ment for the people of North Viet-Nam; they imposed restrictions on the access to the points of departure in the north (the cities of Hanoi and Haiphong). I myself among many others in this audience—one of whom was with me on that dark and rainy night when we escaped—still recalled vividly how hard it was for us to march on the road to freedom.

As we reflect on the partition, however, we want very much to forget the awful past and to look forward to a brighter future. As a private citizen, I join another 37 million people, 20 million in the north and 17 million in the south, to express our desire and impatience for a free and peaceful Viet-Nam. Together with them, I wait for the day when other people will no longer have to refer to us as "North Vietnamese" and "South Vietnamese," but as "Vietnamese"—a day when our country may cooperate with other nations in the Southeast Asian community to march along the road of development and prosperity.

Let all those who claim to fight in the name of the people listen to the voice and aspirations of the people. Let all the leaders put forward their platforms to the people and allow them to decide for themselves: What system of government—how much of that government—and who is going to govern. A people who have made sacrifices beyond imagination for nearly one century in order to defend the principle of self-determination deserve the right to choose and to have that choice respected by their leaders. In my opinion, there is no other way more reasonable for this right to be exercised than through a genuinely free and orderly election for the entire population of Viet-Nam.

This road, which may be very long and difficult, is the only road which will eventually lead to a peace which will endure and to a country which will prosper. We seek, therefore, *not just a peace—but a just peace.*

MARYLAND SOLDIER KILLED IN VIETNAM

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 30, 1969

Mr. LONG of Maryland. Mr. Speaker, Lt. James P. Ward, an outstanding young officer from Maryland, was killed recently in Vietnam. I would like to commend his courage and honor his memory by including the following article in the RECORD:

BETHESDA MAN IS KILLED IN VIET ACTION

An Army lieutenant from Bethesda, Md., was killed in action in South Vietnam last Friday, the Pentagon reported yesterday.

First Lt. James P. Ward, 21, an adviser for a unit of the South Vietnamese Army, was killed in Phu Yen province when the unit was attacked during a night patrol.

Lieutenant Ward, the son of a Foreign Service officer, attended schools all over the world, including Southeast Asia and some Communist countries. He graduated from Walt Whitman High School in Bethesda.

He attended Montgomery County Junior College briefly before enlisting in the Army.

Lieutenant Ward graduated from Officers Candidate School at Fort Sill, Oklahoma, and then was assigned to the 82d Airborne Division at Fort Bragg, N.C.

He was sent to Vietnam 10 months ago and served as a paratrooper there with the 173d Airborne Brigade.

He recently joined the Military Adviser Team as an adviser to the South Vietnamese Army. He was scheduled to come home in six weeks.

A SKI ENTHUSIAST

Lieutenant Ward was a ski enthusiast and was interested in automobiles. While he was at high school, he was the night manager for a Bethesda service station.

Survivors include his parents, Mr. and Mrs. James R. Ward, of 6429 Earlham drive, Bethesda; and two sisters, Sara K. Ward of Bethesda, and Mrs. Mary Ann Burrow, of Bainbridge, Md.

Lieutenant Ward's father said of his son's attitude about the Vietnam war: "He understood why we were there."

BLOOMFIELD'S NONAGENARIAN

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 30, 1969

Mr. RODINO. Mr. Speaker, the town of Bloomfield, N.J., has been blessed with the presence of Mr. Frank Masinda since 1905. He has recently celebrated his 93d birthday and I want to join all his many friends in wishing him many many more.

I include an article about Mr. Masinda from the Bloomfield Independent Press of July 24, 1969, at this point in the RECORD:

NONAGENARIAN'S RECIPE FOR LONGEVITY IS TO BE HAPPY

Frank Masinda of 227 Broughton avenue, Bloomfield, observed his 93rd birthday on July 19. Helping him celebrate at a family fete held at his home were his 85 year old wife, Monica, and many children, grandchildren and immediate members of the family.

Masinda was born in Austria. He came to this country in 1893. He settled in New York and was employed by General Electric Co. In 1904 he married the former Monica Menchek of Czechoslovakia. The couple met in New York. A year after their marriage, the couple moved to Newark.

After saving up enough money in 1905, Masinda bought a piece of land in what was referred to, at that time, as the "country." The land that Masinda purchased had only a dirt road. There were only three houses in the area. Masinda built a home on the acquired property and has lived there ever since. Today, the "country" land that Masinda purchased is known as Broughton avenue, Bloomfield.

During his lifetime, Masinda built four additional homes on neighboring properties. He gave these houses to two of his three sons and to two daughters. His sons are Richard of Cedar Grove; William of Bloomfield, and Frank of Los Angeles, Calif. Masinda's daughters are Mrs. Lois French of Bloomfield, and the late Mrs. Elsie Visakay, who was also of Bloomfield. He has six grandchildren and two great-grandchildren.

Masinda worked for the Consolidated Safety Pin Company, Bloomfield, 17 years. While employed at this concern, Masinda assisted in the development of automatic pin-making machines. When the concern moved its operations to Massachusetts in 1943, Masinda went into business for himself. He operated the sheet metal firm called Bloomfield Manufacturing. The firm is now located in Fairfield and is being operated by Masinda's son, William. The company employs 85 workers.

During the 1920's, Masindas wife, Monica, tended the dairy cows on the Masinda homestead. She delivered fresh milk throughout Bloomfield for approximately eight years. Mr. and Mrs. Masinda both sold a variety of fruits and vegetables which they grew on their farm.

For his own pleasure and enjoyment, Masinda tends a small garden on his property. An active individual, Masinda rises each morning at 6 a.m., and retires around 9 p.m. He enjoys watching TV.

Commenting on the astronauts landing on the moon, Masinda stated "that he feels the money that was spent on the moon landing could have been spent better here on earth."

Masinda has been smoking cigars for 70 years. Lately, he has been thinking about giving up his 70 year old habit. Masinda stated the health advertisements regarding smoking are not influencing him in any way. "I'm just loosing the taste for cigars," said Masinda.

Masinda, who still enjoys his daily glass of wine, said that he has lived a "good, full life" and that he has no regrets. "I have never tried to be rich, just to be happy." Masinda has no fear of death and he says that he is ready to go whenever his time comes.

For a long life, Masinda advised, "A person must favor his body. Do not do anything that you think is not good for your body, such as overeating or over indulgence in alcoholic beverages. Physical exercise is also very good. I have always worked outside and have had plenty of exercise. I have always tried to take good care of myself."

SENATE—*Thursday, July 31, 1969*

(Legislative day of Wednesday, July 30, 1969)

The Senate met at 11 o'clock a.m. on the expiration of the recess, and was called to order by Hon. HARRY F. BYRD, JR., a Senator from the State of Virginia.

The Reverend Douglas G. Ebert, pastor, St. Andrew's Methodist Church, Alexandria, Va., offered the following prayer:

Almighty and eternal God overflow our hearts with thanksgiving and praise as you have overflown our storehouses with blessings. It is reassuring to realize that we can rely upon Thy steadfast laws. By means of the vast knowledge that man has acquired from Thee, he has been capable of journeying to another realm of Thy creation. We thank Thee for these dedicated men of faith and discipline. May their efforts be rewarded through unity and peace for all of Thy creation. Help us, even in our amazement of man's ingenuity, not to lose sight of the power that hath made and preserved us a nation.

We are grateful for the opportunity to live in a democratic nation, for sincere and dedicated officials of Government, and for a nation seeking for peace and good will for all mankind. We pray Thy strength, courage, and divine guidance

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upon our President, Vice President, the Senators, and all other officials of our Government. May we never cease in our struggles to make all men free from hunger, fear, and tyranny over the minds of men and to give them the opportunity to worship God freely enabling mankind to have a clearer vision of Thy divine perfection.

In the name of our Lord, we pray. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 31, 1969.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. Harry F. Byrd, Jr., a Senator from the State of Virginia, to perform the duties of the Chair during my absence.

RICHARD B. RUSSELL,
President pro tempore.

Mr. BYRD of Virginia thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Journal of the proceedings of Wednesday, July 30, 1969, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COLLECTION OF FEDERAL UNEMPLOYMENT TAX

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the pending business, which will be stated by title.

The ASSISTANT LEGISLATIVE 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.

RECOGNITION OF SENATOR THURMOND

The ACTING PRESIDENT pro tempore. Pursuant to the previous order, the Chair recognizes the senior Senator from South Carolina (Mr. THURMOND) for a period of not to exceed one-half hour.

MEETING NATIONAL COMMITMENTS THROUGH MILITARY PROCUREMENT

Mr. THURMOND. Mr. President, just recently, during the debate on the 1970 defense procurement bill the distinguished Senator from Nevada (Mr. CANNON) brought up a vital matter which is fundamental to a complete understanding of the bill when he outlined the military planning which is necessary to support our national commitment.

This brief explanation immediately caught the attention of the distinguished Senator from Arkansas (Mr. FULBRIGHT) and the ensuing exchange indicated it would be useful to the Senate in this debate if the contingency planning to support our national commitments were better known. The purpose of my remarks today is to draw attention to the requirements placed upon our military in order that the requests contained in this bill might be better understood by all.

Mr. President, for some time our overall military contingency planning was classified information. The details of it remain so even today. However, former Defense Secretary Robert S. McNamara declassified the broad outline of it in the mid-1960's when testifying before committees of Congress at various hearings. The planning to support our commitments was largely done by his administration in the Department of Defense and, so far as I know, it has not changed appreciably.

Today, we are engaged in a great debate spurred by an economy drive which in my opinion amounts to putting the cart before the horse. That such is the case has already been acknowledged here on the floor by leading protagonists on both sides of this great debate. And it is a great debate, Mr. President, possibly one of the greatest debates which will unfold within the historic walls of this history-laden Chamber for some time.

But allow me to return to the point drawn earlier—our national commitments and the contingency planning necessary to fulfill them. This subject was broached by the distinguished Senator from Nevada (Mr. CANNON) when he stated:

> I feel it is imperative to point out to the members precisely what our national policy is. It is that our military forces are charged with the responsibility of being able to fight a war of indefinite duration in Asia—as we are currently doing in South Vietnam—and at the same time have the capability to wage a large scale conventional NATO war for a stipulated period of time. (The exact duration is classified). The responsibility of the military establishment is to insure that we have on hand sufficient military forces and hardware at all times to successfully carry out this very important responsibility. If we do not provide our military leaders with sufficient forces to meet our stated national policy objectives then I feel it is essential that (a) our stated national policy objectives should be changed or (b) we should recognize that national policy objectives may exist which the military is incapable of carrying out.

The distinguished Senator from Nevada stated further:

> I feel, Mr. President, this is a most important principle which must be understood by all members of the Congress. Reducing the military establishment in funds is a desirable objective but we must know what risks we will run when we do so. I am not stating that the funds requested by the military are sacrosanct, but I do feel they should be scrutinized most carefully before reductions are made.

Thus, here we are today in a great debate about which military requests should be approved and which should not. What we must understand is that the budget requests are not based on arbitrary requirements laid down by the various services; they are related to high-level policy decisions as to the commitments we have assumed from various bilateral and multilateral treaties and judgments as to what is needed to protect our own interests throughout the world. These decisions are based not upon desires of the military Chiefs of Staff to build some superforce but upon well-considered military needs to provide for our defenses and upon decisions of the National Security Council.

Although civilian control in this area is exercised through the Secretary of Defense and the President—the latter having the final say on the military requests submitted to Congress—it stands to reason much weight must be given to judgments of the professional military men such as the Joint Chiefs of Staff. Our leading military experts, after a thorough analysis, have concluded that certain armaments are necessary if we are to be able to respond to the national commitments, such commitments assumed and approved by civilian authority. We recognize and fully support civilian authority over the military, but testimony presented to the Senate Committee on Armed Services and its various subcommittees shows the cuts in the fiscal year 1970 Defense authorization bill have already been substantial.

The Clifford budget, submitted in January prior to the inauguration of a new President, called for authorizations of $23.1 billion. The new Secretary of Defense, Melvin Laird, submitted requests of $22.4 billion and then revised it downward to $21.9 billion, which was the amount taken under study by the Senate Armed Services Committee. Now the Senate committee has reported out a bill which calls for authorizations of an even $20 billion, representing cuts of some $2 billion from those requested.

Mr. President, we have thus seen the $23.1 billion Clifford requests which were projected by an administration with no ax to grind, reduced to $20 billion. We have already cut out the fat. If other large cuts are made, they will cut into the bone and muscle. The cuts already made are nearly 20 percent from the Clifford budget submitted in January.

In the comments which followed the remarks by the distinguished Senator from Nevada, the chairman of the Committee on Armed Services, the Senator from Mississippi (Mr. STENNIS) pointed out that our national policy called for the capability to fight two conventional wars, one in Asia and one in Europe, as well as the ability to handle a small contingency problem in a third area. This commitment has been referred to in military circles as the two and one-half requirement.

Now, the Senator from Mississippi (Mr. STENNIS), in commenting on this point noted the United States has defense

agreements with more than 40 nations and so long as these exist we must make some kind of effort to defend ourselves and live up to our obligations or the free world alliance will crumble.

We are witnessing today a great deal of pressure and criticism of our military even though all they are trying to do is see that we are adequately armed and prepared to meet our national policy and fulfill our commitments. Rather than castigating the military so much it seems we should be examining these treaties, all of which have been ratified by the same Senate which today is perilously close to emasculating our ability to meet the very obligations which we have previously approved.

Mr. President, perhaps we should refresh our memories on these treaty commitments. We have multilateral and bilateral treaty agreements with more than 40 countries on five continents.

These can generally be broken down into four main groupings as follows:

First. The Inter-American Treaty of Reciprocal Assistance, better known as the Rio Treaty of 1947. This is the basic collective security instrument of the inter-American system and has been ratified by all 21 American republics.

Second. The North Atlantic Treaty Alliance, better known as NATO. This was signed by the United States, Canada, and 10 nations of Western Europe in April of 1949. Since that time Greece, Turkey, and West Germany have become partners and France has withdrawn all of its military forces from participation but still retains its membership.

Third. The United States entered into a treaty in 1951 with Australia and New Zealand better known as the ANZUS Pact.

Fourth. In 1954 the Southeast Asia Collective Defense Treaty was drawn and signed at Manila. Better known as SEATO, its signators included the United States, France, the United Kingdom, Australia, New Zealand, Pakistan, the Philippines, and Thailand.

In addition to these four main categories the United States has entered into bilateral treaties with a number of nations. They include the Philippines, Japan, Korea, Nationalist China, Iran, Pakistan, Turkey, and Liberia.

This country has also demonstrated its interest in the Middle East by our association as a nonmember with the Central Treaty Organization better known as CENTO.

Thus, we see our various defense agreements are very extensive. In fact they involve 44 countries and in addition to the bilateral and multilateral treaties include bilateral executive agreements or general treaties.

The Senator from Mississippi placed a list of these countries in the RECORD on July 10 and touched on the two and one-half requirement when he stated:

> Up to now, we have been trying to prepare for two conventional wars. We already have one going on. Everybody knows where that is. The other war we are thinking about primarily would be in Western Europe. It seems to me we also have a policy to go where there is trouble in a little country wherever it may be. In view of all this, the committee has tried to arrive at a sound, effective minimum military program. This is the purpose of the items in this bill.

Also, it should be noted at this point the requirement of handling two major conflicts and one minor conflict is not a maximum requirement but the minimum one in today's world. In other words, at the very least we should have this capacity and then some.

Now, Mr. President, that is what this great debate is all about. We are now considering a defense procurement request here which is not the product of the whims and desires of the admirals and generals but one designed to conform to our national policy and meet the commitments agreed to by our civilian authorities. All of these treaties were entered into prior to the Nixon administration. Furthermore, they were considered by the Committee on Foreign Relations and reported out favorably to the full Senate.

We have reviewed briefly these treaty obligations. The Preparedness Investigating Subcommittee conducted a complete review of the Armed Forces required to counter the most probable military force likely to be deployed against us, an assessment calling for the exercise of responsible military judgment. This report is still classified. On this point I wish to comment later.

However, at this juncture it should be noted this study of our world commitments was merely factfinding. Realistically, it falls within the responsibility of the civilian heads of Government and the Congress to determine how much of a nation's total resources should properly be devoted to defense purposes without an adverse impact upon our economic structure.

Thus we must bear in mind that the actual forces we have in being and the equipment in hand amounts to a compromise between that which is required in the judgment of our military leaders and that which the Nation can afford in the judgment of our civilian leaders.

This argument is at the heart of many of the well-intentioned moves being taken to cut our military procurement budget. Most of the advocates of these cuts do not basically disagree with a strong military force, they just feel we have more strength than needed while neglecting vital social welfare and economic needs. On the other hand, there are none of us who are defending this budget request who do not share a deep concern for fulfilling our justifiable social welfare and economic requirements.

Another point worthy of consideration, although one of such depth would require an extended discussion of weeks or even months, is the validity and extent of each treaty obligation. This point, of course, weighs heavily in deciding the military posture needed to meet these commitments.

To draw on the complexities of this subject let us address ourselves briefly to two of our major treaties, NATO and SEATO. First, NATO article 5 provides that an armed attack against one or more of the member nations in Europe or North America shall be considered as an attack against all. Article 5 also states that each member of NATO obligates itself, individually and in concert with others, to take whatever action each may deem necessary, including the use of armed force, to restore the security of the area attacked.

Thus, in a cursory examination of this treaty, considered to be one of our strongest commitments, we learn that we could commit Americans troops to a land war in Europe or take practically no steps at all under the "take whatever action each may deem necessary" clause. Certainly it is the feeling of the Members in this Chamber that, should a NATO ally be attacked, it would be necessary for the United States to respond in the fullest degree if our own security is to be maintained, but nevertheless there is the out if you wish it.

Now, let us look at our SEATO obligations. The country of South Vietnam is not a member of SEATO, but it was designated a protocol state by the signers under article 4 of the treaty and thereby comes under the umbrella of SEATO in that the loss of their security would result in a direct threat to the security of the SEATO members. Thus, we find ourselves deeply committed in South Vietnam with casualties now surpassing those resulting from the Korean war, although we had a clear treaty obligation with South Korea and a lesser one with South Vietnam.

We, therefore, come to the question of interpretation of our commitments, and that is a subject of great study here in the Congress as well as in the Pentagon.

The two major wars, and one minor war requirement placed on our military early in the Kennedy administration was adapted from an assessment judgment of our treaty obligations and our own defensive needs. Today, we live in a world where "Fortress America" is a dream of the past. We have fought two World Wars and two lesser wars in this century with not a single bomb striking American soil. But that is behind us, for today it is our parents and our children who will feel the fury of bombs, fire, hunger, devastation, disease, and hardship if we fail to maintain our military superiority.

During the Eisenhower years we moved from the conventional war concept to the nuclear war concept. We began building ICBM's with nuclear warheads and developing long-range bomber forces capable of delivering A-bombs and H-bombs on potential enemy forces at great distances from our homeland. We also developed a continental air defense and the outlying DEW line to warn us of enemy attack, as the threat then to our soil was from long-range enemy bombers carrying nuclear bombs. It is odd today we are having such difficulty in gaining approval for Safeguard which would provide similar warning and some defense against ICBM's.

In the early years of the McNamara regime it was realized the forces of communism would continue to push forward

in ways short of nuclear war, and we returned to the idea that to defend ourselves we must have a conventional war capability in addition to nuclear forces. Thus developed the 2½ wars requirement and a policy of flexible response.

This has been our national policy for a number of years now, and it was developed and implemented by past administrations which happened to be headed by Democrat Presidents, and which happened to have been relatively free of any call to make heavy slashes of our military budget such as we are witnessing today. The antimilitary thrust has just blossomed to a significant role since President Nixon took up residence in the White House and our former colleague, Mel Laird, took over in the Pentagon.

Actually, when the 2½ requirement was developed we were enjoying a period of relative peace compared to the situation today. Vietnam was just on the horizon. Europe and South America were relatively stable. Such is not the case today. Communism is spreading through Asia as fast as its soldiers are allowed to move, the Russians have just finished using tanks and other military force to subdue a liberal regime in Czechoslovakia, and the situation in South America is anything but stable if Governor Rockefeller's recent trip is any guide. Further, we have a truly explosive situation in the Middle East in which the free world's oil supply is involved, not to speak of the very existence of a friendly nation we helped establish.

This brings me around to the point that today's world foretells obligations upon us greater than when the contingency planning to support our military commitment was first laid down. The inference here is not that we inevitably face further military involvements such as Vietnam; on the contrary, we should avoid them wherever possible. On the other hand, we must be prepared to meet them when a deployment of American forces is required, and in being so prepared history has proven such requirements are less likely to develop.

Now it is simply a question of whether or not we are going to meet those obligations. Surely we cannot safely approach the point of failing to fulfill our commitments. The worst situation for us to be in would be to have almost but not quite enough. Surely the distinguished and able members of this body realize our enemies are watching to see how far we will cut and how far this antimilitary trend will go. Surely it is recognized the world is now looking to see what actions will be taken in this great debate by the Senate of the United States. Surely we must not falter here; we cannot falter. The consequences of such a failing could well be the burden of this generation and generations unborn. We have seen nothing in recent years which should make us think communism has altered its goals. In fact, the Washington Post, which has repeatedly taken a softline approach to the threat of communism, has just completed publication of a series of articles by Anatole Shub in which he clearly states Russia is reaffirming its Stalin-like policies. Mr. Shub was the Moscow correspondent for the Post the last several years, and he is telling it like it is. The Post is to be commended for printing these articles in such prominent displays, despite the fact they run counter to their editorial expressions for the past 20 years.

Some would point to the confrontation between China and Russia. I would be the first to admit this dispute could be turned to great value for the free societies of the world, but you cannot move me from the belief that when the chips are down between West and East, the Communists will stick together. This argument between Russia and China is essentially an argument over the best way to do us in and bring about worldwide communism. It manifests itself in the present border dispute, a historic argument which will always be an abrasive issue in the relations of these two countries. But Mao Tse-tung cannot live forever. What will be the situation then? For that matter, what will be the policies of the next dictator in Russia? Who is to say; no one knows. But if you understand communism you know one does not rule a Communist nation without fighting his way to the top in the most violent of circumstances. I hope for the best, but I refuse to take a chance on the worst.

Now, let us return to a point made earlier, that the requests before us were not the whims or wishes of the generals and admirals, but the result of hard bargaining within the military, and by the appropriate civilian agencies and committees. And that it is all weighed to fulfill the requirements of our national policy or to enable us to meet our military commitments, if you will. Further, let us not forget that besides these hard commitments in various treaties and agreements we have very definite interests around the world which are not spelled out in a piece of public paper or voiced by officials of the administration daily. We cannot ignore these interests, an example of which would be our oil sources in the Middle East. These interests extend worldwide.

So, we have these commitments and these interests, and the military is charged with the responsibility of structuring its forces to fulfill our national policy and obligations. The result of this structure by the military is scrutinized, and final decisions made by the civilian authorities of the Pentagon and the President, and then the Senate Committee on Armed Services. In this procurement bill, $3 billion, or nearly 20 percent, has been cut from the Clifford budget to the budget you are considering here today.

Now, we also should recognize that in past years these requests fell short of what the military estimated their needs to be, if we were to fulfill our national commitments. This was the case during the McNamara administration, which told the Congress the forces requested were sufficient to meet this commitment. An example of this shortage would be in the area of aircraft requirements needed around the world. Secretary McNamara thought they were sufficient, and it was a matter of judgment; but if the General recently decorated at the White House with the highest awards the President can give was correct in his military judgment of our aircraft needs, then Secretary McNamara's estimate was greatly in error.

This situation existed in the Navy also as regards submarines, naval aircraft, and support ships. We have discovered in meeting the Vietnam situation how much we have underestimated our needs. Our ability to meet other contingencies during the Vietnam commitment has been less than it should have been.

The point being made here is that military estimates are taking a beating before they even reach the Congress. The desire to hold down spending exists in the Pentagon and the Bureau of the Budget, just as much as it exists here on the Senate floor. Management of weapons systems programs is another matter, but the actual desire to keep defense expenditures at the barest level of requirements has existed for a number of years. In fact, this attitude has resulted in a net loss in our military strength in recent years, and has brought us to the position today that if we cut further, we are tampering with the strategic balance of power between Russia and the United States. That, my colleagues, is a serious, and perhaps catastrophic, matter.

Now, to bring my comments together, this is what I am saying in a nutshell: We have assumed military commitments through treaties; we have a national policy growing out of these elements; the military is called upon to provide a force to meet our national obligations; their recommendations are made to civilian authorities in the Pentagon and thence to the President; and, finally, we receive the requests here.

It is not my implication that all of these elements are perfect and that we should submit to them without inquiry or investigation. Neither the recommendations of the military nor the Pentagon are sacrosanct, but we have already witnessed a $3 billion tightening of this procurement bill, with past history showing the requests often fall short of our real needs. This has certainly been demonstrated by the experience in South Vietnam.

This brings us back to the cart-before-the-horse situation, mentioned earlier in my remarks. While the military budget has been trimmed and cut to a considerable extent, it appears ill advised for the Senate to undertake further emasculation in view of our national commitments.

We must provide the means to fulfill our commitments. Now, if the Senate wishes to review that commitment, then such a review would have my support. I have already heard some of the Members state opinions to the effect that we should reduce our worldwide obligations. This is certainly a question worth studying. Perhaps we are overextended. If so, we should recognize it. Maybe we should reduce our treaty commitments, but, if so, let us do that before cutting our ability

to meet those commitments. It would seem to me the Senate Foreign Relations Committee would have a singular responsibility in this area.

That is the cart—our treaty obligations. The horse is our military strength. If we are going to sign for the cart, then we had best have the means to pull it.

The PRESIDING OFFICER (Mr. GRAVEL in the chair). The 30 minutes of the Senator from South Carolina have expired.

Mr. THURMOND. I ask unanimous consent to have an additional 10 minutes.

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

Mr. THURMOND. Mr. President, I think there are those among us who would say outright that we should reduce our treaty obligations. They may not be as quick to say which ones should be dropped. But surely a study of this area would be helpful to us in the future. Also, it must be remembered that we are treading in an area traditionally recognized within the jurisdiction of the Chief Executive, except for the advise-and-consent function of the Senate.

It would be of interest to the Members to know what some of the committees now dabbling in military matters have done on this subject. Have they looked into our commitments? Have they a basis to challenge our national policy? Have they written the President and raised the point that military spending is high, and we should review the commitments which require such an outlay? What has been done other than taking potshots at the military, which is merely trying to provide us with the means to fulfill the obligations incurred by treaties ratified by this body?

Certainly all of us would like to see less money spent on defenses, provided we still maintain our military superiority. What good are housing, jobs, and food, if they are laid to waste by an enemy force? I am ready to cut anywhere it can be shown cuts can be made without placing us in a position of military weakness, or forfeiting the promises we have made to our allies.

Some feel we could reduce some of our commitments. But I am frankly at a loss to say which one it might be. Should it be in NATO, which is on the frontlines of the East-West confrontation? Should we abandon Japan before they can defend themselves? Should we withdraw from our obligations in South America in face of the violent activities now underway by Communist infiltrators from Cuba and elsewhere? Where should we pull back? Can someone answer that question?

For the most part, all of us have supported ratification of the treaties to which this country is honor bound. Let us provide the means to meet these obligations, or let us reduce these obligations. I submit that further reductions in the 1970 fiscal year Defense procurement bill is not the place to begin this great undertaking.

Mr. FANNIN subsequently said: Mr. President, I wish to commend the distinguished senior Senator from South Carolina for his expert and thorough analysis of our spending for military needs. I know him to be a longstanding member of the Committee on Armed Services, well qualified by reason of his own distinguished military career to comment on these matters.

I wish to draw special attention to and extend commendation for the distinction which he has made in the area of foreign commitments. He wisely points out that we simply must have the military strength to meet our commitments. These commitments were, presumably, not entered into lightly and not without the advice and consent of the Senate, notwithstanding the change of mind or outlook or philosophy that may have overtaken certain members of the Foreign Relations Committee in recent years.

Just the day before yesterday the distinguished chairman of the Committee on Armed Services made the point in an exchange with the Senator from Wisconsin (Mr. PROXMIRE) that it is all very well to be for a reduction in military expenditure, and those that do not have the responsibility of writing the bill can be quite free with their criticism; but when we come down to the nub of how shall we reduce expenditures, which systems shall be left out, or which commitments shall be left without renewal, then we find more than simple criticism or verbal handwringing becomes necessary.

Mr. President, I commend the Senator from South Carolina for his detailed and searching analysis of our military procurement situation and feel sure it has contributed substantially to the substance of this debate.

Mr. TOWER subsequently said: Mr. President, I congratulate the distinguished Senator from South Carolina (Mr. THURMOND) for the most perceptive speech he has just delivered on the military procurement bill. I wholeheartedly agree with the argument he has presented.

Opponents of the military procurement bill have been speaking against the bill because they hold to the assumption that the United States is militarily overcommitted around the globe. Therefore, the opponents of the bill argue, the United States must cut back on the military equipment needed to honor these commitments. This argument, I believe, is not plausible and, as Senator THURMOND has already remarked, is not the correct way to go about debate over the U.S. role in the world.

Senator THURMOND has recommended that the Committee on Foreign Relations debate the present and future U.S. military commitments. That is indeed the place to take up such matters, not on the floor of the Senate during the debate on a military procurement bill. It is only logical that a discussion about changing U.S. military commitments should not take place during a substantive debate over appropriations needed to honor past commitments which, whether we like it or not, we must carry out. I would be most open to any recommendations made by the Committee on Foreign Relations in this most important area, but I do not feel that this is either the time or the place to debate the issue of military commitments. I hope that the opponents of the bill have listened with an objective ear to the words of the distinguished senior Senator from South Carolina. Again, I would like to congratulate him for his wise thoughts on this subject.

The PRESIDING OFFICER. Under the previous order the Senator from Vermont is recognized.

DEFENSE DEPARTMENT DOWNGRADES DEVELOPMENT AND USE OF A NUCLEAR NAVY WHILE ADVOCATING THE ABM

Mr. AIKEN. Mr. President, as a member of the Joint Committee on Atomic Energy since 1959, I have been concerned with the efforts of competitive fuels to prevent the development of electric energy from the atom.

I have been even more concerned by the efforts of these same interests to block the development of a U.S. Navy which in the future would be second to none.

I was privileged to be on the nuclear submarine *Skipjack* when on its trial run it broke all existing undersea records for speed and depth.

Its operation was quiet, making it difficult to be detected by an enemy, while the sonar system of the *Skipjack* could detect the more noisy submarines of an enemy at a distance.

In the spring of 1962, I was again privileged to spend a night on the aircraft carrier *Enterprise*, which was then lying off Guantanamo Bay.

The *Enterprise* was, and is, the finest and most effective carrier in the world.

I watched takeoffs and landings both by day and by night with the safety of the flyers insured by the fact that the speed of this atomic carrier could be accelerated at several times the speed of acceleration for an oil-burning carrier.

On December 2, 1965, with the Senator from Montana (Mr. MANSFIELD), I was in Saigon the day that the *Enterprise* joined our fleet in the Vietnamese war.

Our men in South Vietnam were unstinted in their praise.

The *Enterprise* literally ran rings around the oil-burning ships of the fleet.

It was one drawback, however—because of its speed and rate of acceleration its escort vessels could not keep up—but like its smaller undersea atomic relatives it could sail for weeks at a time and for virtually unlimited distances without refueling.

As matters stand now, the *Enterprise* will have been at sea for 11 years before it receives its full complement of nuclear-powered frigate escorts.

And, may I add that, except for vigorous insistence on the part of the Joint Committee on Atomic Energy and the Congress, the *Enterprise* would not get them even then.

Since the construction of the *Enterprise* we have improved our nuclear fleet, but only because of the insistence of the Congress.

There has been consistent foot dragging by the Defense Department regardless of the insistence of the Congress, and over the urgent advice of Adm. H. G. Rickover, admittedly the world's greatest expert on nuclear submarine research and development.

Let me read you a statement found on page VI of the foreword of the report on hearings before the Joint Committee on Atomic Energy on April 23, 1969:

However, the Joint Committee is distressed by a memorandum signed last month by the new Acting Assistant Secretary of Defense for Systems Analysis which says that the electric drive submarine is not needed. This was the same memorandum recently reported in the press which contained the ridiculous suggestion that we should consider saving money by sinking 10 of our 41 Polaris submarines.

Mr. MANSFIELD. Mr. President, will the Senator yield before he leaves that point?

Mr. AIKEN. I yield.

Mr. MANSFIELD. Could the Senator give us any reason why the recommendation was made that the Government would be saving money and retaining its efficiency by sinking 10 of our Polaris submarines?

Mr. AIKEN. If the Senator could read some of the unabridged classified testimony before the Joint Committee on Atomic Energy, that would be explained. I am now reading from the public report of the committee itself, and I feel that is as far as I should go, in view of the fact that much of the testimony we received was classified, and still is classified.

