | 413 | 24 |
| 413 | 418 | 25 |
| 418 | 423 | 26 |
| 423 | 428 | 27 |
| 428 | 433 | 28 |
| 433 | 438 | 29 |
| 438 | 443 | 30 |
| 443 | 448 | 31 |
| 448 | 453 | 32 |
| 453 | 458 | 33 |
| 458 | 463 | 34 |
| 463 | 468 | 35 |
| 468 | 473 | 36 |
| 473 | 478 | 37 |
| 478 | 483 | 38 |
| 483 | 488 | 39 |
| 488 | 493 | 40 |
| 493 | 498 | 41 |
| 498 | 503 | 42 |
| 503 | 508 | 43 |
| 508 | 513 | 44 |
| 513 | 518 | 45 |
| 518 | 523 | 46 |
| 523 | 528 | 47 |
| 528 | 533 | 48 |
| 533 | 538 | 49 |
| 538 | 543 | 50 |
| 543 | 548 | 51 |
| 548 | 553 | 52 |
| 553 | 558 | 53 |
| 558 | 563 | 54 |
| 563 | 568 | 55 |
| 568 | 573 | 56 |
| 573 | 578 | 57 |
| 578 | 585 | 58 |
| 585 | 595 | 59 |
| 595 | 605 | 60 |
| 605 | 615 | 61 |
| 615 | 625 | 62 |
| 625 | 635 | 63 |
| 635 | 645 | 64 |
| 645 | 655 | 65 |
| 655 | 665 | 66 |
| 665 | 675 | 67 |
| 675 | 685 | 68 |
| 685 | 695 | 69 |
| 695 | 705 | 70 |
| 705 | 715 | 71 |
| 715 | 725 | 72 |
| 725 | 735 | 73 |
| 735 and over, 10% of the adjusted tax' | | |

"(2) by striking out the table in paragraph (1)(B) and inserting in lieu thereof the following table:

| " 'Calendar year | Percent: Estates and trusts | Percent: Corporations |
|---|---|---|
| 1968 | 7.5 | 10.0 |
| 1969 | 10.0 | 10.0.' |

"(3) by striking out 'July 1, 1969' each place it appears in paragraph (2)(A) and inserting in lieu thereof 'January 1, 1970'.

"(b) RECEIPT OF MINIMUM DISTRIBUTIONS.—The last sentence of section 963(b) of such Code (relating to receipt of minimum distributions by domestic corporations) is amended by striking out 'June 30, 1969' and inserting in lieu thereof 'December 31, 1969'.

"(c) EFFECTIVE DATES.—

"(1) IN GENERAL.—The amendments made by subsections (a) and (b) shall apply to taxable years ending after June 30, 1969, and beginning before January 1, 1970.

"(2) DECLARATIONS OF ESTIMATED TAX.—If any taxpayer is required to make a declaration or amended declaration of estimated tax, or to pay any amount or additional amount of estimated tax, by reason of the amendments made by this section, such amount or additional amount shall be paid ratably on or before each of the remaining installment dates for the taxable year beginning with the first installment date on or after the 30th day after the date of enactment of this Act. With respect to any declaration or payment of estimated tax before such first installment date, sections 6015, 6154, 6654, and 6655 of the Internal Revenue Code of 1954 shall be applied without regard to the amendments made by this section. For purposes of this paragraph, the term "installment date" means any date on which, under section 6153 or 6154 of such Code (whichever is applicable), an installment payment of estimated tax is required to be made by the taxpayer.

Sec. 6. Extension of withholding tax.

"(a) Section 3402 of the Internal Revenue Code of 1954 (relating to income tax collected at source) is amended—

"(1) by striking out 'July 31, 1969' in subsection (a)(1) and inserting in lieu thereof 'December 31, 1969';

"(2) by striking out 'August 1, 1969' in subsection (a)(2) and inserting in lieu there of 'January 1, 1970'; and

"(3) by striking out 'August 1, 1969' in subsection (c)(6) and inserting in lieu there of 'January 1, 1970'.

"(b) The amendments made by this section shall apply with respect to wages paid after July 31, 1969, and before January 1, 1970."

Mr. LONG. Mr. President, the amendment is technical and I will not ask for a vote on the amendment tonight.

For the information of the Senate, the amendment would provide for a continuation of the 10-percent surtax until January 1; that is, it would provide for a continuation of the surtax until the end of this year.

All of the tables will be printed in the RECORD. If Senators read the technical language I doubt they would understand it. However, I am sure Senators can study the information in the RECORD and understand it. This would provide for an extension of the existing surtax until the end of this year. That is what the amendment amounts to.

It is my hope that the Senate will agree to this amendment. It is an amendment to a House bill on unemployment insurance. There was no controversy in the committee and as far as I know there is no opposition to the measure. Therefore, it would be my hope that the Senate could agree to the amendment, and that the House would also agree to it. This would solve this Nation's fiscal problems until we can legislate on the other revenue bills which have been discussed here today.

The ACTING PRESIDENT pro tempore. The amendment has been offered and the amendment is the pending business.

Mr. WILLIAMS of Delaware. Mr. President, for the information of the Senate——

The ACTING PRESIDENT pro tempore. Time is limited. Does the Senator yield time?

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the time limitation start tomorrow.

Mr. LONG. Mr. President, I ask unanimous consent that the limitation of time under the agreement start tomorrow rather than today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LONG. Mr. President, I yield to the Senator from Delaware.