Why the recommendation was made to sink 10 of our 41 Polaris submarines I could not say, except that I will say emphasis was put upon the ABM system rather than strengthening our Polaris fleet, without doubt our most powerful deterrent.

Mr. MANSFIELD. The suggestion was made that 10 be sunk, though?

Mr. AIKEN. I am reading from the public report of the committee, which states that that was true:

The record of the electric drive submarine is one of exhaustive review and study at the highest levels of our Government. Last year the Secretary of Defense, Deputy Secretary of Defense, Director of Defense Research and Engineering, Secretary of the Navy, Chief of Naval Operations and many other senior officials of the Department of Defense and the Navy personally spent many hours of their time going into the details concerning the justification for developing this important submarine prior to the announcement of the decision to proceed by Secretary Clifford. There have been extensive Congressional hearings published concerning the urgent need for this submarine. The Joint Committee wishes to again state that the electric drive submarine should be built as soon as possible and must not be held up for additional studies.

The systems analysts have a long record of causing delays or cancellation of naval nuclear propulsion projects that Congress considered vital to our national defense. The record is clear that the systems analysts stanchly—

Opposed nuclear propulsion for the carrier John F. Kennedy in fiscal year 1963 and again in fiscal year 1964,

Opposed the nuclear frigate authorized by Congress in fiscal year 1966 which the Department of Defense refused to build,

Opposed the nuclear frigate authorized by Congress in fiscal year 1967 for which the Department of Defense held up the release of funds for 18 months,

Opposed the nuclear frigate authorized by Congress in fiscal year 1968 for which the Department of Defense held up the release of funds for 22 months,

Opposed continuation of the nuclear attack submarine building program beyond a force level of 69,

Opposed the electric drive submarine authorized by Congress in fiscal year 1968 which the Department of Defense held up from May through October, 1968,

Opposed the high-speed submarine which Congress authorized starting in fiscal year 1969 over the objections of the Department of Defense.

Is it surprising that we are forced to wonder what power it is that seemingly has greater influence with our own Defense Department than does the U.S. Congress?

And what irony lies in the fact that the name John F. Kennedy, the President who favored a strong Navy, appears on an oil-burning carrier.

The Defense Department, in estimating the cost of this oil burner, ignored the cost of an essential oil supply ship or the fact that the nuclear ship could carry an additional squadron of planes, as well as charging a 7-year supply of fuel up to the nuclear carrier estimate, as construction costs.

Only by this juggling of cost estimates could an oil-burning carrier be justified over the recommendation of the Joint Committee on Atomic Energy.

The Joint Committee's report of the hearings into the controversy, released in December 1963, revealed that the Defense Department overestimated the costs of nuclear propulsion for surface warships.

I quote from page 4 of the 1963 report:

For example, it was claimed that a nuclear-propelled carrier would be capable of carrying an additional squadron of aircraft. Then the purchase and operating costs of the additional aircraft squadron were charged to the nuclear-propelled ship and used as a cost argument against nuclear propulsion. This nearly tripled the extra cost attributed to the nuclear carrier over its lifetime. Obviously, the additional costs are not related to nuclear propulsion and can be eliminated by not supplying the additional squadron of aircraft. (Actually, Navy witnesses testified that it was intended to provide both the conventional and nuclear-powered aircraft carriers with the same number of aircraft.)

Also, in the construction of cost comparison, the initial reactor cores, which provide fuel for at least 7 years, were charged against the cost of the nuclear carrier while no comparable fuel costs were attributed to the conventional carrier.

In spite of the opposition and the foot dragging by the Defense Department, however, we have over the past 10 years built up a truly effective undersea fleet of 41 Polaris and an equal number of nuclear attack submarines.

Should any nation in the world fire a single SS–9 or any other ICBM at the United States, our submarines could promptly launch atomic devastation on any part of the attacking country.

The Polaris fleet is without doubt our greatest deterrent to enemy missiles and an all-out war.

To advocate the downgrading of this powerful deterrent and putting the money into an ABM system—as has been proposed—certainly is not in the interest of our national security.

The success of the United States in deploying the nuclear submarine has prompted Russia to go all out in an effort to surpass us in this field.

The Russians have made almost spectacular progress and will probably surpass us in numbers by 1970—not only in numbers but in speed, quietness of operation, and general maneuverability as well.

While presently the maximum range of a Russian submarine missile is estimated to be 1,500 miles—well below the range of our own—this quality too may be improved.

It is a matter of public estimate that by 1974 Russia could have 165 atomic submarines compared to our 105. This assumes that Congress can maintain our present rate of building and that none of our existing fleet will be destroyed.

It is most unfortunate that much of the information relating to the present debate is classified.

If I may speak frankly, I will say that much of the material which is classified ought to be made public.

A great deal of it is known to foreign governments—largely through our own generosity—and classification is frequently resorted to keep the American public from knowing what it properly should know.

I am divulging no secrets, however, in telling the Senate that over a year ago after hearing testimony from U.S. Defense Department officials, I reluctantly came to the conclusion that a move was underway to slow up efforts to improve our atomic seapower and offer as an alternative the ABM system.

I consoled myself only with the comforting thought that at least competition was not dead.

Now as to the ABM itself, its virtues and its vices have been so thoroughly debated on this floor that I see no need for expanding on that part of this discussion.

The proponents claim that it will not be a provocation to war, and with that I agree.

If anything, Russia may be indulging in smiles rather than frowns over the proposal.

The administration feels that authority to proceed with the ABM will be an asset in discussing the matter of arms limitation with the Russians.

On this score, I am skeptical.

The proponents claim that the ABM will protect our retaliatory powers from enemy missiles. But with Russian submarine missiles now having a range of 1,500 miles this can be of little consolation to the industries and population located within range of the sea.

Proponents claim that ABM would protect our retaliatory power after a first strike by an enemy.

This claim is rather fantastic because whether we like it or not both Russia and the United States have or will have multiple reentry vehicles.

Suppose a thousand 1-megaton nuclear bombs were to land on either country as a first strike—there would not be much left in either country worth retaliating for.

It is only a question of time—and not a very long time—before both the SS–9's and the Minuteman are as obsolete as dodos.

Only from the sea, with the knowledge we now have, can we be sure that an effective retaliatory power will be retained.

This awesome power from under the sea would virtually guarantee that no country would be willing to commit suicide through the first-strike process.

It would be a national calamity to substitute the ABM for a stronger nuclear undersea deterrent.

Reference has been made on this floor to the loss of jobs which thousands of skilled workers would sustain if work on the ABM were to be terminated.

Here, indeed, is an argument we should listen to.

The United States today undoubtedly has the most efficient industrial complex and the most skilled scientific groups the world ever knew.

They have come to us from many countries and many of them speak in broken English. They supplement the growing force of highly trained American scientists.

The work these people do will determine the progress of mankind in the generations of the future.

The corporations they work for produce the necessities and luxuries which make life better for humanity.

These corporations get Government contracts, negotiated contracts, outrageous contracts in some cases.

And it is common knowledge that many, probably hundreds, of contractors and subcontractors are anticipating much work and much income from the proposed ABM program.

Most of these contracts will relate to the research and development phase of the ABM although deployment would undoubtedly provide work for many others.

To the research and development phase, we find very little objection.

Whether the final product would be as ineffective as many scientists claim is a matter in dispute, but there can be no argument that deployment would provide work for scientists and skilled workers and income for contractors and stockholders.

What we have to decide is whether the deployment of ABM is the best way to keep the industrial complex busy.

I agree completely with those who maintain that our first interest should lie in the needs of people—low-income people—people who are necessarily on public welfare—middle-income people in the $5,000 to $20,000 income brackets and, in fact, all people.

Health and education and standards of living should concern us above all else.

Otherwise, national security becomes academic.

There is no question that the industrial complex does contribute to meeting our social needs but these very needs in turn could keep our scientists and industries fully employed.

The ocean bed, the outer space, the control of pollution, the proper development of nuclear activities and a hundred other needed endeavors could keep them all busy for years to come.

High altitude and supersonic air transportation is now in its adolescent stage.

Interplanetary travel and exploration is already toddling around.

Why should we spend our funds and efforts on a so-called deployment program which is almost certain to follow its progenitors, the Nikes and the Atlas, into obsolescence.

It is true, as the Senator from Kentucky (Mr. COOPER) has already pointed out, that research work in radar and other components of an ABM system cannot help resulting in knowledge and developments useful to our social and economic world.

For that reason alone, research and development work should be authorized.

But to authorize the deployment of the ABM or the major component parts of radar and computers which cannot be ready for a year at the earliest would be shortsighted.

A month ago, I felt that the installation of radar and computer units at Grand Forks and Malmstrom would probably be advisable.

But information received since convinces me that to do so now is both unnecessary and unwise and that if further research shows deployment of the ABM to be feasible, a delay of a year in authorizing it will not in any way be harmful to our national security.

I have been told repeatedly by those promoting the ABM that its approval is necessary to save the prestige of the President.

This argument is sheer nonsense.

The efforts of President Nixon to reestablish our prestige in the family of nations, the fair and sensible manner in which he approaches our relations with the countries of Asia and the South Pacific, and the personal credibility which he has established in his dealings with other governments will completely bury the ABM as a political issue.

His prestige certainly does not hang on whether the Congress does or does not approve the ABM program without modification.

I recommend our wholehearted support for the Cooper-Hart amendment.

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

Mr. AIKEN. I yield.

The ACTING PRESIDENT pro tempore. The Senator from Montana is recognized.

Mr. MANSFIELD. Mr. President, I commend the distinguished senior Senator from Vermont for a well thought out, very effective, and most statesmanlike speech. As usual, he approaches this particular subject only after assuring himself of the facts. To buttress his arguments, he has cited for the Senate the privileges he has had of serving on the Joint Committee on Atomic Energy, he has indicated his extreme expertise on the question of nuclear energy, and he has tried to put in perspective a portion of the argument against the ABM which has not yet been given much consideration on this floor.

I believe the Senate is indebted to the distinguished Senator for his remarks. I am in accord with one of the main tenets of his argument, and that is that what we have to achieve—if I may transpose slightly the Senator's thoughts—is not necessarily a superiority in the field of defense but, rather, a balance between the field of defense on the one hand and our domestic needs on the other. As the Senator has indicated, we could have the strongest and most expensive defense system in the world; but if we did not have some stability at home, if we did not take care of our people, we would not have a great deal upon which to base our security.

Once again, it is a great pleasure to listen to the Senator from Vermont and to be the beneficiary of his wisdom and his detailed thinking on this most important subject.

Mr. AIKEN. Mr. President, I know of no one from whom I would prefer to get words of commendation than the distinguished majority leader, the Senator from Montana.

I have tried to present facts in what I have just said. I wish I could have told the Senate more of the things which prompted me to take the position I have taken this morning, but many of the facts are classified. Everything I said here is a matter of public record. If you know where to look you can see I have confined my remarks to what is in the public record.

I thank the Senator.

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.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Louisiana.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum. For the benefit of attachés of the Senate, I say it will be a live quorum.

The ACTING PRESIDENT pro tempore. On whose time?

Mr. MANSFIELD. Apart from the time limitation. I think in this instance we could do it.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk called the roll, and the following Senators answered to their names:

[No. 59 Leg.]

Aiken	Goldwater	Prouty
Allen	Gore	Ribicoff
Bellmon	Holland	Scott
Bennett	Hollings	Sparkman
Bible	Kennedy	Spong
Byrd, Va.	Long	Talmadge
Byrd, W. Va.	Mansfield	Thurmond
Curtis	Metcalf	Tydings
Dirksen	Miller	Williams, Del.
Dole	Murphy	
Ervin	Muskie	

Mr. KENNEDY. I announce that the Senator from South Dakota (Mr. McGOVERN) is necessarily absent.

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. BYRD of West Virginia. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Allott	Gravel	Moss
Anderson	Griffin	Mundt
Baker	Gurney	Nelson
Bayh	Hansen	Packwood
Boggs	Harris	Pastore
Brooke	Hart	Pearson
Burdick	Hartke	Pell
Cannon	Hatfield	Percy
Case	Hruska	Proxmire
Church	Hughes	Randolph
Cook	Inouye	Russell
Cooper	Jackson	Saxbe
Cotton	Javits	Schweiker
Cranston	Jordan, N.C.	Smith
Dodd	Jordan, Idaho	Stennis
Dominick	Magnuson	Stevens
Eagleton	Mathias	Symington
Eastland	McCarthy	Tower
Ellender	McClellan	Williams, N.J.
Fannin	McGee	Yarborough
Fong	McIntyre	Young, N. Dak.
Fulbright	Mondale	Young, Ohio
Goodell	Montoya	

The ACTING PRESIDENT pro tempore. A quorum is present.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I yield 2 minutes to the Senator from Tennessee.

The ACTING PRESIDENT pro tempore. The Chair inquires of the Senator from Montana, to whom is the time to be charged?

Mr. MANSFIELD. On the bill.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee is recognized.

Mr. STENNIS. Mr. President, may we have order, real order, quiet?

The ACTING PRESIDENT pro tempore. The Senate will be in order. The Senate will not proceed until the Senate is in order. The Senator from Tennessee may proceed.

AMERICAN SERVICEMEN IN VIETNAM

Mr. GORE. Mr. President, as a youngster I taught elementary mathematics in high school for a short while. Yet I admit the new mathematics gives me problems. I find the statistical formula for reduction of U.S. forces in Vietnam particularly puzzling.

I made inquiry of the Pentagon, and these statistics were supplied to me. On January 18, 1969, there were 532,500 American servicemen in Vietnam.

On July 17, 1969, there were 535,200 American servicemen in Vietnam.

On July 26, 1969, the Pentagon reports there were 536,000 American servicemen in Vietnam.

This is an increase of 3,500 over the number in Vietnam 2 days before President Nixon's inauguration, an increase of 800 from last week to this week. Yet, I read and hear every day that our boys are being withdrawn. There has been some mention of 25,000.

I am also having difficulty understanding how we can have a policy one day to avoid more Vietnams, and 2 days later to find the Vietnam war "our finest hour." As Alice said in her "Adventures in Wonderland," things are getting "curiouser and curiouser."

Mr. President, there are, unfortunately, some statistics from Vietnam that are easily understood, though they give us much sadness.

The casualties last week in Vietnam were 1,212—110 killed by hostile action, 46 killed by nonhostile action, and the remainder wounded.

This brings to a total, according to the statistics given me by the Department of Defense, of 54,184 casualties since January 18, 1969.

Mr. President, this war must end.

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. LONG obtained the floor.

Mr. LONG. Mr. President, I really do not think the amendment requires any debate. I think all Senators understand the question. It is a simple extension of the 10-percent surtax until the end of this year.

If someone cares to speak in favor of the amendment, I would be happy to yield for that purpose; otherwise, I am prepared to yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senate is not in order. The Senate will please be in order.

Mr. LONG. Mr. President, as I said, I really do not think that my amendment requires any further debate. I think every Senator understands it and knows how he wishes to vote.

I am prepared to yield back the time on my amendment if the other side will yield back their time.

It is my understanding that time must be used up on the amendment before we can consider an amendment to the amendment. That being the case, I propose to yield back my time.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 2 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Delaware is recognized for 2 minutes.

Mr. WILLIAMS of Delaware. Mr. President, I might say that——

Mr. STENNIS. Mr. President, a point of order. It is not possible to hear what is going on. We do not know what the issue is. We do not know what Senators are saying. The Senate should be called to order.

The ACTING PRESIDENT pro tempore. The Senate will be in order.

Will the Senator from Delaware please indicate to whom time will be charged?

Mr. WILLIAMS of Delaware. I said I yielded myself 2 minutes.

Mr. President, I completely agree with the chairman of the committee that there is nothing that can be said in defense of his amendment. I quite agree that it just does not do the job. I think that is clearly understood.

I will yield back my time, and I am ready to vote.

Mr. LONG. Mr. President, I yield myself 1 minute. It is better than nothing.

Mr. WILLIAMS of Delaware. I should like to quote briefly what every living former Secretary of the Treasury publicly and jointly stated in June of this year in connection with this question. This is every living Secretary of the Treasury, including John Snyder, George Humphrey, Robert Anderson, Douglas Dillon, Henry Fowler, Joseph Barr, all made the following statement:

> We are joining together to express our firm conviction that the financial health of the nation demands prompt action by the Congress to extend the income tax surcharge for 1 year.

Mr. President, I completely agree with that, and I agree with the Senator from Louisiana that there is nothing much that can be said in defense of any other position.

With that understanding, if the Senator wants to, we can yield back the remainder of our time.

Mr. LONG. Mr. President, I yield back the remainder of my time.

Mr. WILLIAMS of Delaware. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. All time on the amendment has been yielded back.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island will state it.

Mr. PASTORE. What is the pending business?

The ACTING PRESIDENT pro tempore. The pending question is on the adoption of the amendment offered by the Senator from Louisiana, amendment No. 109.

Mr. PASTORE. I thank the Chair.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 1 further minute.

The ACTING PRESIDENT pro tempore. The Senator from Delaware is recognized for 1 additional minute.

Mr. WILLIAMS of Delaware. As I stated earlier, the uncertainty as to what Congress will or will not do on this surtax, whether to extend it at all and if so, at what rate and for how long, is vital. The uncertainty as to what we will or will not do——

The ACTING PRESIDENT pro tempore. The Senate will please be in order. The Senator from Delaware will suspend.

The Senate will be in order.

Mr. DIRKSEN. Mr. President, I ask that the Senate be cleared of everyone not entitled to the privilege of the floor.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Sergeant at Arms will clear the Chamber of all attachés and other personnel not entitled to the privilege of the floor.

The Senate will be in order.

All attachés will immediately leave the Chamber.

All attachés will completely leave the Chamber, and quickly.

The Senator from Delaware may proceed.

Mr. WILLIAMS of Delaware. Mr. President, if I may finish, I just said that the uncertainty in the financial community and in the minds of our taxpayers as to whether Congress will or will not meet its responsibility in answering the question of extending the surcharge and if so, at what rate and for how long, and whether we will or will not repeal the investment tax credit and if so, at what effective date, are all questions which must be settled today. Immediately after this amendment is disposed of amendments to carry out this objective will be offered. However, we cannot proceed until this amendment is disposed of, then amendments will be offered to extend the surtax for the full year, phased out as the administration recommended and as reported by the Finance Committee, along with the proposal to repeal the investment tax credit.

The ACTING PRESIDENT pro tempore. The Senator from Delaware will suspend until the Senate is in order. All attachés will leave the floor at once.

Mr. WILLIAMS of Delaware. Mr. President, I think that the Senate should beat down this——

The ACTING PRESIDENT pro tempore. Did not the Senator from Delaware yield back the remainder of his time?

Mr. WILLIAMS of Delaware. Yes. I am willing to vote now. I hope that the Senate will reject the amendment.

Mr. SCOTT. Mr. President, will the Senator from Delaware yield for a clarification?

Mr. WILLIAMS of Delaware. I yield.

Mr. SCOTT. As I understand it, a vote "nay" on the Long amendment is not a vote against the extension of phasing out the surtax but Senators may regard it as an opportunity, then, to go on to having a vote on the Williams amendment.

Mr. WILLIAMS of Delaware. That is correct. The only way I can offer my amendment is to get rid of the Long amendment first, which I hope will be rejected by the Senate.

Mr. LONG. Mr. President, I yield myself 1 minute on the bill.

Mr. HANSEN. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. HANSEN. Has not all time been yielded back?

The ACTING PRESIDENT pro tempore. All time has been yielded back.

Mr. LONG. Mr. President, I yield myself 1 minute on the bill.

Mr. MANSFIELD. Mr. President, I yield 1 minute on the bill.

The ACTING PRESIDENT pro tempore. The Senator from Montana has yielded 1 minute on the bill.

Mr. LONG. Mr. President, if this amendment is agreed to, the bill is still subject to amendment. It is subject to amendment relating to extension of the surtax beyond January 1. It is also subject to amendment on the repeal of the investment tax credit. It is right there in the unanimous consent agreement, a copy of which is on each Senator's desk.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

Mr. DIRKSEN. Mr. President, I yield myself 1 minute on the bill, only to ask the chairman of the Finance Committee a question. What is in the bill now also takes care of the withholding tables which the House tried to cover in the bill that came over here a day or two ago and gave a 15-day extension on the withholding tables? That is now taken care of?

Mr. LONG. Yes, that is taken care of.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Louisiana.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from South Dakota (Mr. McGOVERN) is necessarily absent.

The result was announced—yeas 51, nays 48, as follows:

[No. 60 Leg.]

YEAS—51

Aiken	Gravel	McIntyre
Anderson	Harris	Metcalf
Baker	Hartke	Mondale
Bayh	Holland	Moss
Byrd, Va.	Hollings	Muskie
Case	Hughes	Pastore
Church	Inouye	Pell
Cranston	Jackson	Randolph
Dirksen	Javits	Ribicoff
Dodd	Jordan, N.C.	Russell
Eagleton	Kennedy	Sparkman
Eastland	Long	Spong
Ellender	Magnuson	Stennis
Ervin	Mansfield	Symington
Fulbright	McCarthy	Talmadge
Goodell	McClellan	Tydings
Gore	McGee	Yarborough

NAYS—48

Allen	Fannin	Packwood
Allott	Fong	Pearson
Bellmon	Goldwater	Percy
Bennett	Griffin	Prouty
Bible	Gurney	Proxmire
Boggs	Hansen	Saxbe
Brooke	Hart	Schweiker
Burdick	Hatfield	Scott
Byrd, W. Va.	Hruska	Smith
Cannon	Jordan, Idaho	Stevens
Cook	Mathias	Thurmond
Cooper	Miller	Tower
Cotton	Montoya	Williams, N.J.
Curtis	Mundt	Williams, Del.
Dole	Murphy	Young, N. Dak.
Dominick	Nelson	Young, Ohio

NOT VOTING—1

McGovern

So Mr. LONG's amendment was agreed to.

Mr. LONG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WILLIAMS of Delaware. Mr. President, I send to the desk an amendment, and ask that it be stated.

Mr. PASTORE. Mr. President, may we have order?

The ACTING PRESIDENT pro tempore. The Senate will be in order. The clerk will not proceed until order is restored.

The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. WILLIAMS of Delaware. 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.

The amendment offered by Mr. WILLIAMS of Delaware is as follows:

At the end of the bill add a new section:

"EXTENSION OF TAX SURCHARGE

"SEC. 1 (a). SURCHARGE EXTENSION.—Section 51(a) of the Internal Revenue Code of 1954 (relating to imposition of tax surcharge) is amended—

"(1) by inserting at the end of paragraph (1) (A) the following:

"CALENDAR YEAR 1970

"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	$155	0
$155	175	$1
175	195	2
195	215	3
215	235	4
235	255	5
255	275	6
275	300	7
300	340	8
340	380	9
380	420	10
420	460	11
460	500	12
500	540	13
540	580	14
580	620	15
620	660	16
660	700	17
700	740	18
740	780	19
780	820	20
820	860	21
860	900	22
900	940	23
940	980	24
980 and over, 2.5% of the adjusted tax"		

"TABLE 2.—HEAD OF HOUSEHOLD

"If the adjusted tax is: At least	But less than	The tax is—
0	$230	0
$230	250	$1
250	270	2
270	290	3
290	310	4
310	330	5
330	350	6
350	370	7
370	390	8
390	410	9
410	430	10
430	460	11
460	500	12
500	540	13
540	580	14
580	620	15
620	660	16
660	700	17
700	740	18
740	780	19
780	820	20
820	860	21
860	900	22
900	940	23
940	980	24
980 and over, 2.5% 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	$300	0
$300	320	$1
320	340	2
340	360	3
360	380	4
380	400	5
400	420	6
420	440	7
440	460	8
460	480	9
480	500	10
500	520	11
520	540	12
540	560	13
560	580	14
580	620	15
620	660	16
660	700	17
700	740	18
740	780	19
780	820	20
820	860	21
860	900	22
900	940	23
940	980	24
980 and over, 2.5% 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
1970	2.5	2.5".

"(3) by striking out 'July 1, 1969' the first time it appears in paragraph (2)(A) and inserting in lieu thereof 'July 1, 1970', and

"(4) by striking out paragraph (2)(A)(ii) and inserting in lieu thereof the following:

"'(ii) a fraction, the numerator of which is the sum of the number of days in the taxable year occurring on and after the effective date of the surcharge and before January 1, 1970, plus one-half times the number of days in the taxable year occurring after December 31, 1969, and before July 1, 1970, and the denominator of which is the number of days in the entire taxable year.'

"(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 'June 30, 1970'.

"(c) EFFECTIVE DATES.—

"(1) IN GENERAL.—The amendments made by subsections (a) and (b) shall apply to taxable years ending after December 30, 1969, and beginning before July 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 purpose 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—COLLECTION OF INCOME TAX AT SOURCE ON WAGES

"(a) PERCENTAGE METHOD.—Section 3402(a) of the Internal Revenue Code of 1954 (relating to requirement of withholding) is amended—

"(1) by striking out 'July 31, 1969' in paragraph (1) and inserting in lieu thereof 'June 30, 1970';

"(2) by striking out 'August 1, 1969' in paragraph (2) and inserting in lieu thereof 'January 1, 1970'; and

"(3) by inserting after paragraph (2) the following new paragraph:

"'(3) In the case of wages paid after December 31, 1969, and before July 1, 1970:

"'Table 1—If the payroll period with respect to an employee is WEEKLY

"'(a) Single Person—Including Head of Household:

"'If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $4	$0.
Over $4 but not over $13	14% of excess over $4.
Over $13 but not over $23	$1.26, plus 15% of excess over $13.
Over $23 but not over $85	$2.76, plus 18% of excess over $23.
Over $85 but not over $169	$13.92, plus 21% of excess over $85.
Over $169 but not over $212	$31.56, plus 26% of excess over $169.
Over $212	$42.74, plus 31% of excess over $212.

"'(b) Married Person:

"'If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $4	$0.
Over $4 but not over $23	14% of excess over $4.
Over $23 but not over $58	$2.66, plus 15% of excess over $23.
Over $58 but not over $169	$7.91, plus 18% of excess over $58.
Over $169 but not over $340	$27.89, plus 21% of excess over $169.
Over $340 but not over $423	$63.80, plus 26% of excess over $340.
Over $423	$85.38, plus 31% of excess over $423.

"'Table 2—If the payroll period with respect to an employee is BIWEEKLY.

"'(a) Single Person—Including Head of Household:

"'If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $8	$0.
Over $8 but not over $27	14% of excess over $8.
Over $27 but not over $46	$2.66, plus 15% of excess over $27.
Over $46 but not over $169	$5.51, plus 18% of excess over $46.
Over $169 but not over $338	$27.65, plus 21% of excess over $169.
Over $338 but not over $423	$63.14, plus 26% of excess over $338.
Over $423	$85.24, plus 31% of excess over $423.

"'(b) Married Person:

"'If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $8	$0.
Over $8 but not over $46	14% of excess over $8.
Over $46 but not over $115	$5.32, plus 15% of excess over $46.
Over $115 but not over $338	$15.67, plus 18% of excess over $115.
Over $338 but not over $681	$55.81, plus 21% of excess over $338.
Over $681 but not over $846	$127.84, plus 26% of excess over $681.
Over $846	$170.74, plus 31% of excess over $846.

"'Table 3—If the payroll period with respect to an employee is SEMIMONTHLY.

"'(a) Single Person—Including Head of Household:

"'If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $8	$0.
Over $8 but not over $29	14% of excess over $8.
Over $29 but not over $50	$2.94, plus 15% of excess over $29.
Over $50 but not over $183	$6.09, plus 18% of excess over $50.
Over $183 but not over $367	$30.03, plus 21% of excess over $183.
Over $367 but not over $458	$68.67, plus 26% of excess over $367.
Over $458	$92.33, plus 31% of excess over $458.

"'(b) Married Person:

"'If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $8	$0.
Over $8 but not over $50	14% of excess over $8.
Over $50 but not over $125	$5.88, plus 15% of excess over $50.
Over $125 but not over $367	$17.13, plus 18% of excess over $125.
Over $367 but not over $738	$60.69, plus 21% of excess over $367.
Over $738 but not over $917	$138.60, plus 26% of excess over $738.
Over $917	$185.14, plus 31% of excess over $917.

"'Table 4—If the payroll period with respect to an employee is MONTHLY

"'(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $17	$0.
Over $17 but not over $58	14% of excess over $17.
Over $58 but not over $100	$5.74, plus 15% of excess over $58.

"'If the amount of wages is: | The amount of income tax to be withheld shall be:

Over $100 but not over $367	$12.04, plus 18% of excess over $100.
Over $367 but not over $733	$60.10, plus 21% of excess over $367.
Over $733 but not over $917	$136.96, plus 26% of excess over $733.
Over $917	$184.80, plus 31% of excess over $917.

"'(b) Married Person:

"'If the amount of wages is: | The amount of income tax to be withheld shall be:

Not over $17	$0.
Over $17 but not over $100	14% of excess over $17.
Over $100 but not over $250	$11.62, plus 15% of excess over $100.
Over $250 but not over $733	$34.12, plus 18% of excess over $250.
Over $733 but not over $1,475	$121.06, plus 21% of excess over $733.
Over $1,475 but not over $1,833	$276.88, plus 26% of excess over $1,475.
Over $1,833	$369.96, plus 31% of excess over $1,833.

"'Table 5—If the payroll period with respect to an employee is QUARTERLY

"'(a) Single Person—Including Head of Household:

"'If the amount of wages is: | The amount of income tax to be withheld shall be:

Not over $50	$0.
Over $50 but not over $175	14% in excess over $50.
Over $175 but not over $300	$17.50, plus $15% of excess over $175.
Over $300 but not over $1,100	$36.25, plus 18% of excess over $300.
Over $1,100 but not over $2,200	$180.25, plus 21% of excess over $1,100.
Over $2,200 but not over $2,750	$411.25, plus 26% of excess over $2,200.
Over $2,750	$554.25, plus 31% of excess over $2,750.

"'(b) Married Person:

"'If the amount of wages is: | The amount of income tax to be withheld shall be:

Not over $50	$0.
Over $50 but not over $300	14% of excess over $50.
Over $300 but not over $750	$35, plus 15% of excess over $300.
Over $750 but not over $2,200	$102.50, plus 18% of excess over $750.
Over $2,200 but not over $4,425	$363.50, plus 21% of excess over $2,200.
Over $4,425 but not over $5,500	$830.75, plus 26% of excess over $4,425.
Over $5,500	$1,110.25, plus 31% of excess over $5,500.

"'Table 6—If the payroll period with respect to an employee is SEMIANNUAL

"'(a) Single Person—Including Head of Household:

"'If the amount of wages is: | The amount of income tax to be withheld shall be:

Not over $100	$0.
Over $100 but not over $350	14% of excess over $100.
Over $350 but not over $600	$35, plus 15% of excess over $350.
Over $600 but not over $2,200	$72.50, plus 18% of excess over $600.
Over $2,200 but not over $4,400	$360.50, plus 21% of excess over $2,200.
Over $4,400 but not over $5,500	$822.50, plus 26% of excess over $4,400.
Over $5,500	$1,108.50, plus 31% of excess over $5,500.

"'(b) Married Person:

"'If the amount of wages is: | The amount of income tax to be withheld shall be:

Not over $100	$0.
Over $100 but not over $600.	14% of excess over 100.
Over $600 but not over $1,500.	$70, plus 15% of excess over $600.
Over $1,500 but not over $4,400.	$205, plus 18% of $1,500.
Over $4,400 but not over $8,850.	$727, plus 21% of excess over $4,400.
Over $8,850 but not over $11,000.	$1,661.50, plus 26% of excess over $8,850.
Over $11,000	$2,220.50, plus 31% of excess over $11,000.

"'Table 7—If the payroll period with respect to an employee is ANNUAL

"'(a) Single Person—Including Head of Household:

"'If the amount of wages is: | The amount of income tax to be withheld shall be:

Not over $200	$0..
Over $200 but not over $700.	14% of excess over $200.
Over $700 but not over $1,200.	$70, plus 15% of excess over $700.
Over $1,200 but not over $4,400.	$145, plus 18% of excess over $1,200.
Over $4,400 but not over $8,800.	$721, plus 21% of excess over $4,400.
Over $8,800 but not over $11,000.	$1,645, plus 26% of excess over $8,800.
Over $11,000	$2,217, plus 31% of excess over $11,000.

"'(b) Married Person:

"'If the amount of wages is: | The amount of income tax to be withheld shall be:

Not over $200	$0.
Over $200 but not over $1,200.	14% of excess over $200.
Over $1,200 but not over $3,000.	$140, plus 15% of excess over $1,200.
Over $3,000 but not over $8,800.	$410, plus 18% of excess over $3,000.
Over $8,800 but not over $17,700.	$1,454, plus 21% of excess over $8,800.
Over $17,700 but not over $22,000.	$3,323, plus 26% of excess over $17,700.
Over $22,000	$4,441, plus 31% of excess over $22,000.

"'Table 8—If the payroll period with respect to an employee is a DAILY payroll or a MISCELLANEOUS PERIOD

"'(a) Single Person—Including Head of Household:

"'If the amount of wages, divided by the number of days in the payroll period, is: | The amount of income tax to be withheld shall be the following amount multiplied by the number of days in such period:

Not over $0.50.	$0.
Over $0.50 but not over $1.90.	14% of excess over $0.50.
Over $1.90 but not over $3.30.	$0.20, plus 15% of excess over $1.90.
Over $3.30 but not over $12.10.	$0.41, plus 18% of excess over $3.30.
Over $12.10 but not over $24.10.	$1.99, plus 21% of excess over $12.10.

"'(a) Single Person—Including Head of Household—Continued

"'If the amount of wages, divided by the number of days in the payroll period, is: | The amount of income tax to be withheld shall be the following amount multiplied by the number of days in such period:

Over $24.10 but not over $30.10.	$4.51, plus 20% of excess over $24.10.
Over $30.10	$6.07, plus 31% of excess over $30.10.

"'(b) Married Person:

"'If the amount of wages, divided by the number of days in the payroll period, is: | The amount of income tax to be withheld shall be the following amount multiplied by the number of days in such period:

Not over $0.50	$0.
Over $0.50 but not over $3.30.	14% of excess over $0.50.
Over $3.30 but not over $8.20.	$0.39, plus 15% of excess over $3.30.
Over $8.20 but not over $24.10.	$1.13, plus 18% of excess over $8.20.
Over $24.10 but not over $48.50.	$3.99, plus 21% of excess over $24.10.
Over $48.50 but not over $60.30	$9.11, plus 26% of excess over $48.50.
Over $60.30	$12.18, plus 31% of excess over $60.30.'

"(b) WAGE BRACKET WITHHOLDING.—Section 3402 (c) (relating to wage bracket withholding) is amended—

"(1) by striking out paragraph (1) and inserting in lieu thereof the following:

"'(1) WAGE BRACKET WITHHOLDING.—At the election of the employer with respect to any employee, the employer shall deduct and withhold upon the wages paid to such employee a tax (in lieu of the tax required to be deducted and withheld under subsection (a)) determined in accordance with tables prescribed by the Secretary or his delegate. The tables so prescribed shall be the same as the tables contained in this subsection as in effect before June 1, 1969, except the amounts set forth as amounts and rates of tax to be deducted and withheld shall be computed on the basis of table 7 contained in paragraph (1), (2), or (3) (whichever is applicable) of subsection (a).'; and

"(2) by striking out paragraph (6).

"(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to wages paid after July 31, 1969."

The ACTING PRESIDENT pro tempore. How much time does the Senator from Delaware yield himself?

Mr. WILLIAMS of Delaware. I yield myself 5 minutes.

Mr. PROUTY. Mr. President, may we have order?

The ACTING PRESIDENT pro tempore. The Senate will be in order. The Senator will not proceed until the Senate is in order.

The Senator from Delaware may proceed.

Mr. WILLIAMS of Delaware. Mr President, in my opinion the surtax should be extended for the full year on the basis of phasing it out at 10 percent for the first 6 months and 5 percent for the next 6 months.

I would much prefer—and I think it would be better procedure—to vote for this as a package, because then we would have solved the problem. However, the Senate has decided otherwise and has

now approved a 6-month extension of the surtax at 10 percent, and I respect the decision of the Senate.

The purpose of the pending amendment is to extend the surcharge for an additional 6 months from January 1, 1970, to July 1, 1970, as has already been approved by the House of Representatives and by the Senate Finance Committee. It is exactly as approved under H.R. 12290, now on the Senate Calendar.

So, what the amendment proposes to do is to put back the other 6 months of the surcharge as it was reported by the Finance Committee.

I do not want to belabor the Senate with the thought of how necessary it is in the opinion of some that Congress should settle this point for once and for all in order to remove this continued uncertainty from the markets and from the country as to what we intend to do.

I again read, the unanimous recommendations of the six former Secretaries of the Treasury. The six—John W. Snyder, George M. Humphrey, Robert B. Anderson, Douglas Dillon, Henry H. Fowler and Joseph W. Barr—made the following statement:

> We are joining together to express our firm conviction that the financial health of the nation demands prompt action by the Congress to extend the income tax surcharge for one year. Combined with control of expenditures, this is essential to produce the budgetary surplus so urgently needed to dampen inflation and maintain orderly financial markets.
>
> If inflation continues unabated, we will put into jeopardy the economic prosperity we have all worked so hard to achieve.
>
> The risks of inaction are great:
>
> At home, rising prices—and the expectation of further rises—will create new distortions and inequities that will unbalance our economy.
>
> Businessmen will continue to see their goods priced out of foreign markets as our exports become more expensive. At the same time, they will see this inflation produce a strong demand for imports.
>
> The burden of fighting inflation cannot be left to monetary policy alone. Recent developments carrying interest rates to the highest levels in a century make plain the severe pressures already operating in financial markets.
>
> We recognize that important questions of tax reform remain to be settled at a later date, and we pronounce no judgment on the structural tax changes proposed by the Administration.
>
> But we are united in the conviction that—in the interests of the nation's economic stability and its future prosperity—extension of the surcharge for one year must not be delayed.

I now read what former Secretary Robert Anderson had to say just 2 weeks ago on the same subject:

> As we consider our domestic fiscal and monetary policies three thoughts should always be in our minds: (1) The dollar is the most integral part of the world monetary system. (2) The ultimate safety of the dollar and its value does not rest exclusively in our hands but is largely and perhaps finally in the control of those abroad who hold our currency and short term debt. (3) Foreigners who do hold our short term securities have a legitimate interest in how we manage our domestic affairs when the value of our money is involved.
>
> Today the whole world watches what we do about the surtax. It is regarded as a strong indication of whether, as a nation, we have either the will or the ability to slow the rapid erosion of the currency. . . .
>
> As a nation we want to slow down excessive spending and inflation. We want to avoid the stagnation and fear that uncertainty helps to establish. . . .
>
> Whether we do our utmost to preserve and protect the monetary system essential to our own welfare and the improvement of standards of living here and abroad is now the essential question that is raised by the vote on the surtax.
>
> In the past six months I have twice seen most of the banks and bankers and a great many businessmen of Europe. They are most important to the safety of our dollar and the system of payments and international settlements the dollar supports. This is the life blood of trade and commerce—a major governing force in our exports and balance of payments.
>
> I can assure you that all the people who concern themselves in trying to contribute to the endurance of a sound monetary system for our nation and their nations are focusing on this Congress at this hour to determine whether we elect to act responsibly in our efforts to preserve the dollar's value and the world's economic hopes.

I read what former Secretary Fowler, the immediately preceding Secretary under the previous administration, had to say in a statement made 2 weeks ago in connection with the pending measure:

> The risks that are involved in delaying the definitive and final action on the surtax extension are risks that I would hesitate to accept. . . .
>
> The risk at home in an inflationary psychology, instead of being weakened during this period, may be strengthened with the consequence that the risk that wages and prices will accelerate rather than decelerate, that there will be anticipatory buying of plant equipment, goods and services, and that there would be pressure in the monetary market and on interest rates out of the uncertainty as to whether or not Federal financing is going to step in and pre-empt a significant part of the market as would be the case if the surtax were not extended.
>
> We cannot exercise that very necessary ingredient in leadership unless, it seems to me, by the month of September we have this matter of necessary fiscal action behind us.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS of Delaware. I yield.

The PRESIDING OFFICER (Mr. GRAVEL in the chair). The Senator from Rhode Island is recognized.

Mr. PASTORE. Mr. President, will not the Senator admit that the 12-month extension, together with tax reform, would better fortify the fiscal position of the Nation both domestically and internationally?

Mr. WILLIAMS of Delaware. All of the Secretaries of the Treasury have gone on record, as I stated, in favor of tax reform.

Mr. PASTORE. I know they have. And so have we. But the fact is that we have not been able to have tax reform, and this is the last clear chance we have.

That is the reason why many of us have voted for the 6-month extension rather than the 12-month extension.

I would be very pleased to vote for the 12-month extension if it were to include tax reform. However, we have had promise after promise after promise. And we have never had tax reform. This is the only chance we have, and that is the reason why I favor the 6-month extension.

Mr. WILLIAMS of Delaware. The Senator will have to speak on his own time.

Mr. PASTORE. Mr. President, may I have time?

Mr. MANSFIELD. Mr. President, I yield 5 minutes on the bill to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 5 minutes.

Mr. PASTORE. Mr. President, do I have the Senator's indulgence to interrupt him on my time?

Mr. WILLIAMS of Delaware. Yes.

Mr. PASTORE. Mr. President, I will make the point again. The thing that disturbs me is not so much the 6 months as against the 12 months. As a matter of fact, I would be for the 12-month extension providing I would have assurance that we are going to have tax reform. There is no Member of the Senate who knows more about the parliamentary gimmicks than does the Senator from Delaware. And he knows that if we dispose permanently of the surtax problem and then treat the tax reform independently, we will have no chance to have tax reform.

The Senator knows that. He has tried to reduce the oil depletion allowance time after time. And the Senator from Rhode Island has supported him. And each time we have been unsuccessful.

All I am saying to those who feel that it is good fiscal policy to have a surtax for 12 months is, let us see how they feel about doing something to help bring about equity and justice to the whole tax structure of the country. That is the question.

We are missing the point entirely. It is not a question of what one Secretary said or what some other Secretary said. I know how they feel about the surtax. I feel the same way myself. The reason why I am for a temporary extension rather than an extension for the full period at this time is that if we go for the extension for the full period, we will never have tax reform.

Mr. WILLIAMS of Delaware. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Delaware has 30 minutes remaining.

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

Mr. WILLIAMS of Delaware. I will yield in a moment. First, I would like to reply to the Senator from Rhode Island. He has made a very good point.

Mr. President, I am just as much in favor of tax reform as is the Senator from Rhode Island or any other Member of the Senate. I think the time is long past when we should stop making speeches and get down to voting.

I most respectfully suggest to the Senator, however, that I think we are going to have major tax reform because the Democratic Policy Committee, of which he is a member and which controls the U.S. Senate, has firmly promised that such a measure will be before us. I believe them.

However, the Senator is a member of the policy committee and may be in a

better position to judge their sincerity than I am.

I must respectfully remind the Senate that for 8 years the Democratic Party has had control of the Government, and we have not had tax reform yet.

I think it is time that we get busy. Nor am I unmindful of the fact that as a member of the Finance Committee I have seen the members of the past administration come before the Finance Committee and testify against practically every reform that has been suggested to date. I offered most of them as amendments to various tax bills.

I say that the time has come to vote and not have speeches. Speeches do not help the American taxpayers.

I want to be sure, however, that we get positive assurance that the matter will go through the policy committee. I trust them; however, I want to make it clear that if someone on the other side does not trust them he should follow my earlier suggestion that we stop the tax reform package when it comes from the House to the Senate, put it on the calendar, and then move to recommit to the Finance Committee with specific instructions to report back to the Senate on a date certain.

I will support such a proposal. That is the way to get positive assurance, and I will join with the Senator from Rhode Island in that step. However, I would still like to continue quoting the statements of other Secretaries.

While we may all be for and will vote for tax reform, the tax reform will not provide the $8 billion or $9 billion a year that we need to restore the government some semblance of fiscal responsibility.

I took the same position toward fiscal responsibility, the Senator from Rhode Island will remember, last year under the preceding administration. I fought just as hard for fiscal responsibility last year as I am fighting here today. I was then supporting the enactment of President Johnson's request for a 10-percent surcharge for a full year. I said that in the face of the $25 billion deficit we had then and in face of the inflationary psychology building up in our country I felt that for the good of the country we had to pass that bill.

I feel strongly that a similar situation exists today. I believe that the time to vote is when the roll is called and to remove this uncertainty.

I should now like to quote what the Chairman of the Federal Reserve Board, Mr. William McChesney Martin, said on this subject the other day:

> I think this is the worst period of inflation that we have had since the end of World War II.
>
> I think expectations of inflation have been built into the economy in a way that has occurred and this has become a part of the psychological deterioration of our budget since early 1965. But I think we are making progress in the present time and what we have been trying to do with monetary policy is to disinflate without having disastrous deflation.
>
> That is a very difficult thing to do and it takes a great deal of balance to keep it in that perspective. Now, this psychological problem has become very real recently and I think we are making progress currently. I think abroad and in this country there are still skeptics of whether we will be able to do this and carry through. This skepticism will be heightened and not by any sense diminished by any delay that occurs in the surtax. . . .
>
> We are not going to get lower interest rates until we get this inflation under control. . . .
>
> All I want to do is to say amen to what has been said and to say that monetary policy wants to do its part, but without complimentary fiscal policy I think we are going to get into an even more serious quagmire than we are in at the present time. I think it is essential that we disinflate without bringing on a serious deflation.

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

Mr. WILLIAMS of Delaware. I promised to yield to the Senator from Florida.

Mr. PASTORE. I have 3 minutes remaining.

I should like to remind the Senator from Delaware that while he and I agree with the statements he has just read, there are Members of the Senate who genuinely and sincerely do not entertain the same alarm. As a matter of fact, we have had galloping inflation all during the time that we have had the surtax on the books. As a matter of fact, it has been worse after the surtax than it was before the surtax. I am not saying that the surtax did it. All I am saying is that the surtax did not completely cure it.

I am one of those who believe, with the Senator from Delaware, that it has a tremendous psychological effect. There is no question about that.

We of the policy committee did not say, "Let us do away with the surtax." We are apprehensive that many Members of the Senate feel that there should be tax reform, and they sincerely feel that if we let this opportunity slip through our fingers at this time, that chance will be lost. Therefore, all the policy committee has done—and the members have been very compromising—first, it was argued that we would go until October 30, and then it was November 30; and then, when our very genial and eloquent minority leader rose on the floor the other day and said he would be willing to subscribe to December 31, we immediately assembled the policy committee again, met jointly with the Committee on Finance, and said that is a reasonable request and we readjusted the date to December 31.

I was very much refreshed to see that the minority leader and his son-in-law came along with the promise, but I do not think he was too much successful with the remainder of his group.

So what happened? All we were trying to do here was to get a little assurance that we would get some chance at tax reform. That is all it amounts to.

Mr. President, I happen to be one of those trusting souls who believe that the Democratic Policy Committee, which includes the Senator from Rhode Island as a member, can be trusted, although I admit that he is in a better position than I to evaluate their sincerity.

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

Mr. WILLIAMS of Delaware. I yield.

Mr. LONG. I yield 3 minutes to the distinguished Senator from Florida.

Mr. HOLLAND. Mr. President, the Senator from Louisiana has yielded to me, so I will be proceeding on my time.

The PRESIDING OFFICER. The Senator from Florida has the floor.

Mr. HOLLAND. If I may have the attention of the Senator from Delaware, I thoroughly agree with him that the 5-percent surtax should continue through the first 6 months of the next year. I expect to vote that way when the appropriate time comes. I am sorry that I cannot vote that way now, because I think it is clearly indicated that the only thing we can possibly do today is to accomplish the extension of the 10-percent surtax through the last 6 months of this calendar year.

I am probably as distressed as he is that other features of the bill as reported by the committee are not now involved. I am sorry the investment credit is not involved, because I expect to vote for the repeal of the investment credit. I am sorry that the provision which takes care of some low-income families—I know that my friend the Senator from Montana is particularly interested in that—is not before us so that we can also approve that. I am sorry that the continuation of the excise taxes is not before us. And I am committed to vote for the bill as reported by the committee. The Senator from Louisiana well knows this, because I so advised him when the bill was pending before his committee.

What we are really trying to do is to get something done. While I am not a member of the policy committee and not a party to its maneuvering on the House bill on this subject during the last few days, I just want to make it very clear that I hope we shall get soon to the time when we can accomplish the full scope of that bill as reported.

I hope—and in this respect I differ somewhat from my distinguished friend and seatmate, the Senator from Rhode Island—that there will be no coupling of reform to that bill when it comes up. I understood from the commitments made yesterday by the Senator from Louisiana and the Senator from Montana, the majority leader, that we would have a separate chance to pass upon that tax reduction bill before we got the reform bill which I also expect to support. I shall expect to support the House bill, H.R. 12290, but I am not going to kill the chance of affirmative action today, of accomplishing what is possible and all that is possible at this time, by attaching more amendments to this particular bill.

I regret that I cannot support the Senator on his amendment to attach the investment credit repeal. But there is a time for everything, and this is not the time for those things. I just want to make that clear for the record.

The PRESIDING OFFICER. The time of the Senator has expired.

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

Mr. LONG. Mr. President, will the Senator yield 30 seconds?

Mr. WILLIAMS of Delaware. I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, I ask unanimous consent that Mr. Tom Vail, the chief of staff of the Committee on Finance, and one other expert on taxes

from the Joint Committee on Internal Revenue Taxation, may have the privilege of the floor to advise Senators on technical matters.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

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

Mr. WILLIAMS of Delaware. I yield.

Mr. SCOTT. To distinguish pragmatism from fragmentism, I should like to get back to what we are really doing.

Will the Senator advise me at this point: In our proceedings, what we have done is to refuse at this time to phase out the surtax, but to continue it for 6 months, and if we do not adopt the amendment of the Senator from Delaware, then we are refusing to reduce the impact of the surtax next year, and we are refusing to phase out the surtax; and all we are left with is an extension of the 10 percent to the end of the year, plus a number of highly pious and friendly assurances. That is not what the Senator wants to do.

Mr. WILLIAMS of Delaware. To a large extent; yes.

Mr. President, the Senator from Florida has pointed out that he is for extending the surtax the full year. I most respectfully suggest that all he would have to do is to vote for it, and we will have it for the full year. It is now before us in the pending amendment.

There is no question but that the House would prefer the full year extension. They turned down the 6 months once, and they did vote for the full year.

The Senator from Rhode Island raised the question—and I will yield in a moment to other Senators who wish to speak on this matter—that the surtax last year was not as effective an instrument to control inflation as had been expected. That is true. But let us look at some of the reasons why the surtax enacted last year was not as effective a control over inflation as those who pushed for that bill thought it would be.

No. 1, it was enacted a year and a half late. President Johnson first recommended it in January 1967 and again in January 1968. It was not until June 1968, 6 months after the second recommendation, that it was enacted, and that delayed action had an adverse effect on the economy by adding fuel to the fires of inflation. Then after it was recommended in January 1967, the administration switched signals, and instead of continuing to support the tax increase, which many of us thought had to be enacted in the face of a prospective $25 billion deficit in fiscal year 1968, they reinstituted the suspended investment credit, which represented a $3 billion tax reduction and subsidy for industry. That was an inflationary act, and was recognized by nearly everyone at the time that it would have an adverse effect.

There is another point. After the bill was enacted, even at the late date, the Federal Reserve misjudged the situation and pumped money into the market at an abnormally fast rate. This, too, increased the inflation.

Then on another point, we had the $6 billion mandatory reduction in expenditures as a part of that bill, but Congress, by its actions, whittled that away and exempted $4 billion from the expenditure reduction. That went into the economy as increased spending.

Therefore, while it did not achieve all the results hoped for, the question we may well be asked, What would have happened if we had not done it? I will quote only from a former Secretary of the Treasury who was backed up by a former Secretary of the Federal Reserve. They said the American dollar would have gone down the drain if Congress had not enacted the surtax.

This is justifiable, Mr. President. I ask that we remove the cloud of uncertainty and let the American people know what the tax rate is going to be for a full year. That is essential. The question of repeal of the investment credit will be offered separately later on.

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

Mr. WILLIAMS of Delaware. I yield.

Mr. PERCY. Mr. President, with all due respect to the distinguished Senator from Maryland, I think he underestimates the slowing down effect this surtax has actively had on the economy. We have had a slowdown, as the Senator knows. It is not as much as we might expect and it did not come as quickly as we thought, but we should look at the figures to see if we have not started to reverse the upward-spiraling trend.

The tax surcharge was oversold last year. People talked as if its enactment would produce instant economic stability. It did not and should not have been expected to. We should not now jump to the other extreme and think that the enactment of the surcharge last year had no effect and that its expiration would have no effect.

In fact, there has been a significant change in the economy since the surcharge was enacted. The annual rate of growth of total spending declined from 10.7 percent in the first half of 1968, before the surcharge, to 8 percent in the second half and 7.4 percent in the first half of 1969. The annual rate of growth of total real output declined from 6.6 percent in the first half of 1968 to 3.6 percent in the second half and 2.5 percent in the first half of 1969. This slowing down in the growth of spending and output is the necessary prelude to the slowdown of inflation which we seek and which will come if we continue patiently on the course we have set.

All of this change in the economy was not due to the surcharge, but some it certainly was. We should not conclude that because moving from a budget deficit to a surplus did not solve all our economic problems in 12 months we can now safely move back to a deficit by cutting taxes.

Our experience requires us to be modest in claiming to know just how big the effect of a tax increase or tax reduction will be, or how fast the effect will come. Still, there is no reason to think that a tax reduction now will be beneficial from the standpoint of inflation and high interest rates. Even recognizing all the uncertainties of economic prediction and prescription, a decision to cut taxes while inflation is still galloping would be a bad gamble.

One reason why the slowdown in spending and output has not yet slowed down inflation is the common expectation that the Government will not stick to its anti-inflationary policy. Many businessmen think they can safely raise prices because they think that Government deficits and easy money will be pumping the economy up again and they will be able to sell all they can produce at higher prices. In the first half of this year major union settlements have called on the average for annual increases of 7 percent in compensation, often for 3 years to come. In construction the increases have averaged 15 percent. Why do workers think they can demand such increases without a big risk of unemployment? How do employers expect to be able to pay them? It is simply because they think that inflation is going to continue at a rapid rate.

By our conduct now in delaying action on the surcharge we are feeding these expectations of more inflation. We are giving substance to the idea that the Government cannot be counted on to take timely anti-inflationary action. Every day that passes builds more inflation into the future and will make later control of inflation more difficult.

The Nation is actually suffering from an epidemic, and its name is inflation. It cannot be controlled by quarantine, because all are infected. It cannot be cured by half measures, especially half measures which ignore the facts of international competition. It will not just go away.

What is the extent and intensity of this epidemic? To equal his buying power in 1939, a worker must earn three times as much in 1969. Even more alarming, the pace of inflation is accelerating. In May 1969, the Consumer Price Index was up 5.4 percent over 1 year ago. In the same period, beef prices had risen 9.2 percent, homeownership costs were up 11 percent, and medical care services were up 8.5 percent. In terms of the 1957–59 dollar the May 1969 dollar was worth 78.9 cents. From March 1968 to March 1969, eggs were up 26 percent, insurance and financial services were up 11.6 percent, and men's and boys' clothing rose 7.2 percent. The American housewife concerned with raising her family may not be familiar with every statistic, but she knows what life is like at the grocery store checkout counter.

Few things reveal the extent of the inflationary disease and its basic causes more vividly than our declining position in international trade. As inflation has accelerated, our manufactured goods have become less and less competitive in the world market. Since 1958, our imports of manufactured goods have quadrupled while our exports have only doubled. And in recent years, our merchandise trade surplus has dwindled from over $7 billion to virtually nothing. Why? One major reason for this disastrous

decline is the great disparity between our labor costs and those in competing countries.

It is precisely this fact of world trade competition that limits our options on how to deal with inflation. Our global economy will no longer permit us to rationalize away inflationary wage and price increases as an internal phenomenon that will eventually equalize out.

The labor rate aspect of the problem of inflation is a subject which is understandably avoided by politicians but which now requires frank discussion.

Here is what has been happening. Major labor settlements in the first half of 1969 provided a median wage and benefit increase of 7.1 percent a year. As I said before, the median increase in the construction industry alone was 15 percent.

A close look at construction industry contracts negotiated thus far in 1969 tells the story. In Buffalo a new 3-year contract for 8,500 construction workers resulted in a $3.35 an hour increase, or 15 to 16 percent a year over the 3-year contract. Laborers alone were up 18 percent a year.

In Philadelphia 10,000 carpenters received a 2-year contract calling for a $2.71 an hour increase, or 21 percent a year over the 2-year period.

In Dade County, Fla., 1,800 laborers received a new 3-year contract with a $2.50 an hour increase, or 19 percent a year over the 3 years.

In Detroit 2,500 ironworkers received a 1-year contract with a $1.40 an hour increase, or 20-percent increase over the next year.

In northern Ohio 1,400 carpenters just received an 18-month contract with an increase of $2.05 an hour, or 21 percent yearly increase.

These statistics, together with other cost increases in land, interest, and materials, throw into great doubt the probability of the United States meeting its housing goals over the next decade.

Labor leaders are understandably negotiating contracts to take into account future expected price increases. In other contract settlements so far this year, in May, Chicago union lithographers gained a wage increase amounting to 20 to 34 percent over a 2-year period; in March 1969, union demands on airlines were settled with a 25.5 percent wage increase; in Buffalo, a recent settlement with the electricians union included a $3.40 hourly raise, which will bring their wage-fringe payments to nearly $10 an hour by mid-1971. Productivity increases are nowhere near these levels.

While increases of this kind seem most attractive to those who receive them, they should ask themselves, as we all must ask ourselves, what such settlements are doing to our economy in general, and to the job security of American workingmen in particular. Unit labor costs are soaring, with May 1969 unit labor cost for manufacturing being the highest on record. In 1968 the increase in hourly compensation outstripped increases in productivity by more than 4 percent.

We are in critical times. In 1970, contracts will be negotiated for close to 6 million workers in major industries. Will any reasonable restraint be exercised? I am not encouraged. The railway clerks have announced wage demands of about $1.50 per hour; a Teamster's union in the west coast soft drink industry has demanded a "per container royalty" which would mean an estimated $19,500 per year per employee.

It is difficult to blame the leaders and members of labor unions for wanting more, just as it is difficult to blame business leaders for passing their increased labor costs on to their customers, whenever possible. Yet, sooner rather than later, we must face up to the facts that these inflationary wage increases:

Rob us all of purchasing power;

Pick the pockets of those who are on fixed incomes;

Seriously damage our position in competitive world markets; and

Undermine the job security of American workers.

How should we deal with this corrosive problem? Wage and price controls? I sincerely hope not. The destruction of free collective bargaining and the ending of business decisions made free of government coercion would be a bitter price to pay.

We are all aware of the courageous and constructive steps already taken or proposed in the fiscal and monetary fields. The extension of the surtax, careful control of the money supply, and substantial cuts in Federal spending, among other measures, are essential to success. They are essential, but they are not enough. In the completely free market of classical economics they would probably have been sufficient, but we now live in a different world.

It seems to me that there is another dimension to the problem, an intangible, a human dimension. Recent days have seen the culmination of one of the great enterprises in the history of mankind. Surely the spirit of cooperation, of self-discipline, of restraint and devotion demonstrated by the people of this country in putting our men on the moon, can and should be applied to other great challenges facing the Nation.

What is now needed in the struggle against the disease of inflation is another national commitment, a moral commitment, if you like. A commitment by labor leaders to practice restraint and lead their members responsibly; a commitment by business to hold prices in line; a commitment by workers to produce more and earn every dollar of increased wages, and a commitment by the administration and Congress to do everything in their power to foster productivity, equity, stability, and hold down the cost of Government.

The top bill we are voting on today will not be sufficient to do the job of fighting inflation alone. To subdue inflation will require what has been called a spirit of creative collaboration among business, labor, and government. We dare wait no longer. We need wait no lonegr. We must act now.

Mr. President, indications I have from many, many businessmen and bankers that I have talked with in recent days leads me to believe that inflation is as much psychological as anything else. This is why it is very important that the amendment to extend the surtax for 5 percent from January 1 to June 30, 1970 pass, because if we act on this measure for a 6-month period only, the banking community, the business community, labor, and the consumer may not take seriously our intention to stick to the difficult and demanding course we have set to fight inflation. We must eliminate the uncertainty about whether this tax will die at the end of the year. The trend set by the administration to fight inflation is the trend we should keep until the battle has been won.

Mr. President, I shall ask to have printed in the RECORD a series of telegrams I have received today from some of the Nation's most prominent and respected businessmen and from prominent bankers throughout the State of Illinois. Virtually without exception—every one of these deeply concerned, knowledgeable men urge that the surtax be extended, and they mean for a full year—not just a half a loaf, but a full loaf. It would stand as the most concrete indication of our serious intention to meet this problem of inflation head on which is doing such irreparable damage to farmers, consumers, businessmen, working men, retirees, people living on fixed incomes, just to mention a few.

Mr. President, I ask unanimous consent to have printed in the RECORD the telegrams to which I have referred.

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

NEW YORK, N.Y.,
July 31, 1969.

HON. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.:

I would respectfully urge support of the President in his request for extension of the surtax, and I would hope for the full year. Uncertainty as to the future does not make for stability in the market place. The fight against inflation has yet to be won, and without the surtax may well be lost. Government must lead this fight and Congress must give it the tools for it to succeed. High regards.

LUCIUS D. CLAY.

Senator CHARLES PERCY:

It is my deep conviction that no issue facing the nation today is more critical than the threat of further inflation. Therefore, I join my associate, Arthur Larkin, President of General Foods, in urging prompt Senate action to extend the surtax on income. The danger to our economic strength which is implicit in today's attack on the value of the dollar is real and present and requires every reasonable step to avert it.

CHARLES G. MORTIMER,
Chairman, Executive Committee, General Foods Corp.

NEW YORK, N.Y.,
July 31, 1969.

Senator CHARLES PERCY,
U.S. Senate,
Washington, D.C.:

In my judgment, the immediate passage of the surtax is important, first, to reassure the foreign holders of our short term debt that we are resolved to maintain the soundness of our currency and to curb inflation. Secondly, to reassure the market and those who accumulate capital in all walks of life that we are going to relieve this uncertainty

in our fiscal affairs and protect our dollar value. Finally, we want to assure our business and labor leaders that we will continue to have capital accumulation and capital expenditures so as to ensure growth, development and employment. It is periods of uncertainty which cause the postponement of development programs and can seriously and adversely affect our economic growth.

Best regards,

ROBERT B. ANDERSON.

NEW YORK, N.Y.,
July 31, 1969.

Hon. CHARLES H. PERCY,
U.S. Senate Building
Washington, D.C.:

DEAR CHUCK: Surtax is more important to the country and its economic capability for all the needs so plaguing it than the unfortunate politics now in its way. I plead for statesmanship and passage.

FRED R. KAPPEL,
International Paper Co.

CINCINNATI, OHIO, *July 31, 1969.*

Hon. CHARLES H. PERCY,
U.S. Senate:
Senate Office Building,
Washington, D.C.:

In reply to your telegram this message is to communicate our full support for the extension of the Federal surtax. In our opinion the extension is essential to the economic well-being of the country. It is needed to help curb inflation and to demonstarte our sense of fiscal responsibility to the rest of the world. Unless every effort is made to curtail inflation, we forsee serious economic consequences.

NEIL MCELROY,
The Procter & Gamble Co.

AKRON, OHIO,
July 31, 1969.

Senator CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.

The President's surtax program is on the right track in fighting inflation and the best interests of business labor and the consumer will be served by acting favorably now. In my opinion and many others in our shop the cycle of increased wages due to inflation and its accompanying rising prices has already reached a very dangerous point adversely affecting the future well being of all these groups.

E. J. THOMAS,
Goodyear Tire & Rubber Co.

SAN FRANCISCO, CALIF.,
July 31, 1969.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR CHUCK: It is imperative that the surtax be extended as recommended by the President unless inflation is stopped. Business, labor and the consumer will suffer the serious effects of a recession. I urge you to give full support to passage of the surtax measure.

D. J. RUSSELL,
Chairman, Southern Pacific Co.

TOLEDO, OHIO,
July 31, 1969.

Hon. CHARLES H. PERCY,
U.S. Senate, Washington, D.C.:

Immediate enactment of surtax important to protect position of outstanding billions of dollars abroad and even more urgent to leave inflationary pressures reflected in skyrocketing wages and explosive prices as well as excessive interest rates here at home. Latter includes cost to government of borrowed money. Witness 110-year record rate of 7.75 percent set yesterday on refunding notes. Continuing uncertainty bound to stem from piecemeal extension of surtax and this distorts timing and stabilization of business policies and plans. Appreciate your forceful interest.

Personal regards,

HAROLD BOESCHENSTEIN,
Owens Corning Fiberglas Corp.

NEW ORLEANS, LA.,
July 31, 1969.

Hon. CHARLES H. PERCY,
U.S. Senator,
New Senate Building,
Washington, D.C.:

Failure to enact surtax in my opinion will: First, simply serve to further increase inflation, attest, the increase steel prices. Second, at some point labor must become more aware of the problems involved, and thirdly, consumer price index would indicate that if inflation is not checked we will hardly be able to escape recession. Most important, the indecision on this surtax to me has been one of the contributing factors to the recent market decline. If the American public has a bad dose of medicine to take I believe they would rather know about it.

Best regards,

ALVIN H. HOWARD,
Weil Labouisse Friedrichs & Co.