Mr. WILLIAMS of Delaware. Mr. President, for the information of the Senate, after the time has run out on this amendment by the Senator from Louisiana, a substitute will be offered which embraces the language of the bill as it passed the House and which would extend the surtax at the rate of 10 percent for the remaining 6 months of this year, and at a 5-percent rate for the first 6 months of calendar year 1970, which would be the language of the House bill.

Mr. President, that proposal will be offered as a substitute for the amendment of the Senator from Louisiana. Later, the Senate will have a chance to vote on an amendment for the repeal of the investment credit, which again will be the same language as now included in H.R. 12290.

The ACTING PRESIDENT pro tempore. What is the pleasure of the Senate?

## RECESS UNTIL 11 A.M. TOMORROW

Mr. LONG. Mr. President, if there be no further business to come before the Senate at this time, I move, in accordance with the previous order, that the Senate stand in recess until 11 a.m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 15 minutes p.m.) the Senate took a recess until tomorrow, Thursday, July 31, 1969, at 11 a.m.

## CONFIRMATIONS

Executive nominations confirmed by the Senate July 30, 1969:

AMBASSADOR

Kenneth Franzheim II, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to New Zealand.

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

The following-named persons to be members of the General Advisory Committee of the U.S. Arms Control and Disarmament Agency:

I. W. Abel, of Pennsylvania.
Harold Brown, of California.
William J. Casey, of New York.
Douglas Dillon, of New Jersey.
William C. Foster, of the District of Columbia.
Kermit Gordon, of the District of Columbia.
James R. Killian, Jr., of Massachusetts.
John J. McCloy, of New York.
Lauris Norstad, of Ohio.
Peter G. Peterson, of Illinois.
J. P. Ruina, of Massachusetts.
Dean Rusk, of the District of Columbia.
William W. Scranton, of Pennsylvania.
Cyrus Roberts Vance, of New York.
John Archibald Wheeler, of New Jersey.

# HOUSE OF REPRESENTATIVES—*Wednesday, July 30, 1969*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*As we have opportunity let us do good unto all men.*—Galatians 6: 10

Almighty God, on this first day of the rest of our lives, we pause in Thy presence uniting our hearts in prayer unto Thee. Fill us with the power of Thy spirit that we may do our duties and carry our responsibilities with patient confidence and persistent courage.

As we seek cooperation among the nations of the world in an effort to bring peace on earth and good will to man may Thy truth be in our minds and Thy love in our hearts. Bless our President in his journey as he works toward this end.

Let us never be weary in well doing, let us always do good to all men, and let us forever seek the best even in the worst times.

In the name of Him who lived the good life we pray. Amen.

## THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 59. An act to authorize the Secretary of the Army to adjust the legislative jurisdiction exercised by the United States over lands within the Army National Guard Facility, Ethan Allen, and the U.S. Army Materiel Command Firing Range, Underhill, Vt.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1373) entitled "An act to amend the Federal Aviation Act of 1958, as amended, and for other purposes, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. CANNON, Mr. HART, Mr. COTTON, and Mr. PROUTY to be the conferees on the part of the Senate.

## OKLAHOMA IS PROUD OF BILL LUNN

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

Mr. EDMONDSON. Mr. Speaker, last week it was my pleasure to visit with two outstanding young Oklahomans, William D. Lunn, of Muskogee, and Rick J. Joseph, of Sapulpa, who were in Washington as Oklahoma's delegates to Boys' Nation.

Later in the week, I was understandably proud of Bill Lunn, of my hometown, when he won nomination on the Nationalist ticket and was elected vice president of Boys' Nation.

I know all Oklahomans share this pride in Bill; in his fine parents, Mr. and Mrs. Dick Lunn, of Muskogee; and in the American Legion of Oklahoma, which annually selects truly outstanding young men as its representatives at Boys' Nation.

Mr. Speaker, to my mind one of the finest programs in the country is the American Legion's Boys' State and Boys' Nation program, and, of course, the comparable Girls' State and Girls' Nation program. This belief is reaffirmed every time I have an opportunity to visit with the students who are selected to participate in these programs.

Bill Lunn is typical of these young men. He is intelligent, forthright, articulate, and able. And, in view of his successful race at Boys' Nation, he is obviously a first-rate campaigner.

Oklahoma is justifiably proud of Bill Lunn.

## CALL OF THE HOUSE

Mr. HALL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 128]

| | | |
|---|---|---|
| Adams | Dawson | Leggett |
| Anderson, Tenn. | Evins, Tenn. | Lipscomb |
| Ashley | Fish | Lujan |
| Brooks | Gallagher | Miller, Calif. |
| Broomfield | Goldwater | Pepper |
| Cahill | Gray | Pollock |
| Carey | Halpern | Powell |
| Celler | Hathaway | Reid, N.Y. |
| Clark | Jarman | Scheuer |
| Clay | Jones, Tenn. | Young |
| Davis, Ga. | Karth | |
| | Kirwan | |

The SPEAKER. On this rollcall 399 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## SOVIET-AMERICAN RELATIONS

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

Mr. SYMINGTON. Mr. Speaker, on July 10, Foreign Minister Gromyko, in a wide-ranging report on international affairs to the Supreme Soviet, stated:

The Soviet side is ready to study the possibilities of development of Soviet-American relations. For example, why not discuss the question of exchanging authoritative delegations between the U.S.S.R. Supreme Soviet and the U.S. Congress?

My question, Mr. Speaker, is twofold: First, does not the suggestion deserve the courtesy of a response? Second, should not the response be affirmative? The ambivalence of Soviet attitudes in the past weeks has reached almost Pavlovian proportions. On the one hand there has been renewed jamming of U.S. broadcasts, naval maneuvering in the Caribbean, and remorseless suppression of do-