NEW YORK, N.Y.,
July 31, 1969.

Hon. CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.

I take the liberty of urging your support of the re-enactment of the surtax coupled with great efforts to reduce government expenditures. It is imperative that inflation which is doing so much harm to all the people of this country be checked. Greater taxes which would reduce consumer buying power and slow up business expansion, provided these taxes are not spent by the Government but used to create a surplus in the Federal budget, are necessary at this dangerous time. My company and I personally will gladly pay our share of this increased tax as a means of correcting something that is damaging our country now and may be catastrophic in the future unless proper steps are taken to correct the situation. With great respect,

LANGBOURNE M. WILLIAMS,
Chairman, Executive Committee,
Freeport Sulfur Co.

SAN FRANCISCO, CALIF.,
July 31, 1969.

Hon. CHARLES PERCY,
U.S. Senate,
Washington, D.C.:

In response to your request for views on the surtax, am convinced that an extension is of urgent importance for both international and domestic reasons.

This extension certainly should be no less than through December 31 and ideally should continue through the first six months of 1970. I accept without reservation the President's statement of July 29 with respect to the surtax as to the effects of inflation on major sectors of the American economy. It is my firm conviction that the consequences of continued escalation in prices would be to erode the international financial and political position of the United States to adversely affect all major sectors of the American economy and to greatly intensify those social problems with which both government and business must deal.

EMMETT G. SOLOMON,
Chairman of the Board, Crocker Citizens National Bank.

DETROIT, MICH.,
July 31, 1969.

Hon. CHARLES H. PERCY,
Senate Building,
Washington, D.C.:

Doubts concerning continuation of the surtax have already dangerously reinforced popular skepticism as to the government's resolution to press the fight on price inflation to a finish. Inflationary actions based on these doubts aggravate incalculably the difficulty of that goal. Also every added dollar of Treasury deficit from lower tax revenues required a dollar of inflationary deficit financing. I urge an end to this damaging uncertainty by prompt action in continuing the surtax. We know from experiences elsewhere that price inflation is worse than any known alternatives.

ROLAND A. MEWHORT,
President, Manufacturers National Bank of Detroit.

WASHINGTON, D.C.,
July 31, 1969.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.:

Urge utmost effort to secure immediate extension of surtax to help curb the present rate of inflation which is causing rapidly rising consumer prices, excessive interest rates and damaging wage increases. Uncertainty over surtax compounds these problems, renders business planning difficult and further contributes to a confused economic situation. I cannot overemphasize how important this is to industry.

BIRNY MASON, Jr.,
Chairman of the Board, Union Carbide Corp.

ST. PAUL, MINN.,
July 31, 1969.

Senator CHARLES H. PERCY,
U.S. Senate Office Building,
Washington, D.C.:

It is my hope that the U.S. Senate will immediately enact extension of the surtax, preferably at the present rate of 10 percent with reduction to 5 percent Jan. 1, 1970, followed by expiration June 30, 1970, with fiscal and monetary restraints beginning to show effect in the efforts to control inflation, continuing the surtax is imperative. Soaring interest rates, prices, wages, and the rising cost of living continue to threaten our Nation's economic position and the well-being of all our people. I respectfully request that you and your colleagues give your full support to extension of the surtax because of its prime importance in bringing inflationary pressures under control.

BERT S. CROSS,
Chairman of the Board and Chief Executive Officer.

NEW YORK,
July 31, 1969.

Hon. CHARLES H. PERCY,
New Senate Office Building,
Washington, D.C.:

The continued strength of inflationary pressures, despite the strong fiscal and monetary measures which have been in effect for a number of months, points to the urgent need for immediate action to extend the surcharge. Such action will allow further time in which the corrective forces working on the economy may have their results and will also demonstrate internationally that we intend to maintain the strength of our economy and our currency. The proposed program of progressive reduction in the surcharge will also require increased restraint in Federal expenditures. I therefore hope that the Senate can complete action on the House-approved bill immediately. I fully agree that tax reform should be given a very high priority, but I strongly urge that major tax legislation should only be enacted by Congress after further careful analysis.

M. L. HAIDER,
Standard Oil Co. of New Jersey.

JULY 31, 1969.

Senator CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.:

Those of us who have long advocated the extension of the surtax and believe strongly the surtax is a necessary measure against in-

flation and essential to the well being of the Nation are encouraged by reported agreement in the Senate to extend surtax at 10 percent for six months. We also strongly urge a second six month extension at the tapering off rate of 5 percent.

MORGAN TRANSFER CO.

SARASOTA, FLA., *July 31, 1969.*

Senator CHARLES H. PERCY,
Washington, D.C.:

Immediate enactment of surtax is absolutely vital to sound fiscal and economic policy.

FREDERICK H. MUELLER,
Former Secretary of Commerce.

ST. LOUIS, MO., *July 31, 1969.*

Hon. CHARLES H. PERCY
Senate Office Building
Washington, D.C.:

Extension of the surtax is vital as one of the tools to help cool our inflationary economy. Our deteriorating position in balance of trade is going to accelerate and put further pressure on *balance of payments* as we are slowly pricing ourselves out of *world markets* as the rate of inflation is not being offset by productivity or technological improvement.

CHARLES H. SOMMER,
Monsanto Co.

GREENSBORO, N.C., *July 31, 1969.*

Hon. CHARLES PERCY:

Strongly urge and support extension of surtax for the six months period. Many unknowns fiscally both here and in *international money* markets. Highly desirable in my opinion to show this fiscal responsibility.

CHARLES F. MYERS, JR.,
Chairman, Burlington Industries Inc.

JULY 31, 1969.

Urge members of U.S. Senate, place national interests above partisan considerations and extend 10% surtax through December 31, 1969 and continue surtax at 5% level for 6 months following January 1, 1970.

CHARLES P. MCCORMICK,
Chairman of the Board, McCormick Ink & Company, Inc., Baltimore, Md.

RICHMOND, VA., *July 31, 1969.*

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.:

I sincerely hope that you can support the currently proposed six month extension of the surtax because I believe that some action in this area is needed now to fight inflation. At the same time I urge you to strongly resist coupling the surtax extension with the repeal of the investment credit which is as necessary to keep United States business competitive in world markets as halting inflation.

RICHARD S. REYNOLDS, JR.,
Chairman of the Board, Reynolds Metals Co.

WORCESTER, MASS., *July 31, 1969.*

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.:

Urge immediate enactment of surtax with reduction next year. This is the major method Congress has in halting inflation.

MILTON P. HIGGINS,
Chairman, Board of Directors, Norton Co.

BOSTON, MASS., *July 31, 1969.*

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.:

I earnestly urge continuation of the Federal surtax for as long as Vietnam war continues and significant minorities question our national resolve to tackle threatening domestic problems.

LOUIS W. CABOT,
Chairman of the Board, Cabot Corp.

CLEVELAND, OHIO, *July 31, 1969.*

Hon. CHARLES PERCY,
U.S. Senate,
Washington, D.C.:

Inflation is the real danger in this country affecting all business, labor and the consumer. Immediate reinactment of the surtax is the most important contribution Congress could make to the country's welfare.

GEORGE H. LOVE,
Hanna & Co.

CINCINNATI, OHIO, *July 31, 1969.*

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.:

We urge the prompt extension of the surtax as an essential notice to the nation that America means to halt the inflationary spiral that is presently eroding the consumers purchasing power. We believe the enactment of the surtax to be probably the most important step in the stabilization of prices, labor, and costs. In our judgment extension of the surtax coupled with Federal frugality will do a lot to put our fiscal house in order.

RALPH LAZARUS,
Chairman, Federated Department Stores.
FRED LAZARUS, JR.,
Chairman, Executive Committee, Federated Department Stores, Inc.

CLEVELAND, OHIO, *July 31, 1969.*

Hon. CHARLES H. PERCY,
U.S. Senate Office Building,
Washington, D.C.:

Congress will do irreparable damage to the economy if it fails to extend the surtax for 12 calendar months as requested by President Nixon. Inflation must be slowed to keep American industry competitive in worldwide competition.

Loss of this position will cause high unemployment and great damage to the consumer. I urge immediate enactment of the surtax to avoid these consequences.

Sincerely,

G. W. HUMPHREY,
Chairman of the Board, the Hanna Mining Co.

THE LANE CO., INC.,
Alta Vista, Va., July 31, 1969.

Hon. CHARLES H. PERCY,
U.S. Senator,
Washington, D.C.:

While I don't like to pay taxes any better than any one else, I think reducing our inflation to produce a sound dollar is one of the most important things we can do. Therefore, I am for renewing the surtax as per the President's recommendation.

E. H. LANE,
Chairman.

FAIRCHILD PRINTING SERVICE, INC.,
Bensenville, Ill., July 30, 1969.

Hon. CHARLES H. PERCY,
Senate Building, Washington, D.C.:

Tight money has caused sharp drop in orders. The surtax will not curb inflation. With union wage demands even higher, try for compromise at five percent.

Mr. BURTON FAIRCHILD.

MONTANA POWER CO.,
Butte, Mont., July 31, 1969.

Hon. CHARLES H. PERCY,
U.S. Senator,
Washington, D.C.:

I believe that inflation is our Nation's most serious domestic problem, but that very important progress now is being made to halt its erosive effects. Failure to extend the surtax would nullify the progress being made, would stimulate inflation, would adversely affect the cost of living, the building of new houses and the ability of the consumers of America to buy what they require. I urge you to favor the continuation of the surtax.

JOHN E. CORETTE,
Chairman.

CINCINNATI, OHIO, *July 31, 1969.*

Senator CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.:

Immediate enactment of surtax necessary to help stop inflation which is the major problem facing the Nation today. Labor, business, consumers, and Government all are being damaged seriously by rapidly increasing prices. Recommend immediate passage of the President's bill.

JOSEPH B. HALL.

SENCORE, INC.,
Addison, Ill., July 30, 1969.

Hon. CHARLES PERCY,
Senate Office Building,
Washington, D.C.:

Tight money has caused new booked orders to drop drastically for past month. I fear over correction of economy and concern that surtax will not curb inflation as long as union leaders get settlements they are now getting. Strongly suggest not reinstating surtax or to compromise at 5 percent level.

HERB BOWDEN,
President.

GENERAL FOODS CORP.,
July 31, 1969.

Senator CHARLES PERCY,
New Senate Office Building,
Washington, D.C.:

On behalf of management of General Foods Corporation I wish to advise you of our continuing conviction that extension of the income surtax is in the best economic interest of the whole Nation. Despite added burden that surtax implies for our corporation and for all of us as individuals, we agree with President Nixon that enactment is imperative to prevent still higher living costs and further erosion of the dollar. We are particularly sensitive to rising cost of living because of our direct interest in food prices and we believe that all reasonable steps must be taken to ease inflationary pressures. Consequently we hope the Congress will act promptly and decisively on this crucial issue.

ARTHUR E. LARKIN, JR.,
President.

CONTINENTAL ILLINOIS
NATIONAL BANK & TRUST CO.,
Chicago, Ill., July 31, 1969.

Hon. CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.:

We believe that the need for immediate enactment of the surtax extension is imperative to curb inflation and assure the stability of the dollar. Prompt congressional action will serve to dissipate the inflationary expectations which are prevalent in the minds of many members of the business community and the consuming public.

DONALD M. GRAHAM,
Chairman.

CENTRAL NATIONAL BANK
OF CHICAGO,
Chicago, Ill., July 31, 1969.

Hon. CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.:

Respectfully urge upon you and all Members of the Congress enactment of the surtax extension today. The need to curb inflation as the number one order of domestic business seems too clear to require further comment. Without it, no effort to protect

the working man in the value of his labor, or the consumer in the solvency of his household can succeed. The surtax is clearly the cornerstone of both economic and psychological evidence that this vital job will be done. I am firmly convinced that failure to extend it today will be universally taken as a clear signal that runaway inflation will continue to be our way of life and will lead to an uncontrollable surge to anticipatory inflation throughout the economy. This is the time to say we mean it, and surtax extension is the way of saying it.

ROBERT I. LOGAN,
President.

NATIONAL SECURITY BANK,
Chicago, Ill., July 31, 1969.

Hon. CHARLES PERCY,
U.S. Senate,
Washington, D.C.:

I am strongly in favor of the extention of the surtax and agree with the President's statement with respect to the importance of this action as it effect the general economy of this country.

HARRY F. PAVIS.

MID CITY NATIONAL BANK,
Chicago, Ill., July 31, 1969.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.:

For sound economic and military policy essential to pass appropriation for ABM extend surtax for 12 months.

E. M. BAKWIN,
President.

CITY NATIONAL BANK OF KANKAKEE,
Kankakee, Ill., July 31, 1969.

Senator CHARLES PERCY,
U.S. Senate,
Washington, D.C.:

Trust that you and your colleagues will vote for surtax extension today. Seems to us that Government can show that it is exercising fiscal responsibility to our citizens as well as the world by passage. Almost to a man our customers complain about our inflationary economy. My personal opinion is that failure to extend surtax will aggravate an already bad situation.

DON R. FRANK,
President.

THE NORTHERN TRUST CO., CHICAGO,
Chicago, Ill., July 31, 1969.

Hon. CHARLES H. PERCY,
U.S. Senator,
Washington, D.C.

DEAR SENATOR PERCY: We urge you to press for extension of the ten percent surtax. Continuation of this legislation is essential if administration efforts to contain inflation are to be effective. We consider the danger of uncontrolled inflation the most critical problem facing business and labor.

Sincerely,

EDWARD BYRON SMITH,
Chairman of the Board.

CITY NATIONAL BANK.,
Metropolis, Ill., July 31, 1969.

Senator CHARLES H. PERCY,
Senate Building,
Washington, D.C.:

Our present inflationary trend must be permanently halted. Monetary restraint is not enough and at present levels is too severe on many sectors of our economy.

Fiscal policy must continue to be such to show *dramatically* and *internationally* for determined efforts to get our economy house in order.

Continued inflation in U.S. has grave financial and economic consequences world wide.

Surtax would be continued to re-assure our economic allies abroad of our desire to combat inflation and to reestablish international monetary stability.

We certainly should move as quickly as possible towards tax reforms but for the sake of our economy sur-tax extension cannot wait.

Opinion of banker of 50 years experience.

LYNDELL W. STUGGIS,
President.

STATE NATIONAL BANK,
Evanston, Ill., July 31, 1969.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.:

Immediate extension of the surtax is necessary to combat inflation. Lack of fiscal irresponsibility caused our present problems. Please show some fortitude now.

ROBERT HUMPHREY,
President.

FIRST ARLINGTON NATIONAL BANK,
Arlington Heights, Ill., July 31, 1969.

Senator CHARLES A. PERCY,
Senate Office Building,
Washington, D.C.:

Failure to pass surtax at this juncture would be interpreted by business community as retreat from administration position. In fight on inflation price increases not yet slowed much less arrested. Tight money makes no appreciable dent in demand for money to expend. Consider surtax passage cruciai.

DOUGLAS W. DODDS.

SPRINGFIELD MARINE BANK,
Springfield, Ill., July 31, 1969.

Senator CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.:

Tremendously important to enact surtax. If the current acceleration of inflation at better than a 4% rate is not checked, business, labor, farmers and the consumer will suffer. Without a strong fiscal and monetary stand, it seems to me, the only answer will be enactment of stringent credit, wage and price controls.

Sincerely,

WILLARD BUNN, JR.,
President.

DOWNERS GROVE NATIONAL BANK,
Downers Grove, Ill., July 31, 1969.

Senator CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.:

We strongly urge immediate passage of bill to continue the surtax. At last we are making an honest effort to cure the economic disease, don't stop the medicine at the first sign of recovery. Let's go for the total end of deficient spending and reduction of debt. We concur completely with President Nixon's statement of yesterday on this subject.

WILLIAM WESTRUP,
President.

NATIONAL BOULEVARD BANK OF CHICAGO,
Chicago, Ill., July 31, 1969.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.:

Strongly endorse continuance of surtax as requested by President. Tax urgently needed to stabilize money markets and in battle to control inflation so damaging to consumers, labor, and business.

H. W. WANDERS,
President.

STATE BANK,
Glenview. Ill., July 31, 1969.

Hon. CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.

DEAR MR. PERCY: Urge that the Senate extend the surtax immediately in order to retard inflation which is a threat to all consumers and eventually will bring about a precipitous decline in business.

JOHN H. EEAULIEA,

FIRST TRUST & SAVING BANK,
Taylorville, Ill., July 31, 1969.

Hon. CHARLES H. PERCY,
U.S. Senator,
Washington, D.C.:

Continuance of surtax mandatory to help curb devastating inflation. Erosion of the dollar penalizes farmer, small business man and ultimately labor. Consumers especially retired on fixed income seriously injured. Surtax must be coupled with fiscal responsibility and cutback in Government spending or surtax may have negative effect.

W. B. LARSEN,
President.

THE FIRST NATIONAL BANK OF PEORIA,
Peoria, Ill., July 31, 1969.

Hon. CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.:

We urge you to vigorously support extension of the surtax as recommended by the administration. Inflation is our country's greatest enemy and it is about to overwhelm our economy with disastrous impact to business, labor, farmers and the consumer. Failure to support the surtax extension would be unwitting sabotage to what should be an all out national cause.

JAMES L. JOHNSON,
President.

CHICAGO, ILL., *July 13, 1969.*

Hon. CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.:

The need to control inflation through sound monetary and fiscal policies is a matter of top national priority. Monetary controls through the banking system cannot do the job alone. The immediate enactment and continuance of the 10% surtax, along with control and reduction of Government expenditures, will prevent the continued increased cost of living and restore confidence in the dollar. We urge your support of sound Government fiscal policies.

LASAPLE NATIONAL BANK.

EDGEMONT BANK & TRUST CO.,
Belleville, Ill., July 31, 1969.

Senator CHAS. PERCY,
Senate Office Building,
Washington, D.C.:

I favor extension of surtax. If this is not done I am fearful of the inflationary results.

CHAS. L. DAILY,
President.

ALTON BANKING & TRUST CO.,
Alton, Ill., July 31, 1969.

Hon. CHARLES PERCY,
U.S. Senate Building, Washington, D.C.:

Inflation is the number one enemy of this country and the enactment of the surtax is vital to the well being and security of every American. Preservation of the purchasing power of the dollar at or near present level must be maintained. Savings of millions of our countrymen are at stake. Please do all you can to stop dead in its tracks this insidious monster (inflation) bent on destroying all that the people of this country have worked and struggled to achieve.

LAWRENCE KELLER,
President.

FIRST GRANITE CITY NATIONAL BANK,
Granite City, Ill., July 30, 1969.

Senator CHARLES H. PERCY,
Senate Office Building, Washington, D.C.:

It is not possible to overstress the importance of extending the 10 percent surtax along the lines requested by President Nixon. Failure of Congress to do this would without question result in an inflationary upsurge which could be fatal to our economy. I strongly endorse an intelligent approach to tax reform but this cannot be on a crash

basis. I am convinced that the Nixon administration is firmly committed to tax reform and will do everything in its power to assist in the passage of an equitable bill. Please urge your associates in the Senate to "stop playing politics with the life savings of the people they represent."

PAUL H. LICHTENBERGER,
President.

SPRING VALLEY CITY BANK,
Spring Valley, Ill., July 31, 1969.

Senator CHARLES H. PERCY,
Washington, D.C.:

Imperative that Congress pass extension of the surtax in order to sustain the fight against inflation.

R. J. LUTHER,
Vice President.

CANTON STATE BANK,
Canton, Ill., July 31, 1969.

Senator CHARLES PERCY,
Senate Office Building,
Washington, D.C.:

We urge the enactment of the surtax immediately.

C. C. MASON,
President.

ELMHURST NATIONAL BANK,
Elmhurst, Ill., July 31, 1969.

Senator CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.:

Urgently request immediate enactment of surtax extension. The curse of inflation is almost unbearable to all segments of the economy.

DONALD M. CARLSON,
President.

STATE BANK OF FREEPORT,
July 31, 1969.

Senator CHARLES H. PERCY,
U.S. Senate, Washington, D.C.:

An immediate enactment of the surtax is most important now to lessen the chance of further inflation. Our momentum of inflation is now reaching alarming proportions and must be slowed to avoid disaster later. The only real serious attempt to cut inflation however will be governments leadership in cutting their own expenditures.

EVERETT L. WRIGHT,
President.

EXCHANGE NATIONAL BANK OF CHICAGO,
July 31, 1969.

Continuation of the surtax imperative. Inflation has reached record-breaking proportions and monetary policy alone simply cannot do the job necessary to reverse it. Sky high interest rates and tight credit are badly hurting small businesses, housing, and state and municipal improvements, but the imbalances they cause are damaging to the entire nation. Failure to extend surcharge would make such distortion even worse.

SAMUEL WILLIAM SAX,
President.

FIRST NATIONAL BANK,
Centralia, Ill., July 31, 1969.

Senator CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.:

Out of town yesterday, hope statement still useful. Strongly urge Senate approve immediate enactment of surtax as recommended by President. Agree with Representative Hale Boggs that Democratic leadership of the Senate should not play a game of brinkmanship with this crucial fiscal measure. Business, labor, farmers and consumers can ill afford continuation of inflation at present rate. Enactment of surtax will help slow down present inflationary spiral.

BEN OBER,
President.

SOUTHSIDE TRUST & SAVINGS BANK,
Peoria, Ill., July 30, 1969.

Senator CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.:

Continued inflation will cause our areas largest employer to lose sales in the international market thus causing wide spread economic hardships in Peoria. The farmers are already hurt by this inflation. A great majority of our senior citizens have had to lower their standard of living because of inflation. The continuation of the surtax is a must and I hope you will do everything in your power to see that it does continue.

Very sincerely,

WILLIAM R. WARD,
President.

COMMERCIAL NATIONAL BANK,
Peoria, Ill., July 30, 1969.

Senator CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR CHUCK: Letting surtax die would be an act of political delinquency, a substitution of narrow partisanship for statesmanship. Inflationary psychology is still rampant in downstate Illinois. People don't believe the government means it. Consequences of overbraking are real but not nearly as disastrous as releasing brakes too soon. Small business men including farmers already are pressed, cannot pass inflationary costs on, increasing the probabilities of failure. Retired people and public employees are being seriously victimized by inflation. Strongly urge support of President Nixon's plan for extension of the surtax.

DAVID E. CONNOR,
President.

MILLIKIN NATIONAL BANK,
Decatur, Ill., July 30, 1969.

Hon. CHARLES H. PERCY,
U.S. Senate Office Building,
Washington, D.C.

DEAR MR. PERCY: An urgent line to encourage your support of continuing the income surtax. Our over-stimulated, over-inflated economy is starting to show early signs that the tax and other measures are starting to be effective. Consider this tax imperative to assist in the staunching of the inflationary trends in the economy.

Respectfully,

RAY G. LIVASY,
President.

ST. CLAIR NATIONAL BANK,
Belleville, Ill., July 30, 1969.

Senator CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR PERCY: We strongly wish your support for immediate extension of the surtax as proposed by President Nixon as imperative to the stability of the economy and the exercise of fiscal responsibility. To allow this measure to expire would have serious effects on all phases of the economy and would further worsen an already tense situation as to business, labor, farming, and consumers. Also enactment at once would certainly further international understanding of financial developments of United States and Western Europe. It will assist in restraining inflation in the United States and restoring equilibrium in balance of payments.

HAROLD KNOLLHOFF,
President.

GRANITE CITY TRUST & SAVINGS BANK,
Granite City, Ill., July 30, 1969.

Senator CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.

We urge immediate enactment of the surtax.

Every facility of our economy is dependent upon retardation of inflation. Our industrial community, including labor, business and farmers, are all adversely affected and it is high time that we recognize the imperative necessity to put an end to inflation.

This is a fight that we must win for the good of all.

Sincerely,

ERNEST A. KARANDJEFF,
President.

ELLIOTT STATE BANK,
Jacksonville, Ill., July 30, 1969.

Hon. CHARLES H. PERCY,
U.S. Senator,
Washington, D.C.:

We urge immediate enactment of the surtax; agree wholeheartedly with the President's statement of July 29, 1969. We cannot believe the Senate would be so irresponsible as to let partisan politics stand in the way of the good of the country.

GILBERT H. TODD,
Vice President.

FIRST BANK & TRUST CO.,
Cairo, Ill., July 30, 1969.

Senator CHARLES H. PERCY,
U.S. Senate Building,
Washington, D.C.:

We are concerned about the continued inflationary trend in our economy which is putting unbearable pressure on certain segments of our economy, especially farmers, small businesmen and older citizens. We urge immediate enactment of the surtax.

R. N. TAAKE, Jr.,
President.

DIXON NATIONAL BANK,
DIXON, ILL.,
July 30, 1969.

Hon. CHARLES H. PERCY,
Capitol Building,
Washington, D.C.:

Urge immediate enactment of the surtax Believe the need is great to settle inflation and without passage all business, labor, farmers, and consumers will be drastically affected and conditions could become chaotic. Immediate passage could help in the settlement of interest rates, markets and so forth. Urge you use all your efforts in behalf of everyone for this cause.

DONALD R. LOVETT,
President.

TOWN & COUNTRY BANK,
Springfield, Ill.,
July 30, 1969.

Senator CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.:

Retention of the surtax is vital in the fight against inflation. Inflation is working an extreme hardship on retired pensioners, small businessmen and farmers. Rising costs due to inflation are outpacing incomes.

Sincerely,

HENRY KIRSCHNER,
President.

COSMOPOLITAN NATIONAL BANK,
Chicago, Ill., July 30, 1969.

Senator CHARLES H. PERCY,
Washington, D.C.:

Continuation of the income tax surcharge is imperative to help control the harmful effects of runaway inflation. I strongly urge your support of legislation extending the surtax for at least 1 year.

DONALD D. MAGERS,
President.

JEFFERSON STATE BANK OF CHICAGO,
Chicago, Ill., July 30, 1969.

Hon. CHARLES H. PERCY,
Senate Office, Washington, D.C.:

Urgent that the Senate pass the extension of the surtax in order to help prevent further inflation and erosion of the U.S. dollar. The high cost of living and the ever increas-

ing cost of labor must be controlled to preserve our economy.

Sincerely yours,

BERNARD FEINBERG,
President.

FIRST NATIONAL BANK & TRUST CO.,
Alton, Ill., July 30, 1969.

Hon. CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.:

Surtax continuation without tax reform. Inflation must be stopped. Alternatives are controls or spiraling costs, either of which is untentable. Surtax action need now. Reforms need much more consideration.

M. RYRIE MILNOR,
President.

FIRST NATIONAL BANK,
Lake Forest, Ill., July 30, 1969.

Senator CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.:

Delighted to hear that agreement has been reached to extend surtax for six months.

FRANK S. READ,
President.

CHICAGO TITLE & TRUST CO.,
Chicago, Ill., July 31, 1969.

Senator CHARLES H. PERCY,
New Senate Office Building,
Washington, D.C.:

I believe that enactment of continuation of the surtax vitally important in restoring price stability. Every effort should be made to maintain fiscal responsibility and prevent further dislocations in the economy. I urge passage of this important legislation.

PAUL W. GOODRICH,
Chairman of the Board.

O'HARE INTERNATIONAL BANK,
Chicago, Ill., July 31, 1969.

Hon. CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.:

We are delighted to hear that an agreement has been reached to extend the surtax. That action will do much to slow down inflation and may help to stabilize interest rates which will stimulate the housing industry.

NILS JACOBSON,
President.

FIRST NATIONAL BANK,
Waukegan, Ill., July 31, 1969.

Senator CHARLES PERCY,
U.S. Senate,
Washington, D.C.:

We strongly urge immediate enactment of surtax extension. Coupled with this there must be severe reduction in governmental spending.

CHAS. M. STEELE,
President.

NATIONAL BANK & TRUST CO.,
Chicago, Ill., July 31, 1969.

Senator CHARLES H. PERCY,
Senate Building,
Washington, D.C.:

Strongly recommend immediate enactment of extension of surtax. The fight against intensifying inflationary pressures, fueled by increasing prices and wage settlements requires total restraining effort of both monetary and fiscal policy. The apprehension caused in minds of business, labor and consumer as spiraling prices continue upward requires an increased effort on part of Congress to enact and maintain legislation that will begin to combat existing inflationary psychology. Abandoning one of the basic economic tools, that of fiscal restraint, on the basis that its effect on the economy has been slow to take hold is not a valid reason to permit the surtax to expire at this time and intensify the already critical monetary pressures. Furthermore the removal of the surtax would amount to an expansionary fiscal policy and contribute to existing inflationary trends now endangering this country's longer term economic growth.

ALLEN P. STULTS,
President.

FIRST NATIONAL BANK,
Maywood, Ill., July 31, 1969.

Hon. CHARLES H. PERCY,
U.S. Senator,
Washington, D.C.:

If the surtax will help inflation, pass it. Rising wastes are increasing inflation pressure. Sooner or later labor must stop asking for increases. The consumer is really feeling the pinch of inflated prices and will be making himself felt by controlling buying.

LOUIS E. NELSON,
President.

EXCHANGE NATIONAL BANK,
Chicago, Ill., July 31, 1969.

Hon. CHARLES PERCY,
U.S. Senate,
Washington, D.C.:

Continuation of the surtax imperative. Inflation has reached record breaking proportions and monetary policy alone simply cannot do the job necessary to reverse it. Skyhigh interest rates and tight credit are badly hurting small businesses, housing, and State and municipal improvements but the imbalances they cause are damaging to the entire Nation. Failure to extend surcharge would make such distortions even worse.

SAMUEL WM. SAX,
President.

FIRST NATIONAL BANK,
Evergreen Park, Ill., July 31, 1969.

Senator CHARLES PERCY,
Senate Office Building,
Washington, D.C.:

In our opinion it is extremely important to maintain the surtax in order to curb inflation because of the necessity of establishing a fiscal policy that will balance income and outgo for our national economy. It can only be attained by a continuation of restriction by everyone. The cruelest tax to mankind is inflation, and the surtax at the present time is the best alternative.

MARTIN OZINGA, Jr.,
President.

FIRST NATIONAL BANK,
Skokie, Ill., July 31, 1969.

Hon. CHARLES H. PERCY,
U.S. Senator,
Washington, D.C.:

Urge you vote at this time favor enactment of extension of surtax. Our country's financial stability requires that we maintain sound fiscal and monetary policies. Reenactment of the surtax is such a step—vote for it. To permit the surtax to lapse without any measures to implement its purposes may release forces that would not be in the best interests of our national economy, both at home and abroad.

Sincerely,

W. C. GALITZ,
President.

WILMETTE STATE BANK,
Wilmette, Ill., July 31, 1969.

Hon. CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.:

Imperative my judgment that the surtax be extended through December 31. Failure to enact surtax extensions would be fiscal irresponsibility and would place undue burden on monetary authorities in their fight to slow inflation rate. All segments of economy including labor and consumers are being adversely affected by steadily rising rate of inflation which is nothing more than insidious indirect taxation.

H. L. EDWARDS,
President.

Mr. WILLIAMS of Delaware. Mr. President, I thank the Senator. In just a moment I am going to yield to the Senator from Utah, who has been very patient, but first I wish to comment on what the Senator from Illinois has said.

Only yesterday our Government paid 7.75 percent interest in refinancing its debt on an 18-month note. Something must be done. This is not my opinion only. I repeat that the unanimous opinion of every living Secretary of the Treasury, every one of them, was that Congress should face up to this situation and make its decision on the surtax, not for 6 months but for 1 year. Certainly Congress has a responsibility to do so. Let us make that decision now so that not only this country but the world will know that we really mean business, that we are going to control inflation, and that we can correct this inflation psychology. I think it is very important for us to act and to act today.

How much time does the Senator from Utah request?

THE PRESIDING OFFICER (Mr. GRAVEL in the chair). The Senator from Delaware has 12 minutes remaining.

Mr. BENNETT. Mr. President, will the Senator yield to me for 3 minutes?

Mr. WILLIAMS of Delaware. I yield 3 minutes to the Senator from Utah.

Mr. BENNETT. Mr. President, it distresses me to hear members of the other party express their lack of faith in their own leadership. There is a tax reform bill almost at the door. It has been agreed to by the House Ways and Means Committee. The program by which it will be passed through that House in the next week or so has been announced; and I believe the leaders over there will carry out that program.

The way this message comes across to me is that the tax reform is 5 years away, or 10 years away. The bill will be here, certainly, before we begin our recess.

It distresses me to hear the expressions of lack of faith in the chairman of the Committee on Finance, because he has assured them over and over again that as soon as that bill comes over, the committee will pay attention to it and go to work on it.

The other party controls the Committee on Finance. The other party can set the schedule. The other party can set the pace at which that tax bill will come out.

The inference I get from that argument is that, "It is you Republicans who are preventing us from considering tax reform and until you break down and let us consider tax reform, we have to hold out on you on this extension of the surtax."

I have never heard any indication from the other side that even when we get into the subject of tax reform they will consider a further extension of the surtax.

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

Mr. MANSFIELD. I yield 2 minutes to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, no one made that accusation. We do not believe the Republicans were blocking tax

reform. But the Senator will have to admit that it has been the action of the policy committee of the Senate that somehow has prompted the House to act a little more expeditiously in the last few weeks than before then, and that is exactly the point.

The PRESIDING OFFICER. The time of the Senator from Utah has expired.

Mr. BENNETT. Mr. President, will the Senator yield to me for 1 additional minute from the other side so that I may respond to the Senator from Rhode Island?

Mr. PASTORE. I understand I have a minute and a half left.

The PRESIDING OFFICER. Who yields time?

Mr. BENNETT. Mr. President, will the Senator yield to me for 3 minutes?

Mr. WILLIAMS of Delaware. I yield to the Senator for 3 additional minutes.

Mr. BENNETT. Mr. President, I said it was my impression that this was the way. I am perfectly willing to give the Democratic senatorial policy committee credit for hurrying the House, but the fact is they have hurried. The bill is right on the edge.

I have learned that the chairman of the Committee on Finance indicated that maybe he is going to keep the committee here over the recess to make us work on this tax reform bill. So I do not think that as of today there is a very valid reason for saying that the Senate is being denied the opportunity to consider tax reform, and that, therefore, we must have only one-half loaf on this extension of the surtax.

I am as concerned as the Senator from Delaware about the uncertainty our action today will create and the uncertainty that will be created again in October or November when we come back to face the question of whether or not we will, in fact, have another 6-month extension. The men in business who have to make basic decisions, certainly further in advance than 6 months, have now no basis on which to make those decisions.

The stock market has reacted and I think will react to this thing we are seeing here today. I do not know what effect it will have on the September meeting of the International Monetary Fund when they come here to discuss the new drawing rights program. We have told the world that we are unable or unwilling to consider the longrun policy of the United States. We are going to take it literally a day at a time in terms of important time to make plans. It is for that reason I voted against the 6-month extension and will certainly vote, now, to carry out the program recommended by President Nixon to add an additional 6 months at 5 percent.

Mr. MANSFIELD. Mr. President, I yield 2 minutes to my distinguished colleague from Montana.

The VICE PRESIDENT. The Senator from Montana is recognized for 2 minutes.

Mr. METCALF. Mr. President, I voted for the Long amendment. I am not going to vote for a bill, I am not going to vote for an extension of the surtax, until we have tax reform. I think it is dishonest and immoral when all of us, from the President on down, acknowledge that we have an inequitable and unjust tax system, to say that we will extend the surtax and compound the inequity for another year.

I am perfectly willing to vote for a surtax after we have tax reform.

I can say to the Senator from Utah that the international bankers can take scant solace from the vote we have had here, and the vote which I cast on the last vote, to declare our position for tax reform so far as the surtax is concerned. If the Senator will permit us to get a tax reform measure through, I predict that we will have a unanimous or well-nigh unanimous vote on a surtax continuation.

The only proposition that I am suggesting is that we must have tax reform before we invoke and impose upon the people of America another surtax which will not do anything to those who pay no tax whatever. Ten percent of no tax is nothing. But, 10 percent of an inequity is compounding an inequity. That is the only proposition that we are confronted with today.

Mr. WILLIAMS of Delaware. Mr. President, I am very glad to welcome the distinguished junior Senator from Montana. In fact, I was just sitting here basking in his enthusiasm when he said that we are going to have tax reform unanimously passed by the Senate. As one who for years has been trying to correct the inequities, such as the depletion allowance, I am delighted to welcome the Senator as a convert to that proposal. I will join him, and he and I will be marching down the aisle toward the cutting of the depletion allowance and a real tax reform. I am delighted to welcome the Senator to our side.

Mr. METCALF. Well now, Mr. President, if the Senator will yield, the Senator has made the suggestion. Let me say that this Senator has been as active for tax reform as has the Senator from Delaware.

Mr. WILLIAMS of Delaware. I know that.

Mr. METCALF. I have introduced bills——

The VICE PRESIDENT. Who yields time?

Mr. METCALF. The Senator does not have to welcome me as a new advocate of tax reform.

Mr. PROUTY. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield 3 minutes to the Senator from Vermont.

The VICE PRESIDENT. The Senator from Delaware has the floor.

Mr. METCALF. Who has the floor? The Senator has yielded to me.

Mr. WILLIAMS of Delaware. I do not have to. [Laughter.]

Mr. METCALF. The Senator does not have to welcome me as a convert to tax reform.

The VICE PRESIDENT. The Senator from Delaware has the floor.

Mr. METCALF. Has not the Senator yielded to me?

Mr. WILLIAMS of Delaware. I have yielded to the Senator from Vermont.

The VICE PRESIDENT. The Chair inquires of the Senator from Delaware, how much time has he yielded to the Senator from Vermont.

Mr. WILLIAMS of Delaware. Three minutes, Mr. President.

The VICE PRESIDENT. The Senator from Vermont is recognized for 3 minutes.

Mr. PROUTY. Mr. President, I think that one thing should be recognized at the outset, and that is that the greatest impact on present inflation falls upon those in the low-income brackets and those on fixed incomes. If we are going to control inflation, they will be the first beneficiaries.

Let me point out that the other body, on yesterday, voted to increase appropriations for education by approximately $1 billion. I happen to believe that most of those increases are justifiable and desirable. But, if we start reducing Federal income and add to the inflationary problem, can we, in good conscience, support programs of that nature and other much needed domestic programs?

We have got to face the whole question. We have many domestic problems to solve. If we are going to start cutting taxes now, we will hurt those in the low-income brackets first, and we will make it impossible to carry out many of the desperately needed programs at the domestic level.

I think that those points should be considered by the Senate.

I thank the Senator from Delaware for yielding to me.

The VICE PRESIDENT. The Chair would inform the Senator from Delaware that the Senator from Delaware has 4 minutes remaining.

Mr. WILLIAMS of Delaware. Mr. President, the minority leader said that it would be all right and I yield 5 minutes on the bill to the Senator from Nebraska (Mr. CURTIS).

The VICE PRESIDENT. The Senator from Nebraska is recognized for 5 minutes.

Mr. CURTIS. Mr. President, I thank the Senator from Delaware.

Mr. President, I am aware that there are many Senators who have advocated tax reform who are sincere. They are right. It should come. I remind Senators of this, however, that to hold back part of the program to extend the surtax will not aid tax reform but will hinder it.

What we need to get a tax reform package passed is some benefits, some sweetness to put in it, not an increase in taxes.

Now, if Congress can consider a package that carries some much needed reforms and at the same time grants relief to certain segments of the economy, it will be passed. But to withhold part of the surtax extension as an aid to bringing about tax reform will be entirely a futile effort. It will not work.

It has often been said that we have had a surtax and inflation has still gone on. There is nothing magic in a surtax to stop inflation. It is a deterrent to inflation only insofar as such tax tends to balance the budget.

I do not know anything about economic theories. I would hate to have to decide which group of economists is right. This one thing I know: In fiscal 1968 we had a deficit of $28.4 billion in the budget, exclusive of trust funds, that the estimate of the deficit for last June

30 was $8.6 billion, and that for fiscal 1970 we will have a deficit estimate of $4.3 billion. I do not think that that is a coincidence.

I am supporting the surtax for a full year, not because I like it, but because we are facing a deficit. We have a deficit this year. We will have one next year. We have had deficits for some time. I will support every effort that I can to hold down expenditures, but they have not been held down. The money has been spent. We need the revenue from a full year of the surtax. If I had my way, it would be 10 percent for the full year. We need it in order to notify the world, in order to notify our own people, that the U.S. Government is facing up to the realities and is trying to set its house in order.

Congress consists of two bodies. We should not yield to the House of Representatives without reason. On the other hand, we have an obligation to cooperate with them. We have an obligation to see how they look at things. The House of Representatives is proceeding on tax reform. It will come about. They will send us a bill.

The VICE PRESIDENT. The 5 minutes yielded to the Senator from Nebraska have expired. Who yields time?

Mr. CURTIS. It is very doubtful that the bill will be accepted without this 1-year provision.

Mr. MURPHY. Mr. President, will the Senator from Delaware yield me 1 minute?

Mr. WILLIAMS of Delaware. I yield 1 minute to the Senator from California.

Mr. MURPHY. Mr. President, it is getting "curiouser and curiouser." I hear on both sides of the aisle the unanimous feeling that the surtax is needed. I hear nobody objecting to the extension of the surtax. It is needed, as recommended by the five living Secretaries of the Treasury and all other financial experts. There is no argument on that score.

I also hear that there is another condition—that of tax reform. It is needed. I have heard no voice raised here against tax reform. I remind the Senate that the Senator from California has talked about tax reform for some time.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. MURPHY. Mr. President, may I have about 10 seconds?

Mr. WILLIAMS of Delaware. I yield 1 minute to the Senator from California.

Mr. MURPHY. Everybody wants tax reform. Everybody realizes that we need the surtax. I cannot understand why there is the delay.

Mr. WILLIAMS of Delaware. Mr. President, how much time have I remaining?

The VICE PRESIDENT. The Senator from Delaware has 1 minute remaining.

Mr. JAVITS. Mr. President, will the Senator from Illinois give me 2 minutes on the bill?

Mr. DIRKSEN. Yes.

Mr. JAVITS. Mr. President, the Senator from Delaware and I have been arguing for a long time that it is essential, in the highest interests of all the people of our country, that the world be reassured that we are purposeful in our fight against inflation. As evidence of that purpose, it is proposed that we have a 1-year extension of the surtax.

I realize that we have the problem of a very nice balance. Many Senators feel we should hold the tax extension as a hostage for the purpose of tax reform. Also, I feel somewhat obligated to give the necessary votes to accomplish the basic purpose which the unanimous-consent agreement would accomplish, which was done by all of us in concert.

This is the only amendment I expect to vote for. I feel it is a visual presentation to the world, so critically needed in the highest interest of our people, that we are determined to halt inflation. This would be more meaningful even than tax reform itself in stemming inflation. Therefore, I feel dutybound to vote for the effort to make this a 1-year proposition. I do not think we need to hold ourselves hostages for that purpose. I accept the pledges of the majority and minority that we will have a tax reform package. I am willing to depend on these pledges. Although to my people it may seem I am imposing more taxes on them momentarily, it will come out "in the wash" long before October 31, because I have that faith. I shall support the amendment.

Mr. MILLER. Mr. President, will the Senator yield me 2 minutes on the bill?

Mr. WILLIAMS of Delaware. I yield the Senator 2 minutes on the bill.

Mr. MILLER. Mr. President, I want to underscore what the Senator from New York said and to emphasize that today, even more than yesterday, action on the 12-month extension is necessary. In the House yesterday—and I regret that it was pretty much on a party-line vote—the majority of the House added approximately $1 billion to a Health, Education, and Welfare appropriation bill over and above the administration's budget. People in other countries who are looking to see whether or not we are going to keep our fiscal house in order are wondering even more today than they were yesterday. So the need for the full year extension is more today than it was yesterday.

That does not mean that we are going to accept the action of the House yesterday, but the warning signals are up, and they are up higher today than they were yesterday.

I feel we should follow the administration's guidance on this question. If we do not—and I regret to say this—I think we will face a continued inflationary psychology, with all its overtones, both here and abroad. I hope the amendment will be adopted.

Mr. LONG. Mr. President, I yield myself 3 minutes.

The amendment that the Senate agreed to assures that the administration, based on its May estimates, will have a surplus of $1.6 billion in its unified budget. In other words, by the vote we have already taken, $5.6 billion will be added to the Government's revenues—$3.9 billion from the income tax on individuals and $1.7 billion from taxes on corporations. So already we have voted enough taxes to assure a balanced budget for this fiscal year.

I am not averse to voting for more taxes. If it is necessary, I am willing to do it. But the majority of the Democrats are determined that they shall have an opportunity to vote on a tax reform measure. They do not want to pass all the revenue bills that this administration is requesting at this point, because they want us to bring out a tax reform package. The majority of us on the committee have undertaken to assure them that we will do exactly that.

Meanwhile, on some bill—not on this one, I would hope, but on some future bill—we will undertake to perfect the investment tax credit repeal, and that will give the administration another $1.35 billion in this fiscal year and $2.6 billion for the fiscal year 1971. This means that for the fiscal year 1970 the budget surplus will be about $3.0 billion.

If more revenue is needed, I suppose we will provide it; but we should keep in mind that it is not the surtax that is needed to stop the inflationary trend. I hold in my hand statistics which show that Government borrowing is down by $14 billion. Household borrowing is down by $3 billion—from $32 billion to $29 billion. Foreign borrowing is down by $1 billion.

What is up? Business borrowing, from $36 billion to $47 billion, an increase of $11 billion this year over last year. There is where the mischief is occurring, and that is why we must repeal the investment tax credit. I hope it will not be proposed as an amendment to this bill.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. LONG. Mr. President, I yield myself 2 minutes, or at least 1 minute, more.

We have responsibly provided enough revenues to assure a balanced budget for this year. We will provide more if necessary. Senators need not have any concern about that. But we will not do it on this bill, because Senators want an opportunity to have a vote on their ideas about tax reform. The Senator from Rhode Island wants to reduce the oil depletion allowance. I would like to reduce the tax benefits some foundations receive. The oil industry pays billions of dollars; the foundations pay nothing. I would like to tax them. But that is something we will consider when the time comes.

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

Mr. LONG. I yield to the Senator from Nebraska.

Mr. CURTIS. I commend the chairman for his very realistic view of all the problems involved in getting tax reform that is acceptable, that can get enough votes to pass the bill.

I ask him this question: Would the incorporation in a tax reform bill of a provision to extend the surtax for 6 months aid its passage?

Mr. LONG. I do not think so.

Mr. CURTIS. I do not think it would either. I respect those who are opposed to the surtax and voted against it. But, certainly, it is of no value to hold it back as an aid to tax reform; it would be the contrary.

Mr. LONG. I understand the Senator's argument. That is why some Senators think we ought to have two bills, one for the surtax and another for tax reform. But they want to hold up the surtax measure until we have had an opportunity to vote on reform. As to that I think I have made my position clear. I have stated it so many times in the last

6 weeks, I cannot conceive of its not being understood by everyone.

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

Mr. LONG. I yield to the Senator from Rhode Island.

Mr. PASTORE. I do not know what the chances of tax reform would be on a 6-month extension of the surtax, but I will say to my good friend from Nebraska that he and those who feel as he does will have a better chance to extend the surtax for an additional 6 months if they pass a tax reform bill.

Mr. LONG. Mr. President, I think I have made my position clear. If I thought it would change any votes, I would talk longer, but I do not, and I am ready to yield back the remainder of my time if the Senator from Delaware is.

The VICE PRESIDENT. Does the Senator from Louisiana yield back his time?

Mr. LONG. No; I said that when the Senator from Delaware is ready to do so, I shall be ready.

Mr. WILLIAMS of Delaware. I yield myself 3 minutes on the bill.

I should like to make just one point in connection with the surplus of around $4 billion claimed for next year, assuming the surcharge is extended for 6 months, as already approved by the Senate.

I point out that when they talk about a projected surplus of $4 billion next year they are proceeding on the premise that we can use as normal Government revenues between $10 billion and $11 billion that will be building up and accumulating in the various trust funds. There is not a Senator who will not acknowledge that under no law can either the administration or Congress dip into the trust funds and spend that money to defray the normal operating costs of the Government. We cannot rob the Social Security trust funds to pay for educational or welfare programs; we cannot rob the Railroad Retirement Fund; we cannot rob the other trust funds of which the Government is only trustee.

To count those funds as though they were normal revenue of the Government has but one purpose; namely, to deceive the American people as to the true state of our financial picture.

It has been suggested that last year—just this last fiscal year—we had a $3.1 billion surplus. When we take into consideration all the money that was taken out of the economy through governmental agencies, including trust funds, as related to all the money that poured in, it is true the Government took out $3 billion more than we took in, and that has to be taken into consideration. But that does not mean we had a balanced budget. Included in that figure was $8.4 billion of trust fund accumulations in the last 12 months. In addition we collected in the last fiscal year 18 months of surtaxes from corporations, because the 10-percent surcharge for corporations was retroactive to January 1, 1968, though the law was not enacted until July 1.

So in fiscal 1969 the Government had the benefit of the collection of 18 months of corporate surtaxes, and in the last fiscal year, the Government collected 15 months of individual surtaxes. The individual surtax was enacted July 1, 1968, retroactive to April 1, 1968.

These two items accounted for an extra $2 billion. There was in this same fiscal year accelerated payments of corporation taxes and excise taxes amounting to $700 million and $200 million, respectively, and altogether in fiscal 1969, counting trust fund accumulations, a total of $11.3 billion abnormal revenue. Actually our Government closed its books last year with a deficit of around $8.25 billion; that is, under the administrative budget with all its welfare and various other programs for which Congress appropriated funds, it spent $8.25 billion more than it took in. Right now we are operating, even with the surcharge, with a monthly deficit of around $600 million. Therefore, I say we have no choice except to extend the surcharge.

In making its plans the Government must take into consideration its prospective revenues for the fiscal year. It cannot project what Congress may or may not do. If we do not extend the surtax for a full year now, the Government and all others interested in fiscal and monetary policies must assume that so far as Congress is concerned, the surcharge will not be extended at a later date. Therefore, I think it is very important that we take the proper action here today and settle this question by providing for the full 1-year extension.

Mr. President, I promised to yield a minute or two on the bill to the Senator from Vermont.

Mr. AIKEN. Mr. President, I have two or three very short questions to ask the Senator from Delaware, because I should like to vote for his amendment.

Is the Senator from Delaware reasonably sure that real tax reform legislation can be enacted before next year?

Mr. WILLIAMS of Delaware. No one is absolutely sure of anything, but there is no doubt in my mind that it will be before the Senate.

The majority leader and others in cooperation with him have pledged that they want it; the Committee on Finance has said it wants it; the House is going to pass a reform bill within the next 10 days; and the chairman of the Committee on Finance has promised that that committee will expeditiously consider tax reform and report a bill I think he has said not later than October 31, if I recall correctly.

I think tax reform will be enacted for another reason: The American people are going to demand that this Congress take action.

But as the chairman of the committee very ably stated a few minutes ago, it does take time to hold hearings and give those interested an opportunity to present their views after the House of Representatives has acted. It will take a little time, and we just do not have time to wait on this question.

Mr. AIKEN. My next question is this: Yesterday the news reports showed that farm prices have dropped 2 percent in the last 30 days, and that steel prices have gone up 4.8 percent. Is this a sign that inflation is coming under control, or if not, what is it a sign of?

Mr. WILLIAMS of Delaware. Inflation is not under control, and inflation will not get under control in my opinion until Congress faces up to its responsibilities, both as to providing the necessary monetary restraints and as to reducing expenditures.

In addition I think it is going to take other actions. I do not think we in Congress can do it alone; it will require the cooperation of all in government as well as in industry and labor.

There is no question that inflation is out of control. I think that to a large extent we as a government and perhaps as individuals have too often been living beyond our income in the last few years. We are going to have to cut down and start living within our incomes and the Government certainly ought to set an example.

Mr. AIKEN. I want to make certain that everybody cuts down, not only the farmers.

I have one other question, a simple question—maybe too simple. Would it be easier to enact meaningful, if I may use that word, tax reform in the middle of an election year or in the latter part of a nonelection year?

Mr. WILLIAMS of Delaware. I should like to think that Senators will vote on tax reform proposals and various other measures according to what they think is in the best interest of the country, whether it be in an election year or not. Last year it was said that Congress could not pass a tax bill in an election year. President Johnson recommended a tax bill, and the former Senator from Florida, Mr. Smathers, and I felt that it had to be enacted. We joined in a bipartisan effort and put that bill through in an election year because it had to be done.

I think that what we are seeking to do today has to be done. I hope that we may vote for the measure as a bipartisan effort.

Mr. President, on the pending amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

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

Mr. WILLIAMS of Delaware. I yield.

Mr. CURTIS. In addition to the funds anticipated by a year's extension of the surtax, are there not also some additional revenues that were taken into account, on which the Senate has taken no action?

Mr. WILLIAMS of Delaware. That is correct. The so-called budget surplus projections were made on the premise that Congress would further raise the social security tax, effective January 1, by $1.6 billion. I have not heard of that being seriously considered. This so-called budgetary surplus is also based on the premise that the Congress would retroactively—I emphasize retroactively—raise first-class postage as of July 1. That item would have raised another $519 million.

User taxes were proposed to provide $400 million in additional revenue to be effective around July 1. Those have not been considered as yet. But even assuming all of them were enacted, even assuming those funds were being provided, even assuming that revenue holds up as projected and expenditures are made as projected, and the surtax enacted for the full year—let us face it—the Government of the United States will still be operat-

ing at a deficit projected as $5 billion. Such a deficit just cannot be allowed to be incurred at this time.

Mr. LONG. Mr. President, I yield myself 2 minutes. One can look at the budget in more than one way. At the time—in 1967—when Mr. Kennedy was appointed by Lyndon B. Johnson to be chairman of the committee to study the budget and make recommendations, Mr. Kennedy recommended putting the budget on a consolidated basis, now we call it the unified budget, so that one could look at the whole budget, not merely a part of it, and determine whether the Government was taking in more money than it was spending.

In Mr. Kennedy's view it is necessary to look at the unemployment and social security revenue and at all the other revenue the Government is receiving, on a consolidated basis, and then determine whether more is being spent than is being taken in.

Mr. Kennedy came to Washington as Mr. Nixon's Secretary of the Treasury and kept the unified budget form. That is what his committee had unanimously agreed to and that was the way they believed the budget should be kept. In addition, President Johnson said it ought to be kept that way, and Richard Nixon has said it ought to be kept that way. I agree with both of them because that is how I think the budget ought to be kept—but, maybe I am an optimist. In any event, here is David Kennedy's publication from the Treasury speaking in terms of the books being kept that way. And here is how JOHN WILLIAMS thinks they ought to be kept.

If one wants to be an optimist and look at the whole thing instead of the hole in the donut, speaking concretely about this fiscal year, we would have a possible deficit of $4 billion. With the 6 months extension of the surtax we have voted for $5.6 billion in additional revenues so that we would now have a surplus of $1.6 billion.

That is the way David Kennedy looks at it. That is how Lyndon Johnson would look at it. That is how Richard Nixon would look at it. And that is how I would look at it.

We cannot persuade the Senator from Delaware to look at it in that way. If we have to take a gloomy viewpoint and look at it in his way, we have a projected deficit of about $14 billion.

If we do everything that we can in the bill and everything that the Senator is recommending, we will still have a huge deficit. In effect, the Senator from Delaware would pass an act of Congress to declare the richest Nation on the face of the earth bankrupt by an act of Congress. If the Senator wants to do it, let him do so.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. LONG. Mr. President, I yield myself 1 additional minute.

The VICE PRESIDENT. The Senator from Louisiana is recognized for 1 additional minute.

Mr. LONG. Mr. President, all I am saying is that the Government this year will take in more money than it pays out. When we do that, we do not contribute to inflation, and we act responsibly. In the final analysis, the Senator from Delaware need not worry. We will provide the administration with whatever money is needed before the year is out.

Mr. WILLIAMS of Delaware. Mr. President, I congratulate the Senator from Louisiana on his remarks. I am always interested in listening to them, and I am always amused.

Mr. President, I would like to have a vote.

Mr. LONG. Mr. President, I ask unanimous consent to have printed in the RECORD a table prepared by the Treasury, on July 18, showing how they keep the Government's books and how some feel the budget ought to be kept. The way they do it now is how I would like to have it done. We can then see both sides of the argument.

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

THE FEDERAL BUDGET

[In billions]

Fiscal year	Unified budget	Administrative budget
1965	−$1.6	−$3.9
1966	−3.8	−5.1
1967	−8.8	−14.9
1968	−25.2	−28.4
1969 (estimated)	+.9	−8.6
1970 (estimated)	(1)	(2)

[1] Without the enactment of the administration program, there would be a budget deficit of $4,000,000,000. If that program is enacted the budget would be $6,300,000,000 in surplus.

[2] Without the enactment of the administration program, there would be a budget deficit of $14,600,000,000. If that program is enacted the deficit would be $4,300,000,000.

Source: Treasury Department, July 18, 1969.

Mr. WILLIAMS of Delaware. Mr. President, I have no objection.

I respect the Senator from Louisiana as highly as I do any other Senator; however, I do not delegate to him the power to interpret what I am thinking. The Senator may put his tables in the RECORD; however, I want to have it clear that they are his views.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Delaware. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

The result was announced—yeas 41, nays 59, as follows:

[No. 61 Leg.]

YEAS—41

Aiken	Fong	Pearson
Allott	Goldwater	Pell
Baker	Goodell	Percy
Bellmon	Griffin	Prouty
Bennett	Gurney	Saxbe
Boggs	Hansen	Schweiker
Brooke	Hruska	Scott
Cooper	Javits	Smith
Cotton	Jordan, Idaho	Stevens
Curtis	Mathias	Thurmond
Dirksen	Miller	Tower
Dole	Mundt	Williams, Del.
Dominick	Murphy	Young, N. Dak.
Fannin	Packwood	

NAYS—59

Allen	Eagleton	Hughes
Anderson	Eastland	Inouye
Bayh	Ellender	Jackson
Bible	Ervin	Jordan, N.C.
Burdick	Fulbright	Kennedy
Byrd, Va.	Gore	Long
Byrd, W. Va.	Gravel	Magnuson
Cannon	Harris	Mansfield
Case	Hart	McCarthy
Church	Hartke	McClellan
Cook	Hatfield	McGee
Cranston	Holland	McGovern
Dodd	Hollings	McIntyre
Metcalf	Proxmire	Symington
Mondale	Randolph	Talmadge
Montoya	Ribicoff	Tydings
Moss	Russell	Williams, N.J.
Muskie	Sparkman	Yarborough
Nelson	Spong	Young, Ohio
Pastore	Stennis	

So the amendment of Mr. WILLIAMS of Delaware was rejected.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WILLIAMS of Delaware. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER (Mr. CRANSTON in the chair). The amendment will be stated.

The bill clerk proceeded to read the amendment.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

At the end of the bill add a new section, as follows:

"SEC. 4. TERMINATION OF INVESTMENT CREDIT

"(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to rules for computing credit for investment in certain depreciable property) is amended by adding at the end thereof the following new section:

"'SEC. 49. TERMINATION OF CREDIT

"'(a) GENERAL RULE.—For purposes of this subpart, the term "section 38 property" does not include property—

"'(1) the physical construction, reconstruction, or erection of which is begun after April 18, 1969, or

"'(2) which is acquired by the taxpayer after April 18, 1969,

other than pre-termination property.

"'(b) PRE-TERMINATION PROPERTY.—For purposes of this section—

"'(1) BINDING CONTRACTS.—Any property shall be treated as pre-termination property to the extent that such property is constructed, reconstructed, erected, or acquired pursuant to a contract which was, on April 18, 1969, and at all times thereafter, binding on the taxpayer.

"'(2) EQUIPPED BUILDING RULE.—If—

"'(A) pursuant to a plan of the taxpayer in existence on April 18, 1969 (which plan was not substantially modified at any time after such date and before the taxpayer placed the equipped building in service), the taxpayer has constructed, reconstructed, erected, or acquired a building and the machinery and equipment necessary to the planned use of the building by the taxpayer and

"'(B) more than 50 percent of the aggregate adjusted basis of all the property of a character subject to the allowance for depreciation making up such building as so equipped is attributable to either property the construction, reconstruction, or erection of which was begun by the taxpayer before April 19, 1969, or property the acquisition of which by the taxpayer occurred before such date,

then all property comprising such building as so equipped (and any incidental property adjacent to such building which is necessary to the planned use of the building)

shall be pre-termination property. For purposes of subparagraph (B) of the preceding sentence, the rules of paragraphs (1) and (4) shall be applied. For purposes of this paragraph, a special purpose structure shall be treated as a building.

"'(3) PLANT FACILITY RULE.—

"'(A) GENERAL RULE.—If—

"'(i) pursuant to a plan of the taxpayer in existence on April 18, 1969 (which plan was not substantially modified at any time after such date and before the taxpayer placed the plant facility in service), the taxpayer has constructed, reconstructed, or erected a plant facility, and either

"'(ii) the construction, reconstruction, or erection of such plant facility was commenced by the taxpayer before April 19, 1969, or

"'(iii) more than 50 percent of the aggregate adjusted basis of all the property of a character subject to the allowance for depreciation making up such plant facility is attributable to either property the construction, reconstruction, or erection of which was begun by the taxpayer before April 19, 1969, or property the acquisition of which by the taxpayer occurred before such date,

then all property comprising such plant facility shall be pre-termination property. For purposes of clause (iii) of the preceding sentence, the rules of paragraphs (1) and (4) shall be applied.

"'(B) PLANT FACILITY DEFINED.—For purposes of this paragraph, the term "plant facility" means a facility which does not include any building (or of which buildings constitute an insignificant portion) and which is—

"'(i) a self-contained, single operating unit or processing operation,

"'(ii) located on a single site, and

"'(iii) identified, on April 18, 1969, in the purchasing and internal financial plans of the taxpayer as a single unitary project.

subsection, if—

"'(C) SPECIAL RULE.—For purposes of this

"'(i) a certificate of convenience and necessity has been issued before April 19, 1969, by a Federal regulatory agency with respect to two or more plant facilities which are included under a single plan of the taxpayer to construct, reconstruct, or erect such plant facilities, and

"'(ii) more than 50 percent of the aggregate adjusted basis of all the property of a character subject to the allowance for depreciation making up such plant facilities is attributable to either property the construction, reconstruction, or erection of which was begun by the taxpayer before April 19, 1969, or property the acquisition of which by the taxpayer occurred before such date,

such plant facilities shall be treated as a single plant facility.

"'(D) COMMENCEMENT OF CONSTRUCTION.—For purposes of subparagraph (A)(ii), the construction, reconstruction, or erection of a plant facility shall not be considered to have commenced until construction, reconstruction, or erection has commenced at the site of such plant facility. The preceeding sentence shall not apply if the site of such plant facility is not located on land.

"'(4) MACHINERY OR EQUIPMENT RULE.—Any piece of machinery or equipment—

"'(A) more than 50 percent of the parts and components of which (determined on the basis of cost) were held by the taxpayer on April 18, 1969, or are acquired by the taxpayer pursuant to a binding contract which was in effect on such date, for inclusion or use in such piece of machinery or equipment, and

"'(B) the cost of the parts and components of which is not an insignificant portion of the total cost, shall be treated as property which is pre-termination property.

"'(5) CERTAIN LEASE-BACK TRANSACTIONS, ETC.—Where a person who is a party to a binding contract described in paragraph (1) transfers rights in such contract (or in the property to which such contract relates) to another person but a party to such contract retains a right to use the property under a lease with such other person, then to the extent of the transferred rights such other person shall, for purposes of paragraph (1), succeed to the position of the transferor with respect to such binding contract and such property. In any case in which the lessor does not make an election under section 48(d)—

"'(A) the preceding sentence shall apply only if a party to the contract retains the right to use the property under a lease for a term of at least one year; and

"'(B) if such use is retained, the lessor shall be deemed for the purposes of section 47 as having made a disposition of the property at such time as the lessee loses the right to use the property.

For purposes of subparagraph (B), if the lessee transfers the lease in a transfer described in paragraph (7), the lessee shall be considered as having the right to use of the property so long as the transferee has such use.

"'(6) CERTAIN LEASE AND CONTRACT OBLIGATIONS.—

"'(A) Where, pursuant to a binding lease or contract to lease in effect on April 18, 1969, a lessor or lessee is obligated to construct, reconstruct, erect, or acquire property specified in such lease or contract, any property so constructed, reconstructed, erected, or acquired by the lessor or lessee shall be pre-termination property. In the case of any project which includes property other than the property to be leased to such lessee, the preceding sentence shall be applied, in the case of the lessor, to such other property only if the binding leases and contracts with all lessees in effect on April 18, 1969, cover real property constituting 25 percent or more of the project (determined on the basis of rental value). For purposes of the preceding sentences of this paragraph, in the case of any project where one or more vendor-vendee relationships exist, such vendors and vendees shall be treated as lessors and lessees.

"'(B) Where, in order to perform a binding contract or contracts in effect on April 18, 1969, (i) the taxpayer is required to construct, reconstruct, erect, or acquire property specified in any order of a Federal regulatory agency for which application was filed before April 19, 1969, (ii) the property is to be used to transport one or more products under such contract or contracts, and (iii) one or more parties to the contract or contracts are required to take or to provide more than 50 percent of the products to be transported over a substantial portion of the expected useful life of the property, then such property shall be pre-termination property.

"'(7) CERTAIN TRANSFERS TO BE DISREGARDED.—

"'(A) If property or rights under a contract are transferred in—

"'(i) a transfer by reason of death, or

"'(ii) a transaction as a result of which the basis of the property in the hands of the transferee is determined by reference to its basis in the hands of the transferor by reason of the application of section 332, 351, 361, 371(a), 374(a), 721, or 731,

and such property (or the property acquired under such contract) would be treated as pre-termination property in the hands of the decedent or the transferor, such property shall be treated as pre-termination property in the hands of the transferee.

"'(B) If—

"'(i) property or rights under a contract are acquired in a transaction to which section 334(b)(2) applies,

"'(ii) the stock of the distributing corporation was acquired before April 19, 1969, or pursuant to a binding contract in effect April 18, 1969, and

"'(iii) such property (or the property acquired under such contract) would be treated as pre-termination property in the hands of the disturbing corporation,

such property shall be treated as pre-termination property in the hands of the distributee.

"'(8) PROPERTY ACQUIRED FROM AFFILIATED CORPORATION.—For purposes of this subsection, in the case of property acquired by a corporation which is a member of an affiliated group from another member of the same group—

"'(A) such corporation shall be treated as having acquired such property on the date on which it was acquired by such other member,

"'(B) such corporation shall be treated as having entered into a binding contract for the construction, reconstruction, erection, or acquisition of such property on the date on which such other member entered into a contract for the construction, reconstruction, erection, or acquisition of such property, and

"'(C) such corporation shall be treated as having commenced the construction, reconstruction, or erection of such property on the date on which such other member commenced such construction, reconstruction, or erection.

For purposes of this subsection and subsection (c), a contract between two members of an affiliated group shall not be treated as a binding contract as between such members. For purposes of the preceding sentences, the term "affiliated group" has the meaning assigned to it by section 1504(a), except that all corporations shall be treated as includible corporations (without any exclusion under section 1504(b)).

"'(9) BARGES FOR OCEAN-GOING VESSELS.—In the case of any ocean-going vessel which is—

"'(A) pre-termination property,

"'(B) constructed under a binding contract which was in effect on April 18, 1969, to which the Maritime Administration, Department of Commerce, is a party, and

"'(C) designed to carry barges,

then the barges specified in such contract (not in excess of the number specified in such contract) constructed, reconstructed, erected, or acquired for use with such vessel, together with the machinery and equipment to be installed on such barges and necessary for their planned use, shall be treated as pre-termination property.

"'(10) CERTAIN NEW-DESIGN PRODUCTS.—Where—

"'(A) on April 18, 1969, the taxpayer had undertaken a project to produce a product of a new design pursuant to binding contracts in effect on such date which—

"'(i) were fixed-price contracts (except for provisions for escalation in case of changes in rates of pay), and

"'(ii) covered more than 60 percent of the entire production of such design to be delivered by the taxpayer before January 1, 1973, and

"'(B) on or before April 18, 1969, more than 50 percent of the aggregate adjusted basis of all property of a character subject to the allowance for depreciation required to carry out such binding contracts was property the construction, reconstruction, or erection of which had been begun by the taxpayer, or had been acquired by the taxpayer (or was under a binding contract for such construction, reconstruction, erection, or acquisition),

then all tangible personal property placed in service by the taxpayer before January 1, 1972, which is required to carry out such binding contracts shall be deemed to be pre-termination property. For purposes of subparagraph (B) of the preceding sentence, jigs, dies, templates, and similar items which can be used only for the manufacture or assembly of the production under the project

and which were described in written engineering and internal financial plans of the taxpayer in existence on April 18, 1969, shall be treated as property which on such date was under a binding contract for construction.

"'(c) LEASED PROPERTY.—In the case of property which is leased after April 18, 1969 (other than pursuant to a binding contract to lease entered into before April 19, 1969), which is section 38 property with respect to the lessor but is property which would not be section 38 property because of the application of subsection (a) if acquired by the lessee, and which is property of the same kind which the lessor ordinarily sold to customers before April 19, 1969, or ordinarily leased before such date and made an election under section 48(d), such property shall not be section 38 property with respect to either the lessor or the lessee.

"'(d) RATE OF CREDIT WHERE PROPERTY IS PLACED IN SERVICE AFTER 1970.—In the case of property placed in service after December 31, 1970, section 38 and this subpart shall be applied by reducing the 7 percent figure of section 46(a)(1) by one-tenth of 1 percent for each full calendar month between November 30, 1970, and the date on which the property is placed in service, except that in the case of property placed in service after December 31, 1974, 0 percent shall be substituted for 7 percent.'"

"(b) LIMITATIONS OF USE OF CARRYOVERS AND CARRYBACKS.—Section 46(b) (relating to carryback and carryover of unused credits) is amended by adding at the end thereof the following new paragraph:

"'(5) TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1968, AND ENDING AFTER APRIL 18, 1969.—The amount which may be added under this subsection for any taxable year beginning after December 31, 1968, and ending after April 18, 1969, shall not exceed 20 percent of the higher of—

"'(A) the aggregate of the investment credit carrybacks and investment credit carryovers to the taxable year, or

"'(B) the highest amount computed under subparagraph (A) for any preceding taxable year which began after December 31, 1968, and ended after April 18, 1969.'"

"(c) RULES RELATING TO CERTAIN CASUALTIES AND THEFTS.—Section 47(a)(4) (relating to rules with respect to section 38 property destroyed by casualty, etc.) is amended by adding at the end thereof the following.

"'Subparagraphs (B) and (C) shall not apply with respect to any casualty or theft occurring after April 18, 1969. In the case of any casualty or theft occurring on or before April 18, 1969, to the extent of any replacement after such date (with property which would be section 38 property but for section 49) this part shall be applied without regard to section 49.'"

"(d) CONFORMING AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1 (relating to rules for computing credit for investment in certain depreciable property) is amended by adding at the end thereof the following new item:

"'Sec. 49. Termination of credit.'"

Mr. WILLIAMS of Delaware. Mr. President, this is an amendment which should receive the overwhelming support of both sides of the aisle. We have heard much said today about the fact that Members wanted tax reform at the same time we extended the surtax. This amendment is a major tax reform. It would repeal the 7-percent investment credit. On an annual basis this credit represents $3¼ billion a year in the form of a subsidy for American industry at a time when we are utilizing only 84 percent of our plant capacity, at a time when one of our major problems in combating inflation is the fact that there are strains on the money market and strains on the demand for labor and materials. Certainly this is not the time to keep this subsidy on the books.

It is generally admitted by all concerned that last year's restoration of the investment credit did accelerate the inflation at that time. The administration is now asking that it be repealed. The Democratic policy committee in the House and the Senate has endorsed the repeal. Republicans and Democrats have publicly endorsed this repeal. It was voted out of the Finance Committee by 9 to 8, but that did not represent the true sentiment of the committee on this measure, as I am sure the chairman of the committee will bear me out. Many of those Members who were not ready to report the bill at that time for various reasons say they are in favor of this proposal. Certainly this is one step toward reform that we can take today.

As I have stated, it not only would bring in $1.3 billion in the next fiscal year, but on a full year's operation it represents about $3.25 billion.

Surely with all of the great speeches we have had here today about support of tax reform everybody must be looking forward to this vote. We can get tax reform now by our votes on this amendment. Now, under the unanimous-consent agreement, we have this amendment before us. This is an opportunity to vote "yea" and close this subsidy which in my opinion, particularly at a time like this, is unwarranted.

This investment credit which is now on the books means that, with respect to the equipment subject to the credit, industry is in effect being subsidized 7 percent of the cost. Certainly at a time when we are hearing much criticism about the farm support program costing too much and that other subsidies must be rolled back this is one area where Congress can act by repealing this tax credit and take one step forward toward major tax reform.

Mr. President, I withhold the remainder of my time.

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

Mr. WILLIAMS of Delaware. I yield.

Mr. MAGNUSON. Mr. President, does not the Senator believe there should be some further consideration of the repeal of this particular tax credit? I think we should hesitate to enact a complete repeal of the investment tax credit without consideration of the effects on some segments of the business community.

For instance, we must consider the time lag between the original order and the delivery date on certain capital investments. I speak from what we see in our Committee on Commerce and in the entire transportation field. This tax credit has been relied upon by nearly everyone in the transportation field. It involves the building of freight cars, barge lines, the delivery of airplanes, and the major rolling stock of nearly every form of transportation.

In the merchant marine, for example, from the time a ship is ordered to the time that ship is put into operation sometimes is well beyond the period stated in the bill. Perhaps the orders were made, based on legitimate and valid assumptions, and the firms involved took advantage of this particular tax credit of 7 percent. As a result of circumstances like these, the rolling stock of all types of transportation has been able, heretofore, to keep up with demand. But repeal of the investment tax credit without regard to this problem could have a drastic and immediate effect.

I have no doubt that if we repeal the entire investment tax credit there will be another freight problem, another problem on the railroads, among the airlines, and in the barge lines—particularly the barge lines—because the delivery date of capital stock in those fields is months or even years after the initial order.

I shall give an example. When airlines order airplanes, they might order all they need within a 2-month period, but the planes are not delivered in a 2-month period because the contractor can only roll out so many so fast.

In addition, the contractor is producing other aircraft which our Nation needs—some jumbo types or some smaller types—and the delivery date for any particular aircraft may be far down the line in order of priority.

Mr. President, these are some of the reasons why I think the committee should take a new look at repeal of this tax credit, so there will be no injustice to industries with these particular problems.

I hope the committee will consider this matter more closely. It is a matter that deserves a more complete hearing before the Senate Committee on Finance.

Mr. WILLIAMS of Delaware. I agree. Hearings should be and were held. Extended hearings were held in the House.

Mr. MAGNUSON. I am speaking about the Senate and the responsibility of the Senate.

Mr. WILLIAMS of Delaware. Mr. President, I remind the Senator that Senate hearings were held on July 8, 9, 11, 14, and 15.

Mr. MAGNUSON. I know, but I would suggest that the particular problems I have been discussing have not received as complete and thorough a study as they deserve, although repeal of the tax in general has been studied extensively.

Mr. WILLIAMS of Delaware. We did hold hearings on this matter.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. WILLIAMS of Delaware. Hearings were held in July for 5 days on this subject, and the bill has been reported to the Senate.

I remind the Senator that this is a measure first introduced and reported by the House after long and adequate hearings. It was reported to the Senate by the Committee on Finance after 5 days of hearings. So all of this has been taken care of, and all we have to do now is vote.

Mr. ALLOTT and Mr. TALMADGE addressed the Chair.

Mr. WILLIAMS of Delaware. Mr. President, I yield 2 minutes to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I have been concerned about this same ques-

tion that has been raised by the Senator from Washington. I should like to ask the Senator one or two questions. The first one is: Does he think that the investment tax credit should be utilized in its imposition, or doing away with it, as a means of controlling the fiscal policy of this country?

Mr. WILLIAMS of Delaware. Not altogether.

Mr. ALLOTT. As one of the elements.

Mr. WILLIAMS of Delaware. Yes, as one of the elements. Because there is no question that when the investment credit was reinstated plant expansion did accelerate; there is no question that each time it has been repealed there was a slowdown. At this time that is what we are trying to promote. I do not believe there is any question but that this is an equally important part of the inflationary controlling package.

Mr. ALLOTT. Would the Senator say that he feels this can be imposed or taken off without placing the various competitive industries, whether it be steel, oil, or motors, or the corner grocery store, whether it can be put on and replaced without placing competing industries and competing businesses in an unfair competitive situation?

Mr. WILLIAMS of Delaware. I do not see that it would except perhaps that it would be less competitive as between industries——

Mr. ALLOTT. No, no——

Mr. WILLIAMS of Delaware (continuing). That compete with foreign countries. It can and to that extent——

Mr. ALLOTT. That is not my question. If we have a cut-off date of the 1st of April, say, and one company has committed itself before this time with a purchase of capital investments, and another one has decided it is in its best interest to put it off until the last half of the year, and it is imposed as of the 15th of April, or the 18th, as I believe it is in the bill, would not the Senator agree that as between the two competing businesses, it places one in an unfair competitive situation?

Mr. WILLIAMS of Delaware. There is no question that that situation could arise and would arise. No matter what dates were picked we would find the same situation developing, and perhaps more so with other dates. The same inequities would develop when two companies bought their equipment 3 days or the day before the bill was originally enacted; one lost it, but the other got it. When we take a bill of this kind we cannot help having such an inequity develop whenever we do it. Frankly, I do not like the idea of having this on-again off-again tax legislation. I personally would prefer, rather than ever considering restoring the investment credit again, the liberalization of the depreciation allowance. Then all businessmen could compute their depreciation rather than have a subsidy.

Mr. ALLOTT. I want to say that I agree with the Senator on that point, but along the same line, we maintain and he has just discussed, whether it would apply to the removal of the tax investment credit. The same inequities that the Senator has discussed would arise upon the repeal of the income tax credit as between competing industries as would apply to the imposition of the investment tax credit.

Mr. WILLIAMS of Delaware. That is right.

Mr. ALLOTT. The Senator mentioned the date. The date in this particular bill is April 18. There are five dates, as I see it, which might constitute a reasonable cutoff date. One would be the date the President's message came up to Congress. One would be the date it was introduced in the House. One would be the date the House passed it. One would be the date the Senate passed it. The last would be the date it actually became law.

In this case, as I recall the facts, the date of April 18 precedes the President's message by 3 days. Will the Senator explain that?

Mr. WILLIAMS of Delaware. Yes. It has always been customary, heretofore, that on a change in tax law, such as is embraced in the change in the investment tax credit, whether reinstatement or repeal, the date of the President's message would be the effective date. Such a date was utilized in preceding actions, whether we repealed or enacted the tax credit.

Now, in this instance the reason it was rolled back the 3 days is that in some manner—which I do not understand, and no one else seems to—there apparently was a leak on the administration's decision. The President on Monday morning, April 21, recommended repeal of the investment tax credit as of midnight Sunday night, or effective that day. Later it was called to our attention in the committees that on the Sunday just preceding the President's message, about $900 million worth of equipment had been purchased by companies which had opened up their offices on a Sunday and bought in order to get ahead of the deadline. The Ways and Means Committee and our committee concurring felt that in all fairness we would have to roll the date back to April 18 so that at least the inequity would be on a basis of all getting caught without any advance information. I understand there were about $900 million involved in purchases by one or two companies; so for that reason the committee rolled it back to the 18th of April date, which was agreed upon by both tax writing committees.

Mr. ALLOTT. But since the practice has been to take it, upon the basis of tax matters, as of the date of the President's message, does the Senator not think that this is bad practice, to roll it back, when the average businessman in the United States did not have access to this roll back and, therefore, might get caught in the trap with respect to——

Mr. WILLIAMS of Delaware. No; I do not think anyone got caught in a trap, because the average businessman does not normally open his office and buy $800 or $900 million worth of equipment on a Sunday.

Most businesses are closed on Saturday and Sunday. When one opens an office on a Saturday or Sundays and buys such a large amount of equipment it is usually for a specific purpose. Thus I do not believe that anyone got caught in this particular case.

Mr. ALLOTT. I thank the Senator from Delaware very much.

Mr. MILLER. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield 1 minute to the Senator from Iowa.

The VICE PRESIDENT. The Senator from Iowa is recognized for 1 minute.

Mr. MILLER. I should like to add to what the Senator from Delaware has had to say in response to the questions of the Senator from Colorado.

As I understand it, what is done is to pick a date, after which the public in general could be said to have been placed on notice. I suggest to the Senator from Colorado that April 1 would be another date that could be used, because that is the date when the report on the Joint Economic Committee came out and the majority opinion recommended repeal of the investment tax credit. So, from that standpoint one could say that the general public was placed on notice that this was in the picture and perhaps even more so.

Mr. TALMADGE. Mr. President, I yield myself such time as I may require.

The VICE PRESIDENT. The Senator from Georgia is recognized.

Mr. TALMADGE. Mr. President, almost every Senator that I have talked with is in favor of the repeal of the investment tax credit. The Finance Committee has twice voted to repeal it. Each time we have made it clear that we intend to repeal it as of April 18, 1969, the date contained in the committee report and the House version of H.R. 12290 and in the amendment offered by the Senator from Delaware.

I also point out the Democratic Policy Committee unanimously had pledged itself accordingly. But the bill to repeal it is yet to be perfected, even though the Finance Committee reported it.

As a matter of fact, Mr. President, the bill came before the Finance Committee in executive session, several Senators had perfecting amendments they intended to offer. We did not have a chance to offer a single amendment, not even to cross a "t" or dot an "i".

There are many provisions of this bill that do indeed need careful study. The investment tax credit is one of them that needs the most study of all.

The amendment I had intended to offer in the Finance Committee, and I had every reason to believe it would have been accepted because I had talked to Members on both sides of the aisle, related to the harsh effect of the phase-out rules on a business which must of necessity order its assets well in advance of the expected delivery date. It would also relieve the harsh effect of the carryover rules contained in the House version.

Several Senators have indicated that they want to offer amendments to preserve some part of the investment tax credit for small business and for farming. I might say that a number of amendments have been offered with this purpose in mind. Senator STEVENS, of Alaska, has introduced amendments to try and preserve the credit for investments in depressed areas. We should explore that before we finally vote on the repeal rules. There are Senators who want to try and do something for the transportation industry, the rolling stock

of railroad, and so on. We should explore that question in committee.

The so-called Lockheed amendment contained in the House bill is drafted in such a way that it does an injustice to the Douglas Aircraft Co., which competes with Lockheed in the airbus market. We should not give either one of those companies a competitive advantage over the other. Rather, we should try to treat them both alike.

Senator PROXMIRE wants to delete the Lockheed amendment. Senator SYMINGTON wants to extend it to Douglas Aircraft.

The lease rules which the House wrote into the repeal bill are deficient in a number of respects, making them very inequitable, depending on how the taxpayer worked out his lease arrangement.

The House provision respecting the tax credit for barges used on the modern new barge-carrying cargo ships is deficient in that only the subsidized lines get relief. We should explore this question in greater detail in committee and try to bring some equity into the provision so that the nonsubsidized shipping lines will not be further discriminated against.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. TALMADGE. I yield myself 3 additional minutes.

The coal industry and the oxygen and compressed gas industries also have a legitimate complaint about the House bill. They were covered and protected with respect to their contractual commitments by the investment credit suspension bill in 1966. The House adopted all of the 1966 transitional rules except for this one dealing with coal and oxygen contracts. Some of the members of the Finance Committee are still unable to understand the logic of the House action, and we want to inquire into that matter further.

These are just some of the reasons why we would be premature if we acted on the Williams amendment at this time.

As for business certainty, I think that by now business is certain the investment tax credit is going to be repealed. I think by now business is certain that the repeal date is going to be April 18. Against this background, I do not believe that business has a right to think that the investment tax credit is not going to be repealed, and they ought to go ahead and make their business plans and commitments on the very definite assumption that the credit is going to be repealed.

But, I say again, we should repeal it only after the Finance Committee has had an opportunity to explore, discuss, and vote on the inequities in the House bill.

I may say that I have discussed this matter with some members of the Ways and Means Committee. They think it needs clarifying action. Members of the staff are unanimous in their view that it needs clarification, perfection, and amendment. The provisions of this bill, as presently written, take money from taxpayers, not only retroactively, but take money from taxpayers earned before the time that the President of the United States made his recommendation.

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

Mr. TALMADGE. I am delighted to yield to my distinguished chairman.

Mr. LONG. Something was said about hearings. We conducted 2 weeks of hearings. Just look at this list of witnesses. We heard from the whole broad spectrum of the economy—members of industry, farmers, laborers, and everybody else. Everybody who is affected by it came in to describe the inequities the bill contained. The gist of their position was, "If you are going to repeal, please do justice; please do equity. You would be unfair if you did it only for one taxpayer or group of taxpayers and did not do it for us."

For example, on the so-called barge amendment, the unsubsidized people say it is completely unfair: "We are in much worse shape than the subsidized steamship companies of the country." Because we are proposing to except the subsidized people from the repeal of the investment tax credit, and these poor unsubsidized people do not get such an exception, they ask, "What kind of justice is that?"

Certainly, if we give it to one, we should give it to others.

The Senator from Missouri (Mr. SYMINGTON) says, "If you are going to do it for Lockheed, you should do it for Douglas as well."

The Senator from Wisconsin (Mr. PROXMIRE) says, "You should not do it for either one."

So if this question is to be considered, we ought to be able to vote on both amendments, one to give to Douglas the same benefit we gave to Lockheed; and the other not to give it to either one of them.

This volume contains nothing but 530 pages of inequities. Read it. And we did not vote on a single one of them, as the distinguished Senator from Georgia has indicated.

Mr. TALMADGE. The distinguished Senator is entirely correct. I hold in my hand a list of 19 witnesses who appeared before the Finance Committee, every one of them complaining of inequities in the phaseout of the investment tax credit.

I ask unanimous consent at this point that it be inserted in the RECORD.

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

Roscoe L. Egger, Jr., U.S. Chamber of Commerce.
G. W. James, Air Transport Association.
Peter K. Nevitt, GATX, Armco, Boothe.
John B. Huffaker, Federal Tax Committee of the Greater Philadelphia Chamber of Commerce.
Harry A. Poth, Jr., Minnesota Power and Light Company.
Thomas M. Goodfellow, Association of American Railroads.
Edwin A. Locke, Jr., American Paper Institute.
Herbert B. Cohn, Edison Electric Institute.
Walker L. Cisler, The Detroit Edison Company.
Bradford S. Magill; Naylon, Huber, Magill; Lawrence and Farrell, attorneys.
Reeves E. Ritchie, President, Arkansas Power and Light Company.
Charles I. Derr, Machinery and Allied Products Institute.
T. F. Patton, Republic Steel Corporation.

And these witnesses testified in opposition to the special limitation on the use of accumulated tax credits:

Roscoe L. Egger, Jr., U.S. Chamber of Commerce.
Thomas M. Goodfellow, Association of American Railroads.
G. W. James, Air Transport Association.
Eric A. Trigg, Alcan Aluminum Corporation.
John M. Randolph, Computer of Lessors Association, Inc.
Edwin A. Locke, Jr., American Paper Institute.

Mr. LONG. One of the witnesses, speaking for agriculture, said complete repeal would not be fair to agriculture and asked for an exemption. Another one spoke for the paper industry, saying, "You ought to consider our particular problem."

The House added five amendments to take care of these types of situations, in some cases to take care of a single company. Now all of these other people are saying, "If you are going to consider their problem, you ought to do justice for our problem."

Mr. TALMADGE. All we would be doing would be simply ignoring the pleas of the witnesses who came before the committee. The trouble is we are in the dark, sailing on without knowing what we are doing.

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

Mr. TALMADGE. I yield.

Mr. SPARKMAN. I recognize the conditions under which we are proceeding at the present time, but I submitted to the committee an amendment which I felt was entirely just.

Mr. TALMADGE. We did not have a chance to consider the amendment of the Senator from Alabama.

Mr. SPARKMAN. That is what I am saying.

Mr. TALMADGE. We did not have a chance to consider anything. A Senator moved that the bill be reported. The motion was put. It was voted on. By a vote of 9 to 8, it was reported to this body. I have been here 12½ years, and this is the first time I have seen such a thing done in this body.

Mr. SPARKMAN. Let me remind the Senator that the amendment I had intended to offer would have provided a good deal of relief for small businesses, which today are under heavy financial pressure. They must compete with foreign companies—having the advantage of laws comparable to our investment credit—in export markets and throughout this country. Small U.S. firms really need to have the credit continued in order to bring their plants up to date and to get new cost-cutting equipment. This is highly important for the balance of payments. I would certainly want that amendment to receive attention when this matter was brought up.

Mr. TALMADGE. It deserves consideration.

Mr. SPARKMAN. If the committee does not adopt it, I propose to offer it as an amendment on the Senate floor, because I think it is just, equitable, and right. I certainly want an opportunity to present it.

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

Mr. TALMADGE. I yield.

Mr. MANSFIELD. Mr. President, I wish the Senate to take seriously the remarks

just made, because they were not made in jest. It is my purpose, at the appropriate time, to move to table the pending amendment. Hopefully, that motion will succeed. If it does not, I wish to assure the Senate that what will develop—which will go beyond the hour of midnight, in my opinion—will be a Christmas tree bill, because I have it on excellent authority that there are at least six amendments in Senators' hands, and perhaps 27, to consider, with an hour on each.

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

Mr. MANSFIELD. I yield.

Mr. MUNDT. I simply want to appeal to the noble sense of fair play that the majority leader has always manifested, in the interests of future tranquility in the Senate—we have to get unanimous consent so frequently to do so many things—I express the hope that he will not move to table this Williams amendment until the Senator from Iowa (Mr. MILLER) and I, who have an amendment to that, will have a chance to offer it. Otherwise, he would block us out of offering and discussing our amendment.

Mr. MANSFIELD. Oh, no; no more than we would be blocking a lot of Senators over here who have amendments to offer to the Williams amendment.

Mr. MUNDT. If we are going to establish a practice, Mr. Majority Leader; if we are going to use this tactic of unanimous consent in this kind of fashion, to bar us from offering amendments through taking action so the basic amendment is laid on the table, we are going to have a lot of trouble with unanimous consent requests in the future.

Mr. MANSFIELD. Mr. President, this is not through unanimous consent. This will be a tabling motion, and I have discussed this with the Senator from Delaware and the minority leader before the unanimous-consent agreement was arrived at yesterday. So this is not something being pulled out of the hat.

Several Senators addressed the chair.

Mr. TALMADGE. Mr. President, I had a perfecting amendment in mind which I intended to offer, but I am perfectly content with the procedure the distinguished majority leader has outlined. I do not think we ought to write tax legislation of this complexity on the Senate floor. It is difficult to understand. You need the advice of experts. You have to sit around the table. Sometimes highly competent lawyers will differ on meanings. You have to analyze it, sometimes for hours and sometimes for days on end.

I think this thing ought to be considered in the Committee on Finance, where we can have expert testimony from the Treasury, from our staff, and from the Joint Committee on Internal Revenue, and where we can write a reasonable bill, instead of trying to write it on the floor of the Senate. This is an impossibility.

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

Mr. TALMADGE. I am happy to yield to my distinguished chairman.

Mr. LONG. Mr. President, I have discussed, with Senators on this side of the aisle—may we have order?

The VICE PRESIDENT. The Senate will be in order.

Mr. LONG. I would like the Senate to hear this. I have discussed with Senators on this side of the aisle our problem with regard to amendments. Let us take a simple example. The Senator from Georgia (Mr. TALMADGE) has an amendment that should be agreed to if the Williams amendment is to be added to the bill. He would have to offer that amendment before the Williams amendment comes to a final vote; otherwise, he would be foreclosed from his right to offer the amendment. He would lose his parliamentary rights.

Likewise, other Senators have good amendments that should be considered, that they would like to offer. But if the Williams amendment is not to be agreed to, we would find it out with a tabling motion. If it is to be agreed to, there are at least a dozen amendments we will have to consider, and, of course, they would all be subject to debate. How would we know whether the amendment is likely to be agreed to or not, other than to wait until all the time is expired, and after the time is expired on the Williams amendment, move to table?

If the Williams amendment is not tabled, the Senator from Georgia (Mr. TALMADGE), the Senator from Alabama (Mr. SPARKMAN), the Senator from Washington (Mr. MAGNUSON), the Senator from Wisconsin (Mr. PROXMIRE), and others will have amendments to offer. They are content not to offer their amendments if this amendment is not to be added to the bill. If it is to be added to the bill, then they want to offer their amendments.

How better to get a test of strength, to see where the votes are, than to move to table? If it is tabled, we will consider all these other amendments in the Committee on Finance and bring the investment tax credit bill back in due course. If it is not tabled, Senators will proceed to offer amendments, with the understanding that it is to be added to the bill.

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

Mr. LONG. I yield.

Mr. MUNDT. I should like to explain my purpose. I have been around here quite a while. I think the minority can always find a way to express itself, and one protective device one can always use, even when you dwindle the minority down to one and a unanimous consent is requested for a procedural device such as we have here, is that one Senator can object.

Mr. MANSFIELD. What unanimous consent?

Mr. MUNDT. The one the Senator made yesterday for this procedure.

Mr. MANSFIELD. All right; and if one Senator had objected, we would not have a bill before us, and the surtax would expire at midnight.

Mr. President, the Senator from Delaware is here now; I will ask him directly, if I may, did I discuss with you and the minority leader and other Senators yesterday the possibility of a tabling motion?

Mr. WILLIAMS of Delaware. Yes. Mr. President, I want to make it clear that while I have differed with the views the Senator from Montana has taken on this bill before us today he has been fair, he has lived up to everything he has said, and the motion to table is in order. I hope it will not be approved, but I find no fault with its being offered or the procedure. I want to make it clear that no man in the Senate could have been more fair than the majority leader.

I say to the Senator from South Dakota, I would like to see him get a chance to offer his amendment. He could change his amendment and make it eligible for a vote as a separate amendment, but that, too, would be subject to a tabling motion.

I want it clear that while I may have differed with some of his views, the Senator from Montana has lived up to everything he has promised, and I support him completely on the procedure he is following.

Mr. MUNDT. Mr. President, here is one Senator, for example, whose vote on the tabling motion, or on the Williams amendment, if it comes to a vote, would depend in part upon what kind of attitude the Senate has expressed in connection with the amendment I have prepared. It has been introduced and printed. It deals with small business and farm exemptions.

All I am asking is the right to offer that amendment to the Williams amendment before we table it; otherwise, I have no vehicle on which to work. I could not object at all, having offered and argued it, if any Senator or the majority leader moved to table my amendment. That certainly is a perfectly sound procedure.

Mr. MANSFIELD. The Senator knows that if he starts this procedure, others will follow, and first thing you know, it will be midnight and there will be no extension of the surtax. We are facing this situation realistically.

I, for one, would like to see the investment tax credit repealed. As I say, I think there are 12 Senators on this side of the aisle alone with as many as 27 amendments and there may be as many on the other side as well. I do not intend to cut off debate if this measure is to be considered on the merits. We have an agreement. But every minute of that time can be used; and even time on the bill.

It is my intention to preserve to the best of my ability, the rights of all Senators having an interest. And this applies to many other Senators besides my longtime friend, the distinguished senior Senator from South Dakota; he is not being singled out. He is interested in small business and the farmers. What about the Senator from Wisconsin (Mr. PROXMIRE) who is he interested in? What about the Senator from Missouri (Mr. SYMINGTON)? What about Senator MAGNUSON? What about the Senator from Montana, now speaking, and his interest in the transportation industry, the railroads? They want some relief, and they are entitled to be heard, also.

Furthermore, let me say this before I yield: I stated yesterday and I state again today that the investment credit is still on the calendar, along with the excise tax and the exemptions for the lower-income groups. I have given my word that that bill will be brought up

before October 1, provided, of course, in the meantime a tax reform bill is laid before the Senate. And what could be more fair?

Mr. LONG. Before November 1.

Mr. MANSFIELD. Before October 31, or at about the time the reform bill will be reported.

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

Mr. MANSFIELD. I yield.

Mr. PASTORE. I realize fully the situation of the Senator from South Dakota, but I think he is being a little premature. After all, even if he does bring up his amendment to the Williams amendment, and it does survive, and we prevail on the tabling motion, we will not only have killed the Williams amendment, we will have killed his amendment to it.

So the best thing is first to determine whether we are going to carry on with the Williams amendment, and if we do, that opens up the floodgates.

Mr. MUNDT. May I say to my friend, if the determination is to table, we would not have a chance to argue, to offer our amendment, or to try to persuade other Senators to accept it. My decision as to how to vote on the Williams amendment rests, in large part, on what the decision of my colleagues is in connection with small business and farm exemptions, and I will not have a chance to determine that.

Mr. PASTORE. That is not the purpose.

Mr. MANSFIELD. Oh, yes, that is the purpose of the tabling motion. If it carries, that is it. If it does not, every Senator will have his chance; there will be a Christmas tree right in the middle of this floor, and we will never finish with the bill.

Mr. MUNDT. The Senator has the perfect right, after my amendment has been offered, and any other amendment—and I certainly would not take any umbrage at that—to move to table my amendment, but at least I would have had a chance to be heard. I am a realist. If the Senate tables my amendment to the amendment, and there is a Symington amendment tabled, and another one, the show is over, and we give up; but we will have tried and the Senate will have had the chance to vote yes or no on our proposed amendment.

Mr. MANSFIELD. After 27 such attempts, with an hour apiece, it will be late tomorrow, and there will be no surtax, because it expires at midnight. I think in all candor, the way to face up to this realistically and cleanly, is to move at an appropriate time to table the pending amendment. In that way, all Senators will then be afforded an opportunity to have their amendments considered in an orderly fashion first at the committee level and later this session on the floor.

What applies to the distinguished senior Senator from South Dakota applies to at least 12 Senators on this side of the aisle.

It has been stated that a tax reform bill will be reported not later than October 31. On that we can rely. I would also want to see the other bill H.R. 12290, that is on the calendar brought up. However, in the meantime the things that the Senator and other Senators are interested in ought to be taken up in the Finance Committee, so that each individual Senator representing industries in his State or region would be given an opportunity to present his views.

Mr. MUNDT. Mr. President, if I may have some time yielded to me by the Senator from Montana, I have something further to say.

Mr. MANSFIELD. I will yield the Senator some time on the bill.

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

Mr. MANSFIELD. I yield.

Mr. MILLER. Mr. President, I should like to know what is being proposed on the investment tax credit bill which the Senator from Louisiana said we would have a chance to consider before October 31.

Is it the plan to have this referred back to the Finance Committee where the Senator from Louisiana and the Senator from Georgia have said we should sit down and carefully consider the matter, if we do not understand what the procedure is going to be? I am in sympathy with the idea of the Senator from Louisiana and the Senator from Georgia of considering this matter. However, how is the Finance Committee supposed to consider it if it is on the calendar?

Mr. MANSFIELD. I will let the Senator answer for himself, or I will answer.

Mr. LONG. Mr. President, I did not hear the whole question.

Mr. MANSFIELD. The question concerns how the amendments to the investment tax credit—which is now a part of H.R. 12290 on the calendar—are to be considered?

Mr. LONG. Mr. President, we would simply meet in executive session and discuss all of this. Any Senator could move any amendment he had in mind or that anyone else had in mind.

We would come out with a committee amendment that would try to do justice and try to take into consideration all 500 pages of testimony that the Senators have loyally and diligently already heard. We would consider everyone's problem and vote on the amendments and bring out our best suggestions. When it came up for consideration, the committee amendment would be subject to amendment.

Mr. MANSFIELD. Mr. President, the offer which the Senator extended earlier this month or late last month to all Senators to appear before the Finance Committee beginning July 18 would be renewed, I am certain; and an opportunity would then be open to all.

Mr. LONG. I am still offering that opportunity to any Senator. The bill was reported from committee by me by a vote of 9 to 8 without Senators having had an opportunity to be heard.

I was somewhat disappointed that this was done. However, the Senators will be accorded an opportunity to appear before the committee if the Williams amendment is not adopted today.

Mr. MILLER. Mr. President, that is exactly the reason for my question. How is that chance going to be achieved or how could it be achieved if we move to refer the bill back to committee with instructions to report? Then the committee could massage the bill along the lines talked about by the Senator from Louisiana and report the bill. Another way would be to have the committee hold hearings. We would then have a committee amendment or a series of committee amendments to the bill.

I have heard questions as to how this is supposed to be done. I do not think I have had any answer yet.

Mr. LONG. Mr. President, as far as I am concerned, it would be satisfactory to me—and I am not asking it—if it would solve the problem, to do what we do sometimes in committee and just agree by unanimous consent that if the amendment is agreed to, it will remain subject to further amendment. That would not be the case here on the floor, but it could be done by unanimous consent. If one or two Senators are not happy, this might make them happy. It is very difficult to make 100 Senators happy.

Mr. MANSFIELD. It is impossible.

Mr. LONG. The majority leader says it is impossible. I imagine that is right.

If we cannot get unanimous consent, we should move to table and see where our votes are. We think that we have the votes to defeat the Williams amendment. We would like to have an opportunity to find that out sooner or later, before midnight.

Mr. MANSFIELD. I do not know whether we have the votes. However, we would have a clean-cut test. And if the amendment is not tabled, then other amendments could be offered; amendments affecting the railroads in Montana, corporations in Los Angeles, and other corporations in other States.

Mr. LONG. And some subsidies for the ship lines.

Mr. MANSFIELD. And cargo planes and barges.

The VICE PRESIDENT. The Senate will be in order.

Mr. MILLER. Mr. President, let us suppose that the Williams amendment is tabled. I would still like to know what the procedure is going to be whereby the Finance Committee is going to be able to sit down and possibly hold some further hearings on the part of individual Senators and have the committee consider the various amendments that the majority leader has talked about that are about to be offered if the Williams amendment is not tabled.

Mr. LONG. We will hold hearings and vote. It is that simple.

Mr. MILLER. When will that be done?

Mr. LONG. When we dispose of the bill. We cannot do it before we dispose of the bill.

Mr. MILLER. I understand that. However, does that mean next week?

Mr. MANSFIELD. It could mean next week or next month. It would have to mean before October 31. It is my anticipation that a tax reform bill—and what we are speaking of is in the nature of tax reform—would be considered and reported well ahead of October 31.

Mr. MILLER. When the Senator says reported, is he referring to reporting the bill which would be referred back to the Finance Committee?

Mr. MANSFIELD. No. That is on the calendar. That will stay on the calendar.

Mr. MILLER. He is referring to a series of committee amendments which would be reported.

Mr. MANSFIELD. The Senator is correct. And perhaps the proper vehicle may be the tax reform bill which I understand is due here from the House in the next week or 10 days.

Mr. MILLER. The Senator suggests the possibility that this may be resolved in the tax reform package itself.

Mr. MANSFIELD. It could be. There would be that possibility. And there is always the bill which is on the calendar. It could be called up at an appropriate time.

Mr. MILLER. I appreciate that the majority leader has a difficult time in attempting to go much beyond that point. However, he has given his assurance, and so has the Senator from Louisiana, that there will be opportunities for individual Senators to go before the Finance Committee and that the Finance Committee can consider this before October 31 and report the bill to the Senate.

Mr. MANSFIELD. Mr. President, may I say that as far as my longtime friend, the distinguished Senator from South Dakota (Mr. MUNDT), is concerned, the Senator with whom I had the honor to serve in the House as well as in the Senate, I am indeed sorry. I did not think, however, that it was necessary to spell this out in such great detail.

I place great trust and confidence in the people in whom the Senator from South Dakota places trust and confidence. And I did notify them ahead of time. I thought that was sufficient. If it was not, I must apologize.

Mr. MUNDT. Mr. President, there is no necessity to apologize. However, the distinguished majority leader must remember that we do not have instant communication. It was not until 10 minutes ago that I first heard about the desire and the determination of the majority leader to employ the tabling motion which left me without a star to hitch my wagon to.

Mr. MANSFIELD. The Senator can discuss the matter and can berate the majority leader, justly perhaps, for not giving him the opportunity at this time if the amendment is tabled. The sky is the limit. He can do anything he desires.

Mr. MUNDT. Mr. President, I never berate the majority leader, even when I think he is wrong. This time I am not sure that he is wrong. He is faced with a serious dilemma. So are we all.

Mr. MANSFIELD. It is a delicate question.

The VICE PRESIDENT. All the time of the Senator from Louisiana has expired.

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

Mr. MANSFIELD. Mr. President, I yield 5 minutes to the Senator on the bill.

The VICE PRESIDENT. The Senator from New York is recognized for 5 minutes.

Mr. JAVITS. Mr. President, there are two questions that I think need to be answered. One is whether it is understood that the April 18 date will remain as the date.

Mr. LONG. Definitely.

Mr. JAVITS. This is very important to the American business community.

Mr. LONG. If it would make anyone happier, I have a resolution that I would be glad to offer which provides that it is the sense of the Senate that the investment credit should be and will be repealed as of April 18.

Mr. JAVITS. I think it is important from the point of view of the business community. The other question is whether the Senator proposes to include in the hearings the matter of modernizing the depreciation schedules. Depreciation schedules are really an essential part of the problem of taxation. We have used the 7-percent tax credit as a substitute for modernized depreciation schedules, in order to encourage modernization of plants. Therefore, now is the time to consider modernization of the schedules.

Mr. LONG. That is fine. I would be happy to consider that right now.

Mr. WILLIAMS of Delaware. Mr. President, we will vote in a moment. However, before we do so, I want to point out clearly so that there can be no misunderstanding that in my opinion the Senator from Montana has been more than a gentleman. He has bent over backward to work with those of us who wanted an opportunity to vote and express our will on this measure.

I am hoping that we can defeat his motion to table and that we can act on this bill. I think we should.

Nevertheless, I want to make it clear that I do not at all consider that in his move to table he is exercising any unfair parliamentary procedure because if the situation were reversed he is doing exactly what I would do, and that is to take advantage of the parliamentary procedures of the Senate to expedite it. I want to make that clear, because I expected his motion. In fact, I was delighted that we got a vote on the merits of the previous amendment.

Now, as to the argument that this investment tax credit repeal before us has not had adequate hearings, I point out that the Senate did have hearings for 5 days. Various Senators did appear before the Committee on Finance, express their views, and make their recommendations, and the hearings have been printed. The Senator from Louisiana is correct in stating that it was reported by the committee by a vote of 9 to 8, under rather unusual circumstances.

We voted to report the bill before individual Members did get a chance to offer their amendments. At that time I said that such a procedure did create problems. It meant we would have to consider the various amendments on their merits on the floor. I realize that arguments could be made about the procedures, but this was not my fault.

As the Senator from Georgia pointed out, in his 12½ years in the Senate this is the first time it has happened. I will go further than that. I have been in the Senate 23 years and have been a member of the Finance Committee close to 19 or 20 years. This is the first time we have ever operated under such circumstances in which the committee would be told in advance by a policy committee that the committee could or could not report a bill and if reported just what amendments would have to be adopted first.

We have already expressed our views on these unusual and strange circumstances. We do not solve anything by debating them further now. So far as I am concerned I am willing to proceed to a vote.

I hope we can defeat the motion of the Senator from Montana. But as he makes that motion I make it clear that I see nothing wrong with the procedure he is following, and if I were in his position I would take the same steps he is taking.

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

Mr. WILLIAMS of Delaware. I yield 1 minute to the Senator from South Dakota.

Mr. MANSFIELD. Mr. President, I thank my distinguished friend.

Mr. MUNDT. Mr. President, it is quite apparent what action the Senate is going to take. It is all perfectly proper and perfectly legal, and those of us who sometimes become a minority of one have perfectly appropriate and useful tools we can use to protect ourselves against a repetition of what has happened here today.

We are up against a deadline in a tax measure. I am not going to avail myself of the parliamentary tactics which would enable me to compel a vote on the Mundt-Miller amendment which involves an exemption for farmers and smaller businessmen; but I do ask unanimous consent that the amendment I had hoped to offer, which is now going to become an orphan when the motion to table is made, be printed at this point in the RECORD. It is sponsored by the Senator from Delaware (Mr. WILLIAMS), the Senator from Iowa (Mr. MILLER), and me.

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

At the end of proposed section 49(a) strike the period and insert the following after "property": "and property to which subsection (e) applies."

At the end of proposed section 49 add the following new subsection:

"(e) SMALL BUSINESS AND FARMER EXEMPTION.

"(1) IN GENERAL.—In the case of section 38 property (other than pre-termination property)—

"(A) the construction, reconstruction, or erection of which is begun after April 18, 1969, or

"(B) which is acquired by the taxpayer after April 18, 1969, and which is constructed, reconstructed, erected, or acquired for use in a trade or business, or farming, the taxpayer may select items to which this subsection applies to the extent that the qualified investment for the taxable year attributable to such items does not exceed the small business and farmer exemption limitation (as determined under paragraph (2)). In the case of any item so selected (to the extent of the qualified investment attributable to such item taken into account under the preceding sentence), subsections (c), and (d) of this section, and section 46(b)(5), shall not apply.

"(2) SMALL BUSINESS AND FARMER EXEMPTION LIMITATION.—For purposes of paragraph (1), a taxpayer's small business and farmer exemption limitation for any taxable year is $25,000.

"(3) SPECIAL RULES.—

"(A) Married Individuals.—In the case of a husband or wife who files a separate return, the amount specified in paragraph (2) shall be $12,500 in lieu of $25,000.

"(B) Affiliated Groups.—In the case of an affiliated group, the $25,000 amount specified in paragraph (2) shall be reduced for each member of the group by apportioning $25,000 among the members of such group in such manner as the Secretary or his delegate shall by regulations prescribe.

"(C) Partnerships.—In the case of a partnership, the $25,000 amount specified in paragraph (2) shall apply with respect to the partnership and with respect to each partner.

"(D) Other Taxpayers.—Under regulations prescribed by the Secretary or his delegate, rules similar to the rules provided by sections 46(d), 48(e), and 48(f) shall be applied for purposes of this subsection."

Mr. MUNDT. Mr. President, I believe the 7-percent investment tax credit should be repealed. I do not, however, believe the repeal should be across the board.

There are two groups of individuals, or businessmen if you like, that would be extremely hard hit if the credit is taken away completely. They are small businessmen and farmers. They feel the noose of inflation much, much more than the general business community because their capital is more limited. They do not have the options open to them that their larger and more flexible competitors do. For this reason I believe this bill should be amended to provide a $25,000 exemption in the repeal of the 7-percent investment tax credit.

Mr. President, such an exemption would not unduly hamper our efforts to control inflation and yet at the same time it would be of major importance to farmers and small businessmen, providing the margin in some instances perhaps between survival or failure.

It is difficult to estimate the cost to the Treasury if the investment credit were continued on maximum annual purchases of $25,000. No one can accurately predict how widely it will be used. For the purposes of speculation, however, let us take a look at possible use by farmers.

In 1967 gross farm capital expenditures for machinery, equipment, and motor vehicles for farm business use totaled $4.819 billion. If the 7-percent investment credit were applied to all such purchases, which could not be the case, the tax saving in that year would have amounted to $337.33 million. A more reasonable figure, however, might well be $200 to $225 million on agricultural purchases only.

Even so, I submit it is safe to say the reduction in revenue would only be a fraction of the original anticipated increase in Treasury receipts of $1.35 billion in fiscal 1970 and a much smaller percentage of the $2.6 billion expected in fiscal 1971.

Weighed against this relatively small loss in revenue must be the advantages to be gained by such an exemption. First let us look at the small businessman.

Small businessmen need access to funds in these times of high interest rates more than ever. In 1962 testimony in favor of the tax credit, Secretary of the Treasury Dillon pointed out that the increased cash flow would be particularly important for new and smaller firms which did not have ready access to capital markets and whose growth was often restrained by a lack of capital funds. The exemption, by reducing their tax liability somewhat, will aid in accomplishing this.

A $20,000 exemption was provided in the suspension of the tax credit in 1966. As was pointed out then, such action was consistent with long-standing public policies to foster small business and farming and would be of substantial aid to small business enterprises and farms, many of which have difficulty raising funds because of existing monetary restrictions. A $25,000 exemption would be a negligible factor in the investment decisions of larger corporations and therefore will not vitiate against the effectiveness of the repeal. Since investment by small businesses and farms is a relatively small percentage of investment in machinery and equipment, this provision would not result in any substantial loss of expected revenue.

There seems fairly general agreement that the investment tax credit has been a factor in the decisions of many small firms to modernize. If the credit can be continued at modest cost to the Government, it would benefit farmers and small businessmen substantially. The small businessman and the farmer are usually excluded from the normal money markets and means of financing. Therefore, in periods of tight money, particularly rationing of bank credit, reducing his tax bill will substantially aid him in his financing problems. Also, in line with the President's statement, one of the major reasons for repeal of the credit, namely, the encouragement of business in poverty areas, will actually be helped by the $25,000 exemption, since this would encourage small businesses in urban depressed areas and aid minority ownership of businesses. It has been estimated by the Treasury that the credit increases the profitability of investment far more per dollar of revenue cost than any of the other alternatives, such as accelerated depreciation, and so forth.

In summary, it would appear that this exemption is both compatible with the reasons of the administration for repealing the overall investment tax credit, and would be of substantial benefit to small businesses.

Now, Mr. President, let us look at the farm situation. Those of us who have a deep and abiding concern for our farmer constituents must be deeply concerned by the continuing increase in farm production expenses. In the United States, since 1960, farm production expenses have increased from $26.4 billion to $35.9 billion in 1968.

Secretary Hardin has recently testified that expenses this year will increase another $2 billion. He also points out that this increase will be almost entirely the result of price increases rather than the result of a greater volume of supplies and equipment purchased.

In my own State of South Dakota, farm production expenses have risen from $476 million in 1960 to over $700 million in 1968.

The farmer is paying more and more for machinery, equipment, and supplies each year. In spite of the recent improvement in the index of prices received, it is an understatement to say that the prices received by farmers have not gone up in proportion to his increased costs. The scissors of the cost price squeeze are bearing down disproportionately upon our farm families. In talking to farmers, I find that once the prices of the items used in agricultural production rise, they seldom decline. Prices received by our American farmers have been far to much below parity for far too long.

For the record, I wish to include a table showing what has happened to the index of costs for certain commodities used in farm production:

(1957–59=100)

Period	Motor supplies	Motor vehicles	Farm machinery	Farm supplies	Building and fencing materials
1957	100	96	96	100	99
1958	100	100	100	100	99
1959	100	104	104	100	102
1960	101	102	107	100	102
1961	102	102	110	101	101
1962	101	105	111	101	101
1963	101	109	113	101	101
1964	101	111	116	102	100
1965	102	113	119	103	101
1966	102	117	124	103	103
1967	105	121	129	104	105
1968	107	129	138	107	113

Farmers are carrying very heavy financial burdens. They are continually making substantial capital investments in order to improve their efficiency. Fewer farm workers in 1968, in combination with greater quantities of most other production inputs, supplied food and other farm products to an increased domestic population. In addition, through exports, they supplied products to countless consumers in foreign countries. Total domestic and foreign consumers reached more than 43 per farmworker in 1968—20 more than a decade ago. The gain in persons supplied per farmworker has resulted from greater application of modern technology both on and off the farm, including the transfer of jobs from farmworkers to non-farmworkers.

One of the constructive ways to give practical help to farmers to reduce the impact of the cost price squeeze and to share more equitably in the strength and prosperity of the American economy would be to provide a 7 percent investment tax credit up to $25,000 for farmers and small businessmen. Farmers have come to rely on this credit in their operations. I believe it should become a permanent feature of our tax system. The Mundt-Miller amendment moves in this direction.

America's first industry was agriculture. It remains our greatest. It provides the means for feeding not only our people, but in addition provides means for alleviating hunger all over the world. It provides employment for about 18 million Americans who work at not only growing our crops, but processing them

and shipping them to market and supplying our farmers. The products of our agriculture bring to the table the family income. The production of one out of every four acres moves into export markets. American farm exports are an important plus factor in our balance of payments. The bounty of our farms under the food for peace program enabled millions of people in other lands to survive. However, the American farmer who is making this great contribution to America's prosperity still does not share equitably in it. My proposal today would at least redress some of this disparity.

Just like any other businessman, the farmer seeks a fair return for his great risks and effort. There is no means to assure the return. With this proposal we can be of practical help. Mr. President, if the tabling motion on the Williams amendment prevails—and it looks as though this is going to happen—we shall try again. We shall try to achieve this small businessman-farmer exemption through Finance Committee action. If we fail there we shall try again on the floor of the Senate under more appropriate parliamentary conditions.

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

Mr. MUNDT. I yield.

Mr. MANSFIELD. Mr. President, who knows—the tabling motion may be rejected, and then the Senator would have his chance.

But I would hope that the Senator did not mean to imply that because something which was done entirely within the rules—unfortunately, unknown to the Senator, although it is included in the consent agreement—is an indication of an intimidation on the part of the minority party toward the party which happens, a least for the time being, to be in the majority.

I would point out to the Senator that it is his administration which is in power in the executive branch of the Government. I would point out that what the majority party has done has been to come a long way, I think, to try to reach an accommodation with the Republican leadership, the ranking minority member of the Committee on Finance, and the administration. It would have been just as easy not to have done anything, to have remained at our original post, to let misunderstandings arise, and thereby allow the surtax to expire at midnight tonight. But we felt we had a responsibility to the Nation, just as the other side has, although a more definitive one because of the control at 1600 Pennsylvania Avenue. We had thought we had worked out a reasonable accommodation. We had understood that it had met with all-around approval.

The only fault I can find is that we really did not give enough time to the Senate to consider the unanimous-consent request last night. But the only explanation I can give is that circumstances made it necessary to act as we did.

So I would hope there would be no threats on either side against the other party, because we ought to work in harmony; we ought to work in comity. We ought to recognize that we are all public servants and have responsibilities.

The Senator from South Dakota and the Senator from Iowa are interested in an amendment to take care of the small businessmen and farmers in their part of the country, an amendment which I am sure I would support on another occasion. May I say that I am also interested in the transportation industry in the State of Montana, and I dare say this could be multipled 25 times and perhaps more.

At least let us recognize the integrity of one another and try to get along as best we can. I am certain that is what the Senator from South Dakota has in mind.

Mr. WILLIAMS of Delaware. Mr. President, I yield 2 minutes to the Senator from Vermont, but before I do I want to point out that it has been implied in every unanimous consent agreement that has ever been entered into in the Senate that motions to table the amendments are in order, and everyone understood it. I cannot overemphasize the fact that there has been no maneuvering on this point.

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

Mr. WILLIAMS of Delaware. I yield.

Mr. LONG. Does not the Senator know that if he is not happy with what happens, he can always offer another amendment like it? Just change a single word and start all over again.

Mr. WILLIAMS of Delaware. Mr. President, I yield 2 minutes to the Senator from Vermont, and I yield back the remainder of my time thereafter.

Mr. PROUTY. Mr. President, I am delighted that after these many years, many of our friends in this body, with bated breath and grandiloquent approval, are now rushing down the sawdust trail to tax reform.

I listened with interest to the colloquy which occurred a few minutes ago. It seems to me that insofar as the investment tax credit is concerned, the reform will be primarily apropos to some of the major industries in this country. It may well be that it can be demonstrated that it is in the national interest to make this apply. But certainly this can be done at such future date when the tax reform bill is taken up.

But let us remember this: Today the Senate voted to continue the surtax for 6 months. That affects the little guy in this country, the people in the low-income brackets, as well as others. We refuse to take any action to curtail the subsidies now being given to American business. If that is equity, I fail to see it.

I yield back the remainder of my time.

The VICE PRESIDENT. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Delaware.

Mr. DIRKSEN. Mr. President, I yield myself 2 minutes.

Mr. HOLLAND. Mr. President, have the yeas and nays been ordered?

The VICE PRESIDENT. No, they have not.

Mr. HOLLAND. Mr. President, will the Senator yield to me so that I may ask for the yeas and nays?

Mr. DIRKSEN. No, I will not yield.

The VICE PRESIDENT. The Senator from Illinois has the floor.

Mr. DIRKSEN. Mr. President, a week ago today, I started to sit in first one conference and then another, and many times the distinguished Senator from Delaware was at my elbow. It was sort of give and take and offer and retreat and recede, in the hope that something could be worked out because of the deadline that was before us on the surtax and on the withholding tables. At long last, we managed to get something in the way of a little more bread than I had anticipated earlier in the day, and we sat last night in the minority cloakroom and contrived this order.

If Senators will just go to the trouble to read the order, there will not be quite so many questions, because the first part of the order reads:

> 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 1 hour.

We recognized the right to offer the motion to table, and it was discussed in that cloakroom.

The majority leader is well within his rights because I made the suggestion that there might be amendments and I would offer to table if I felt it was going to complicate the problem that is before us.

I also said if there was an amendment that did not comport with the germaneness rule, whether it came from my side or the other side, I would stand up and make a point of order against it, and I would have done so.

I want to see this bill out of here and on the way to conference before we have to come up against any more confrontations with deadlines. That is all I have to say. I concur entirely with the distinguished senior Senator from Delaware and I concur with the distinguished majority leader. He is entirely within his rights. So I am ready to vote.

Mr. President, yeas and nays.

The VICE PRESIDENT. The yeas and nays have been requested.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum not to exceed 2 or 3 minutes while I hold the floor.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. MANSFIELD. I yield.

Mr. HOLLAND. Has the Senator made his motion to lay on the table?

Mr. MANSFIELD. No. That is what I intend to do now.

Mr. HOLLAND. This was a request for yeas and nays on the motion to lay on the table?

Mr. MANSFIELD. No.

Before I make my motion I want to say I am indeed sorry that anything has entered into the debate which could be considered personal in any way, shape, or form, or be considered derogative of the rules of conduct or procedures of the Senate. This, of course, is a measure which does arouse a lot of interest because there is always interest where one's pocketbook or economic constituency is concerned.

Before I make the motion to table I would like to make the following statement.

May I say that the amendment of the Senator from Delaware (Mr. WILLIAMS) was anticipated at this time under the consent agreement of yesterday. I feel today as I did then that its adoption will impede and, perhaps, jeopardize the passage of this bill for reasons previously enumerated. If adopted now, it will add a complication to the immediate problem of securing a partial extension of the surtax before the deadline.

My understanding, moveover, is that there are at least 12, perhaps 27, and maybe more amendments which Senators from various States would like to have the opportunity and the privilege to offer to the pending amendment. These amendments are in the wings just waiting to make an appearance. As I stated previously, each one of these amendments to the amendment would be subject to full debate on the basis of the unanimous consent agreement. Each one could consume an hour's time. It is conceivable that we would be here not merely far into the night but far into tomorrow and the day after. In the interim I scarcely need to remind the Senate that the surtax would have expired.

Yesterday I stated on the floor—and I emphasize the matter again—the question of repealing the investment credit as of April 18, 1969, will be disposed of during this session of Congress. It will be brought up and it will be retroactive to April 18, 1969. There should be no uncertainties and no misunderstandings on that score, although I realize we are all subject to human error, and indeed something may come up to foreclose it. But as far as promises and commitments are concerned, they have been made, and as far as the Senator from Montana is concerned, he will do his best to see that they are strictly adhered to.

By setting aside this amendment at this time nothing will be lost. There is my personal commitment and that of the majority policy committee and the Finance Committee—the Finance Committee which included the Senator from Delaware—that the repeal of the investment credit will be considered along with tax relief for lower income groups and the extension of the excise taxes and the general tax reform this session of the Congress.

There is no justification in my judgment for complicating the immediate issue with this item. There are other items of equal importance that may very well be added to the measure on which we are now working.

The overriding consideration is the realization during this session of a more equitable tax structure. We are on our way to that objective and let us proceed to it step by step. For the present, I urge the Senate and Senators on both sides of the aisle to join in postponing the passage of this particular repeal on this bill, with the full expectation of passing it during this session of the Congress, retroactive to April 18, 1969.

Mr. HOLLINGS. Mr. President, I have urged for some time the repeal of the investment credit to arrest inflation. I realize that if the repeal is placed on this particular measure, then an impasse will result on the surtax, which expires tonight. The President and the Democratic policy have all urged to act tonight without impasse, and therefore I oppose the Williams amendment on the clear understanding that an opportunity to vote to repeal the investment credit will be afforded the Senate within the next 60 days.

Mr. MANSFIELD. Mr. President, I move to table the pending amendment and I ask for the yeas and nays.

The VICE PRESIDENT. The yeas and nays have been requested. Is there objection? The Chair hears no objection, and it is so ordered.

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

Mr. MANSFIELD. If I can.

The VICE PRESIDENT. No further debate is in order at this time.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may yield 1 minute to the Senator from Illinois.

The VICE PRESIDENT. The Chair hears no objection, and it is so ordered.

Mr. PERCY. Mr. President, I intend to support the motion to table repeal of the 7-percent investment tax credit made by the majority leader and I would like to indicate why, because my reasons may well differ from his.

I am deeply concerned about repealing the investment tax credit now. I think we can make a much better decision a few months from now.

I am concerned about the fact that we have 6 million wage earners whose contracts are coming up for reconsideration. We have had in the first half of 1969 wage increases at an annual rate in excess of 7 percent, with 15 percent increases average in the construction industry and 21 percent in some areas for carpenters alone. Last year wage increases exceeded increases in productivity by 4 percent.

I am concerned about the fact that we had a $7 billion trade surplus that has shrunken to almost zero today. I do not know how American industry is going to meet these wage demands and compete in world markets if we take away the incentive to improve and modernize equipment. I think it would be a mistake to make this move today.

More than that, I support the motion to table because we should clear the way for a simple extension of the surtax and limit the matter to that one issue today because of the critical factor of timing with the surtax expiring at midnight tonight.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Montana to table the amendment of the Senator from Delaware. On this question the yeas and nays have been ordered and the clerk will call the role.

The assistant legislative clerk called the roll.

The result was announced—yeas 66, nays 34, as follows:

[No. 62 Leg.]

YEAS—66

Allen	Bible	Byrd, W. Va.
Anderson	Burdick	Cannon
Bayh	Byrd, Va.	Case
Church	Inouye	Muskie
Cranston	Jackson	Nelson
Dodd	Javits	Pastore
Eagleton	Jordan, N.C.	Pell
Eastland	Kennedy	Percy
Ellender	Long	Proxmire
Ervin	Magnuson	Randolph
Fong	Mansfield	Ribicoff
Fulbright	Mathias	Russell
Goodell	McCarthy	Sparkman
Gore	McClellan	Spong
Gravel	McGee	Stennis
Harris	McGovern	Stevens
Hart	McIntyre	Symington
Hartke	Metcalf	Talmadge
Hatfield	Miller	Tydings
Holland	Mondale	Williams, N.J.
Hollings	Montoya	Yarborough
Hughes	Moss	Young, Ohio

NAYS—34

Aiken	Dole	Pearson
Allott	Dominick	Prouty
Baker	Fannin	Saxbe
Bellmon	Goldwater	Schweiker
Bennett	Griffin	Scott
Boggs	Gurney	Smith
Brooke	Hansen	Thurmond
Cook	Hruska	Tower
Cooper	Jordan, Idaho	Williams, Del.
Cotton	Mundt	Young, N. Dak.
Curtis	Murphy	
Dirksen	Packwood	

So the motion of the Senator from Montana (Mr. MANSFIELD) to lay on the table the amendment of the Senator from Delaware (Mr. WILLIAMS) was agreed to.

Mr. TYDINGS. Mr. President, on numerous occasions this year both on the Senate floor and in statements to the press, I have issued a pledge to the people of Maryland that I would not support an extension of the 10-percent surtax unless it was accompanied by thorough-going tax reform.

I made this pledge to the people of Maryland for several reasons. First, the 10-percent surtax is a regressive tax which falls hardest on those who can least afford it—the middle-income taxpayers. To extend this regressive tax without first eliminating the inequities in our present tax system—inequities which force middle-income families to pay more than their fair share of taxes—would be unfair to the great majority of taxpayers in Maryland and in the Nation. Why should the average taxpayer suffer the hardship of an extended surtax while billions of dollars in potential tax revenue that could be used to combat inflation slip through the loopholes in our tax system into the pockets of the special interests?

Second, if the 10-percent surtax is extended the full half-year the administration has requested, the position of those in the Congress demanding major reform of our tax system will be seriously undermined. In effect, we will have lost our principal bargaining tool. Once again, tax reform proposals will be vulnerable to the powerful lobbies of the special interest groups intent on preserving their tax privileges.

The legislation before us today would enact the full half-year extension of the 10-percent surtax requested by the administration without actual thorough-going tax reform.

It is true that the Senate has stated its intention to consider tax reform measures in the coming months. However, this is not enough. I feel compelled to point out that the history of our past failures in the area of tax reform is re-

plete with good intentions. As the record shows, tax reform is more easily discussed than enacted.

Therefore, because it is unfair to the average American taxpayer and will seriously cripple efforts in Congress to achieve meaningful tax reform, I must cast my vote against the half-year extension of the 10-percent surtax.

I am as concerned about inflation as any Member of the Congress. We must halt the steady erosion of the dollar.

However, there are other ways to halt rising prices. Last year, when I supported the surtax as a one-time-only stopgap against inflation, I also voted to cut Federal spending by $6 billion. In addition, I voted throughout the year against other billions of dollars in unnecessary and deferable Federal spending. Those budget cuts produced the $3.1 billion surplus for the fiscal year ending this June.

It is my conviction that balancing the budget by cutting expenditures is a far better way to fight inflation than passing regressive taxes. This is especially true as long as the existing tax loopholes continue. Closing the major loopholes in our tax system would have at least as great an impact on inflation as extension of the surtax. Cutting military expenditures to eliminate the estimated $10 billion in wasteful unnecessary expenditures each year would also be at least as effective as the surtax. Still other possibilities exist.

In short, the surtax is neither the only way nor the best way to combat inflation. I cannot vote for it simply because it is the only remedy the administration has offered.

Mr. NELSON. Mr. President, last year I voted against the 10-percent surtax on the ground that it was inequitable, inadequate, and would not stop the inflationary spiral. It in fact did not slow up the inflationary trend but rather contributed to it by a massive round of wage and price increases. We need now as we needed a year ago a much stronger dose of medicine than this bill provides if we mean to deal realistically with the critical inflation problem. I ask unanimous consent to have printed in the RECORD the statement I made on this matter a year ago which still reflects my viewpoint as of this time.

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

STATEMENT BY SENATOR GAYLORD NELSON BEFORE THE U.S. SENATE, JUNE 21, 1968, AGAINST THE IMPOSITION OF THE SURTAX

Mr. President, this country is faced with a series of serious local, social and international problems including an unbalanced budget, a drain on the dollar, inflation, the war in Vietnam and massive unmet social needs at home. This tax increase will not solve our fiscal problems, and the budget cut will intensify our social problems. The tax increase puts the burden on the wrong people and the budget cut will take the money from the wrong places.

I recognize we must make budget cuts and increase revenues to close the gap between income and outgo. When this measure was before us several weeks ago, I voted for a $14 billion tax on excess profits and against the 10 percent surtax because it is unjust and unfair in the extreme. I would vote again for an equitable tax measure if there were one before us despite the fact that our fiscal problem is caused by a tragically mistaken war that I have fought and voted against since 1965. Today, I hope we will not have to listen to pious lectures on high taxes and fiscal irresponsibility from those who supported the launching of a ground war in Vietnam in 1965.

This tax package will levy a 10 percent surtax for $11.6 billion, continue auto and phone taxes and speed up corporation tax collections, for a total of about $15 billion. Combined with a $6 billion budget cut it still leaves an untenable budget gap; it will not stop the inflationary spiral; it will not stop the drain on the dollar; and it will not leave enough in the budget for critical social programs. You know that, Mr. President, and I know that, and administration spokesmen will privately concede it if we press the point vigorously enough. But they tell us, this is the best stopgap emergency measure we can get through Congress. What other measure has the administration tried to get through Congress? Why have they not come to Congress with the kind of tax that lays a fair share of the burden where it ought to go—an excess profits tax on unprecedented profits of a war economy. Is it not ironic that the financial and business leaders of America are the administration cheerleaders for this tax increase. Well, why not? They will not have to pay it.

It is in the national interest they tell us. In times of crisis, we Americans must all stand together, they say. I can buy that, but while we are all standing together why not throw in our tax money together too? During the Second World War in 1944 the excess profits tax produced $10 billion out of an economy a fraction as large as this one.

The 10-percent surtax will not much be noticed by the rich, the affluent or the well to do. It will just reduce their savings or investments a relatively modest amount. But for those who are trying to save a little bit or who are having trouble balancing their budget and keeping up with the inflation, the tax increase does mean something. Even more important is the principle involved. Americans have always been willing to sacrifice in the interests of their country when called upon to do so. I trust it will always be so. But they properly resent it when the sacrifice is not fairly shared by all. In fact it is pretty hard to make a convincing case for the urgency of the cause with a proposal like this one. In good conscience we must concede this is a tax prescription with the wrong medicine for the wrong patient.

If we mean business about this serious matter, for heavens sake let us confront it head on with a proposal that resolves the issue and does it fairly. That means we should junk this measure and call upon the administration to come up with a proposal that does the job. Under the circumstances, that is where the proposal should come from. If they have no recommendation to make we then should do the job ourselves.

The budget should be put in balance and it can be accomplished if we have the courage to levy the taxes where they should be levied and cut the budget where it should be cut. We are living in a wartime economy with the highest profits in history yet we are asking them to sacrifice almost nothing while we discriminate against programs for the poor, the jobless, the elderly, the hungry, and the untrained and uneducated youth of America.

We should enact a tax and budget package that raises $22 billion in taxes and cuts the budget by the amount recommended by the President—$4 billion; $14 billion should be raised by an excess profits tax, $5 billion from the surtax, $2.7 billion by extension of the phone and auto excise taxes and $300 million miscellaneous—removal of tax exemption from certain industrial development bonds, and so forth. This combined with a $4 billion budget cut will total $26 billion.

In my judgment, the emphasis on budget cuts should be in the military budget—a 5-percent research and development cut, for example, would save $1.2 billion; postponement of the thin ABM several hundred million—public works, $1 to $2 billion should be postponed—with most of the balance being cut from space, SST, European troop reduction and military procurement.

This would put us in a fiscally sound position with a balanced budget or at most a modest imbalance. If within a reasonable time this did not reverse the inflationary trend the President should request the imposition of price-and-wage controls. We cannot afford to permit the inflationary trend to continue at its present rate.

We are in a war. Our fiscal situation is serious. We ought to have the courage to face up to it with a program that will do the job.

I therefore will vote against this conference report as I voted against the original bill.

Mr. McGOVERN. I will vote against the proposal to extend the income surcharge for 6 months. In my judgment, extension of this extra levy on individual income serves only to aggravate the demonstrable inequities in our tax laws and to burden further the individual taxpayer, whose shrinking real income is the victim—not the cause of inflation.

The economic interests of America would be best served at this time by enactment of a temporary tax on excessive war profits, which are the products of extraordinary wartime military spending. This tax would apply a much more effective brake to the current inflation than the continued imposition of a regressive surtax. Meaningful action to curb our present inflation requires facing up to its root causes and making certain hard political decisions. The proposal to extend the income surcharge is not the product of such a decision.

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

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The bill having been read the third time, the question is, Shall it pass?

Mr. LONG. Mr. President, on that question, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WILLIAMS of Delaware. Mr. President. I yield myself 2 minutes.

It was my firm opinion that the Senate would have rendered a greater service to our country here today had we settled once and for all the question as to whether we were or were not going to extend the surtax for the full year, and also at what rate. I think it would have been better to face up to the question of whether we would or would not repeal the investment tax credit, and also the effective date, and what industries if any would be exempted.

The uncertainty in that respect is in my opinion creating a disturbance in the

market. In my opinion this uncertainty will continue.

However, the Senate has had a chance to make its decision, and this bill is a step in the right direction. At the same time, I think we may have made a bad mistake in not clearing up the uncertainty and in not meeting head on the problem of combating inflation in this country.

One handicap in leaving undecided the so-called investment credit is that many of our corporations file their tax returns on a fiscal year basis. As a result of the Senate action it means that if and when we do repeal the investment credit, and if it is as of April 18 it creates accounting problems. In the meantime corporations will file their tax returns on a fiscal year basis, July 1, August 1, or September 1, for example.

The PRESIDING OFFICER (Mr. SAXBE in the chair). The time of the Senator has expired.

Mr. WILLIAMS of Delaware. I yield myself 2 additional minutes.

Whatever date is involved those corporations will file their tax returns and deduct the investment credit on the machinery that they are buying even after the April date. For example, the machinery the companies bought in August will be eligible for the credit since the law has as yet not been repealed. If they file their tax returns on the fiscal year basis on September 1 and if Congress acts at some future date the Treasury Department will have to give them 60 more days to file amended returns and pay the extra tax without interest. The Treasury has estimated that it will amount to about $200 million by the end of September that will be lost in revenues, while this will be later regained the Government will be paying the interest in the meantime. As one company official pointed out to me, he was going to take his investment tax credit when he files his tax return August 1, put the money in 60- or 90-day Treasury bills, and draw 7 or 7½ percent interest on it. By keeping it there a few months while Congress postpones its decision, he can collect interest in the meantime.

I do not think that is a good way to run our Government. We should have met that problem head on and made our decision today. Five days of hearings were held on the measure. Members of the Senate had an opportunity to testify. While it is true the bill was reported rather hurriedly, under the parliamentary situation it could not be avoided.

I accept the decision of the Senate. As far as I am concerned I am ready to vote and shall support the bill even though in my opinion it falls far short of what should have been done.

Once again I express aprpeciation to the majority leader, who I know had very strong feelings on this question. Some of us wanted an opportunity to present our views on the bill, to offer amendments, and to have them accepted or rejected by the Senate on their merits. He has given us that opportunity. That is all I asked. I abide by the decision that the Senate itself has made.

Mr. DOMINICK. Mr. President, will the Senator yield me 2 minutes?

Mr. WILLIAMS of Delaware. I yield 2 minutes to the Senator from Colorado.

Mr. DOMINICK. Mr. President, this is a most irrational situation. I find myself, a member of the Republican Party, faced with a bill that has been developed by the Democratic policy committee. I find myself in a position of being asked by the Democratic majority to keep an added tax on individuals, but retain the tax credit for the benefit of companies and corporations. I find myself in a position where the Democratic leadership has said the surtax is not doing any good in controlling inflation; yet they say, "All right, we will extend it for 6 more months."

I find myself in the position of realizing that while there has been inflation even with the surtax, this would continue the surtax but retain the investment tax credit. Yet, high interest rates and inflation go on.

I think to pass a 6-month extension of the surtax and to do nothing else—which is what the Senate has decided to do today—is a mockery to the American people.

Mr. MANSFIELD. Mr. President, I yield 2 minutes to my colleague from Montana.

Mr. METCALF. Mr. President, before this debate comes to a close, I want to call attention to the fact that simply because there was an agreement not to debate the low-income allowance sent over to us by the House as a part of the surtax bill, H.R. 12290, that does not mean those who need tax justice the most have been forgotten.

We must not forget that there are still some 5.2 million taxpayers at or below the recognized "poverty" level who are still paying income taxes. That is quite a contrast with the much-quoted statistic of 155 tax returns with adjusted gross incomes above $200,000 on which no income tax was paid, including 21 returns with incomes above $1 million.

These are matters which will be subsequently considered, but they have been given inadequate consideration at this time.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Tennessee (Mr. BAKER).

Mr. BAKER. Mr. President, I wish at this time to commend the Senator from Colorado (Mr. DOMINICK) for his succinct appraisal of the situation with which we are faced at this time. I would add one or two additional items of dilemma to that situation that have occurred to me.

First, our colleagues in the House of Representatives, on both sides of the aisle, were faced with the question of acting on fiscal responsibilities and casting their votes for an unpopular tax measure, bearing in mind that in passing the tax measure in the House of Representatives they also initiated tax reform with the repeal of the 7-percent investment credit, by dropping from the Federal tax rolls people with incomes below a certain level, by a reduction of the surtax to 5 percent after the first of the year, with the additional revenues that action provided.

All that has gone and we are faced with the prospect of taxing the people of this country and yet doing nothing to relieve inequities by tax reform. We have faced the challenge of tax reform and we have failed.

I feel reluctant, but I must cast my vote against passage at this point.

Several Senators addressed the Chair.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I cannot disagree with the statements made by my distinguished colleague, or those of the distinguished Senator from Tennessee, either one. But my vote will be different on this matter, and I think I should state why.

I have always thought that the so-called unified budget is phony. I am sorry that the Johnson administration adopted it. I am sorry that the Nixon administration continued it, because it presents a phony picture to the people of the United States.

Nevertheless, even though we have been deprived here of the opportunity to take 5 million poor people off the tax rolls, and of continuing the surtax at a reduced rate through next June, and even though we have not been able to do anything with the investment credit, this is a half loaf that I have to take, obnoxious as it is to me, and this half loaf represents $5 billion, which will be raised by the tax on this bill, and which will inure to the benefit of the Government, and otherwise will inure in a deficit on next June 30.

I quarrel with no one who has a different point of view, but since I have tried every way I can to get more, I shall take what I can get now.

In conclusion, Mr. President, may I just say this: this matter now goes to the House of Representatives. We do not know whether we will get a bill or not. I hope we do, and these other matters will certainly be up for discussion in a conference committee.

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

Mr. ALLOTT. I yield to the Senator from Pennsylvania.

Mr. SCOTT. In order to save the Senate's time, let me simply say that the distinguished Senator from Colorado has stated my sentiments exactly, and I intend to vote as he intends to vote.

Mr. MANSFIELD. Mr. President, I yield 2 minutes to the distinguished Senator from Rhode Island.

Mr. PASTORE. Mr. President, I was reluctant to discuss this matter at this time, but in view of some of the charges that have been made on the floor of the Senate, I think we should have some correction.

The opposition has talked about mockeries. Why do we not talk about the hypocrisy of our whole tax structure? That is what we are trying to correct, and that is the reason why the Democrats have held out for 6 months instead of the 12 months, in order that we could bring about the equity and justice that is necessary in our whole tax structure.

What is a surtax? A surtax is a tax on those who already pay a tax. We know that in this country there are hundreds upon hundreds of people who receive tremendous incomes, and yet do not pay

one nickel in taxes; and therefore, if they do not pay a tax, there will be no surtax on any tax that they pay, and that is what we are trying to correct. That is all we are trying to do.

We have decided, in the policy committee, that the only reason why we would go for 6 months was because we wanted to assure the people of this country that we are going to have tax reform, and for no other reason. For no other reason.

So I am saying to those who are defending a 27½-percent oil depletion that the time has come when these multimillionaires should pay a tax like everyone else, on an equitable basis, on a justifiable basis, and not on a basis of favoritism.

That is what we Democrats are trying to do. We are trying to protect that wage earner who pays his share, and to catch the multimillionaire who gets away scot free.

Several Senators addressed the Chair.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Iowa.

Mr. MILLER. Mr. President, I do not like to see this matter closed off on a basis of partisanship. I have been here 9 years, and have been as much for tax reform as have most other Senators. I cannot say that the position of the Senator from Rhode Island has been crystallized during all these last 9 years. I am glad it is going to be this year.

But let us make it loud and clear that there is no partisanship on this issue of tax reform. There are shared views on tax reform on both sides of the aisle, and I do not think that this body ought to go off with that kind of a tail on it.

I should like to say this: Starting January 1 next year is when the low-income taxpayers were going to get relief. I say to my friend from Montana that we can wait and take care of them a little later on this year, because the effective date is not until next January 1.

With respect to the repeal of the investment tax credit, thanks to the Senator from Montana and the Senator from Louisiana, we have been assured that it is going to be repealed. They have the power on that side of the aisle, they have a lot of support on this side of the aisle, and it is going to be repealed as of April 18th; so I think we can get on and do a job, and satisfy most of us now.

Several Senators addressed the Chair.

Mr. MANSFIELD. Mr. President, I yield 2 minutes to the Senator from Texas.

Mr. YARBOROUGH. Mr. President, I shall vote against the surtax extension, because I think it is a rankly unjust tax on the poor and middle income taxpayer, the upper middle income taxpayer and the lower middle income taxpayer, and the workingman.

We proposed a just tax in the Senate last year, and were defeated—I think we got 18 votes—that is a tax on excess war profits. It would raise $9.5 to $10 billion a year. This surtax raises $9.5 to $10 billion a year, this revenue is an exact substitute for that which would be raised by the surtax.

We talk about tax reform, and we play tiddledywinks with a few hundred million here and a few hundred million there.

We had an excess war profits tax in World War I, an excess war profits tax in World War II and an excess war profits tax in the Korean war. Why is it less necessary today? Do we put the blood and lives of our youth in Vietnam at a lower level than we put the profits of the war contractors?

More than $42 billion dollars are paid a year in prime contracts alone, scot free. This bill we have pending here will not confiscate those profits. It starts at nothing. The contractor who profits only to the extent of $25,000 a year is not touched. The highest tax on such profits proposed is 37.5 percent. Yet it would raise 9.5 billion dollars to 10 billion dollars.

Mr. President, that is the fair tax. That is the just tax. That is the tax that has proved just and equitable in three different wars. It is no innovation and it would raise as much money as the surtax.

I think it rankly unjust to create these vast fortunes of hundreds of billions of dollars from the profits of war and the blood and lives of our young men, and not have a tax on these profits as we had in the last 3 wars. This war has already cost us $100 billion—the most expensive war we have ever fought, except World War II. It has lasted longer than the Revolutionary War. We have had more casualties than in the Korean war. We are approaching the losses we had in World War I.

Yet we refuse to tax the profits of those who make money out of this evil conflict that has caused the crisis we face in Europe, that has caused high taxes, that has caused high interest rates, that has caused the flight of gold from our Treasury and that constitutes the greatest evil faced by America today.

I shall vote against this unjust tax which is sought to be added today to the backs of the people.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Nebraska.

Mr. CURTIS. Mr. President, I rise to say a kind word for the distinguished senior Senator from Delaware (Mr. WILLIAMS). I know of no more stalwart public servant, past or present. If it had not been for him, there would have been no surtax enacted by the previous Congress. If it had not been for him, our efforts to reduce expenditures would not have proceeded as far as they did. He has conducted himself on this day, as he always has, as a perfect gentleman. He has lost a rollcall or two, but I do not think that, when the pages of history are written, they will mark up very many real losses to JOHN WILLIAMS. I commend him for his effort.

Mr. MANSFIELD. Mr. President, I yield 5 minutes to the distinguished senior Senator from Florida.

Mr. HOLLAND. Mr. President, I thank the majority leader. I join in paying tribute to the distinguished senior Senator from Delaware.

And I want to add to the name of the Senator from Delaware, the name of the senior Senator from Montana, the majority leader. I think they have both rendered a fine contribution here today.

Mr. President, of course none of us are pleased entirely with what we are about to do. However, it seems to me very clear that if we face up to the test of fiscal responsibility and stability in our government, it is the only thing we have a chance to do today. And, of course, I propose to vote for the extension of the surtax at 10 percent for the rest of the year.

Going further, I want to comfort those who, like me, may feel that 5 percent for the first 6 months of next year should also have been enacted by reminding them that it is coupled with a bill on the calendar containing some very attractive measures.

One of them is the extension of the excise tax, which has got to be done if our country is to be fiscally solvent.

Another is the matter of relief being afforded to certain persons of the very low income group from the tax burden. I believe that number is stated to be about 5 million.

Beginning with the consideration of the 1947 tax reduction bill and later the 1948 bill, the senior Senator from Arkansas (Mr. MCCLELLAN), joined by the senior Senator from Florida, insisted that the promises that have been made to the poor people throughout World War II be redeemed. Those promises were redeemed. The exemptions were cut to $500 a person. It was promised that they would be restored when we finished the war. We finally got $100 restored in 1948.

We will have a chance in connection with the bill presently on the calendar to restore a little more and bring about a little greater degree of equity.

I express my appreciation to the junior Senator from Montana (Mr. METCALF), and to the senior Senator from Arkansas for the long, continuing battle they have made in this field.

The tax investment credit also is contained in the bill that is upon the calendar. I want the record to show that we are assured that with respect to the bill on the calendar, there is no request for recommittal of the bill. A study is to be made in the committee with a view of reporting committee amendments to the investment tax credit bill which, of course, is in accord with normal Senate procedure.

I think we will have to complete the job at a later date. I will take great pleasure in aiding in the completion of the job at a later date. But it seems to me that we have faced up to the only thing we could do.

After all, that is what politics is. It is a matter of accomplishing what is possible. And I think we are about to do that very thing today.

Mr. President, I am glad we are going to do it. I think it is the fiscally responsible thing to do. I think it puts us in a better light in the international community. I think it puts all of us in the position of having voted to maintain a sound and solvent government. And that is always greatly desired.

Mr. President, I am glad to vote for the bill. However, I would much have

preferred it if we had voted for the entire provisions of H.R. 12290 as it came from the House and is on the calendar.

Mr. MANSFIELD. Mr. President, I yield 2 minutes to the distinguished senior Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia is recognized for 2 minutes.

SENATE ACTS RESPONSIBLY

Mr. RANDOLPH. Mr. President, I believe that the Senate in a few minutes will act in a responsible way, responsive to the general feelings of the citizens of the United States.

It is my belief that they are willing to support extension of the surtax coupled with early action on tax reform. We are making a commitment to develop needed revisions of our tax structure which will be drafted under the leadership of Chairman LONG and the members of the Finance Committee.

I commend the Senate on its realism with regard to a difficult surtax issue, involved with the absolute necessity for a more equitable tax base. Our leaders, Senators MANSFIELD and DIRKSEN, have acted wisely.

There will be no unanimity in the final rollcall, but I am sure each Senator will respect and understand the differences of conviction on this confused and complex issue.

Mr. MANSFIELD. Mr. President, I yield 2 minutes to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 2 minutes.

Mr. FULBRIGHT. Mr. President, I do not want this moment to pass without paying tribute to the majority and minority leaders for the very fine job they have done in bringing a most difficult matter to a satisfactory conclusion.

I do wish, however, to raise one question. That concerns the apparent assurance that the surtax has been a restraint upon inflation. We have had the surtax for over a year. During that period of time we have had very great inflation.

I think the Senate can well consider, in view of the decreases in the market, in our economy, and in the reports from some of our biggest corporations, whether we are not heading for a depression rather than for continued inflation.

I do not know. I am puzzled about it. I am not as sure as many of my colleagues seem to be that extending the tax is necessarily a good thing for our economy. It may well be that we will look back upon both the 10-percent surtax and the tax investment credit extension as not necessarily involving an incentive for the expansion of our economy. I am not as certain as many of my colleagues appear to be about the economics of the situation we are now facing.

However, I am very glad to pay tribute to both leaders for resolving the dilemma in which we found ourselves.

Most Senators would like some degree of reform in the existing tax structure. I think this is a step toward that. That is why I did not see any way to get out of it.

I compliment the leadership on both sides and especially the majority leader for the fine job that has been done.

The PRESIDING OFFICER. Who yields time?

Mr. DIRKSEN. Mr. President, I will add only 1 minute to the discussion.

I suppose ever since the dawn of time, man has been prophesying doom and gloom. I recall how out of Shakespeare it was said to Caesar, "Beware the Ides of March."

On a given day Caesar said to those who had thus prophesied: "The Ides of March have come."

And they said to Caesar: "But not gone."

So maybe the Ides of March are here, and we will have to wait and see whether they are going or whether there are catastrophe and disaster combined because of their being here.

One thing I am quite happy about. I am glad that we did not extend the debate into the month of August, because an astronomer would tell us that the dog star, Sirius, will come up in the western sky and be in the ascendancy for some time. And that is the star that connotes the dog days when men and dogs bite one another.

I would be afraid if we had the bill up for debate on the Senate floor when the dog days came.

How fortunate we are that we are committed to a needed summer recess starting at the close of business on the 13th of August.

We will all go home and discover from our constituency—from those who are, after all, the repositories of the power in this country—whether they liked our comportment and conduct in respect to the tax bill or not.

I have an idea that people will speak in language, as I used to say to Lyndon Johnson, that even a Texan can understand. And so, we will abide the time.

I like to equate what we have done today. The distinguished majority leader and I more or less started these conferences 8 days ago today. And I must say for him that he has been the soul of patience. He has come to my office more often, I suppose, than I went to his. However, it was always in the spirit of sweet reasoning and the hope that somehow we could solve this difficulty and allay the concern and fears of people, and particularly those of the business community.

We have been partially successful, and if I had to render it into euclidean form today, I would have to say to my genial friend, the distinguished majority leader, that 8 days equals 1 month. That has been the result of all our efforts.

So we marched up and we marched down. And I hold those 30 days from November 30 to December 31 in the very hollow of my hand. And how I shall treasure them. In that period from November 30 to December 31, there are several great things that will somehow dissolve and dissipate so many of the anxieties and vexations of our people, because in that 30-day period there is the day of Thanksgiving and there is the day of Christmas. So let it be done.

Mr. President, I am glad that Senators have remained, because I want to ask the majority leader now about what may have been contrived by way of a vote on Tuesday or Wednesday of next week on the amendments to the authorization bill, and the bill itself, which contains the ABM language.

Mr. MANSFIELD. Mr. President, if I may advert to what the distinguished minority leader said in the beginning of his remarks, I would like to take not more than a minute of the Senate's time.

First, I want to say that the bill now before us was developed in the spirit of accommodation and understanding. The two amendments which were discussed, I think, were offered first by the distinguished Senator from Delaware (Mr. WILLIAMS), and therein lies the genesis for the measures which were considered on the floor to date. All he asked was a chance to have a vote on these two proposals; and eventually—through persistence, determination, and intelligence—he, in effect, had his way.

The second factor I want to mention is that the 30-day renewal was especially requested by the distinguished minority leader, and he was so persuasive and so considerate and so understanding that he, likewise, was able to have his way.

So this is not merely a 6-months bill; this is a Senate 6-months bill, in which both Democrats and Republicans have participated together.

In response to the latter portion of the distinguished minority leader's remarks, I think he ought to ask that question of the distinguished senior Senator from Kentucky, who for 2 weeks, to the best of my knowledge, has been trying to bring the ABM matter, the Cooper-Hart amendment, to a vote. He is the one who I believe could answer the question.

Mr. DIRKSEN. I address it, then, to the distinguished Senator from Kentucky and at the same time to the distinguished Senator from Mississippi.

Mr. STENNIS. Let the Senator from Kentucky speak first.

Mr. COOPER. Mr. President, the Senator from Michigan (Mr. HART) and I have conferred with the Senator from Mississippi (Mr. STENNIS) with many others who are interested in the amendment.

As a result of our conference, Senator HART and I propose the following unanimous-consent agreement:

We ask unanimous consent that on Wednesday, August 6, at 3 o'clock p.m., the Senate shall vote on the amendment to S. 2546 proposed by the Senator from Michigan (Mr. HART) and myself.

We also ask unanimous consent that on Tuesday, August 5, immediately after the morning hour, there shall be 4 hours of debate on the amendment, equally divided between proponents and opponents; that on Wednesday, the Senate shall convene at 11 a.m.; that there shall be no morning hour; that there shall be 4 hours of debate on the amendment,

equally divided between opponents and proponents; that the time allotted to the proponents shall be controlled by the Senator from Mississippi (Mr. STENNIS) and the time allotted to the opponents shall be controlled by the Senator from Michigan and myself.

Mr. STENNIS. The proponents of the amendment.

Mr. COOPER. Of the amendment, yes.

Mr. RUSSELL. Mr. President, reserving the right to object—I do not intend to object, and I do not intend to offer any amendment—but the unanimous-consent request proposed by the Senator from Kentucky does not take into consideration any amendments or amendments in the nature of a substitute that might be proposed for the proposition advanced by the Senator from Kentucky and the Senator from Michigan.

I have no amendments, but I have seen Senators excluded from offering their amendments by virtue of such a unanimous-consent request; and I think that ought to be included—the amendment and any amendments proposed thereto—so that a Senator could at least offer an amendment whether he had any time on it or not.

Mr. COOPER. I think the Senator is correct. We discussed this possibility. I thank the Senator from Georgia. He is correct.

I include in the unanimous-consent request that if any amendment is offered, there shall be 1 hour on the amendment, equally divided between the opponents and the proponents.

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

Mr. COOPER. I yield.

Mr. STENNIS. Any amendment offered to the Cooper-Hart amendment?

Mr. COOPER. Yes.

The PRESIDING OFFICER. Is there objection?

Mr. DIRKSEN. Reserving the right to object, I trust that the request will be quite clear. As I understand, no time on Monday is being encumbered by the unanimous-consent request.

Mr. COOPER. That is correct.

Mr. DIRKSEN. That time is free.

On Tuesday, the Senator asks us to come in at 11 a.m.

Mr. COOPER. No, not on Tuesday.

Mr. DIRKSEN. The request is to come in at 12 on Tuesday, and the Senator asks for 4 hours' debate, to be equally divided, after the morning hour on Tuesday?

Mr. COOPER. That is correct.

Mr. DIRKSEN. And on Wednesday, to come in at 11 a.m., no morning hour, and then a division of time. Does the Senator have a time limit for a vote?

Mr. COOPER. To vote at 3 p.m.

The PRESIDING OFFICER. Is there objection?

Mr. JAVITS addressed the Chair.

Mr. DIRKSEN. Mr. President, I have the floor, on reservation.

I am trying to get clear what the distinguished Senator from Kentucky——

Mr. PASTORE. Mr. President, we cannot hear the minority leader.

Mr. STENNIS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. DIRKSEN. Mr. President, I am trying to make clear what the distinguished Senator from Kentucky is trying to do.

Mr. COOPER. Let me say, first, that this proposal was agreed to by the Senator from Mississippi (Mr. STENNIS), the Senator from Michigan (Mr. HART), and a number of other Senators who are interested in the amendment.

Mr. DIRKSEN. In connection with this, I had better ask the distinguished majority leader first whether it is proposed to recess or adjourn the Senate tonight until Monday.

Mr. MANSFIELD. No. It is anticipated that we will come in tomorrow. The distinguished Senator from Connecticut (Mr. DODD) has some remarks; there may be other Senators. The chairman of the Committee on Armed Services desires to speak tomorrow.

But I would anticipate no votes tomorrow, just routine business, speeches, and noncontroversial items that might be on the calendar.

Mr. DIRKSEN. That leaves Monday unencumbered for any Senator who wants to discuss the bill or anything else.

Mr. MANSFIELD. Yes, as well as tomorrow.

Mr. DIRKSEN. And on Tuesday we would come in at noon, and have 4 hours of debate?

Mr. COOPER. Yes.

Mr. DIRKSEN. And then on Wednesday, we would come in at 11 a.m., have no morning hour, and how much debate?

Mr. COOPER. Four hours.

Mr. DIRKSEN. Four hours on Wednesday.

Mr. COOPER. We cannot set a time now because of amendments offered.

Mr. DIRKSEN. But the vote would be had as expeditiously thereafter as possible?

Mr. COOPER. Yes.

Mr. DIRKSEN. I have no objection.

Mr. STENNIS. Mr. President, reserving the right to object——

Mr. DOMINICK. Mr. President, reserving the right to object——

Mr. STENNIS. I call attention to one additional point. There will be other time, if the Senate wishes, on Tuesday. The agreement asks for 4 hours of controlled time only. Of course, we want that time on that subject.

For the information of the Senate, this matter has been threshed out very carefully and has been gone over many times. The Senator from Kentucky and the Senator from Michigan have been quite cooperative in it. I believe it represents a fine consensus which will accommodate the entire membership of the Senate.

Mr. COOPER. Mr. President, in view of the proper addition that was made to the request dealing with any amendments that might be offered to the Cooper-Hart amendment, it will be necessary to strike from the original request I made that we shall vote at 3 o'clock; because if amendments are offered, of course, we could not have both 4 hours of debate and still vote at 3 o'clock.

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

Mr. COOPER. I yield.

Mr. MURPHY. Does the Senator wish to limit the time on the amendment?

UNANIMOUS-CONSENT AGREEMENT

Mr. COOPER. Mr. President, I shall state the agreement again, as modified.

We ask unanimous consent that on Wednesday, August 6, 1969, but not before 3 p.m., the Senate shall vote on the amendment proposed by the Senator from Michigan (Mr. HART) and myself to S. 2546.

We ask unanimous consent that on Tuesday next, after the morning hour, there be 4 hours of debate on the amendment, equally divided between the proponents and opponents; that on Wednesday the Senate will convene at 11 a.m.; that there will be no morning hour; that there will be 4 hours of debate on the Cooper-Hart amendment, equally divided between the opponents and proponents; that if there be further amendments to the Cooper-Hart amendment, the time will be limited to 1 hour on such amendments, to be equally divided between the proponents and the sponsors of the Cooper-Hart amendment.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears no objection, and the agreement is entered into.

Do Senators yield back their time?

Mr. DIRKSEN. I yield back my time.

Mr. MANSFIELD. I yield back my time.

The PRESIDING OFFICER. All time has been yielded back. The question is, Shall the bill pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

The result was announced—yeas 70, nays 30, as follows:

[No. 63 Leg.]

YEAS—70

Aiken	Gravel	Mundt
Allott	Griffin	Murphy
Anderson	Gurney	Muskie
Bellmon	Hansen	Packwood
Bennett	Harris	Pastore
Boggs	Hartke	Pearson
Brooke	Holland	Pell
Byrd, Va.	Hruska	Percy
Case	Hughes	Randolph
Cooper	Inouye	Ribicoff
Cranston	Jackson	Russell
Curtis	Javits	Schweiker
Dirksen	Jordan, N.C.	Scott
Dodd	Kennedy	Smith
Dole	Long	Sparkman
Eagleton	Magnuson	Spong
Eastland	Mansfield	Stennis
Ellender	Mathias	Stevens
Ervin	McCarthy	Thurmond
Fannin	McClellan	Tower
Fong	McGee	Williams, Del.
Goldwater	McIntyre	Young, N. Dak.
Goodell	Miller	
Gore	Mondale	

NAYS—30

Allen	Dominick	Nelson
Baker	Fulbright	Prouty
Bayh	Hart	Proxmire
Bible	Hatfield	Saxbe
Burdick	Hollings	Symington
Byrd, W. Va.	Jordan, Idaho	Talmadge
Cannon	McGovern	Tydings
Church	Metcalf	Williams, N.J.
Cook	Montoya	Yarborough
Cotton	Moss	Young, Ohio

So the bill (H.R. 9951) was passed.

Mr. LONG. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. JAVITS. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

Mr. LONG. Mr. President, I am not going to make a request for the conferees at this point, because we only had one amendment, which is the same language as that in the House, and so would hope that the House would take it as an amendment. If they want conferees, we will be glad to accommodate them, but it is important that we act on the interest equalization tax, which expires tonight, which bill is now at the desk.

Mr. MANSFIELD. Mr. President, as the votes on this measure today indicate, no particular point of view can claim victory or, for that matter, defeat. If there was a victory attached to it, it was a victory for the Senate as a whole, the administration, and, hopefully, the American people.

I am happy that we were able to reach, on a bipartisan basis, a reasonable accommodation after a very lengthy exchange of views and collection of conferences, and I want it clearly understood that any credit which inures to the measure which has just passed the Senate belongs to all of us and not to the leadership on either side, or to any individual Senator. In that action, the administration has also played a very worthwhile and responsible part.

No particular interest can claim credit or rejection. Rather what these proceedings have indicated above all is that the Senate as a whole can be proud of an accomplishment attained in the spirit of accommodation and responsibility. The only winners are the people.

The able chairman of the Finance Committee, the distinguished Senator from Louisiana (Mr. LONG), once again displayed his remarkable ability in his expert handling of this very important measure. And the minority leader offered his characteristic cooperation and full support. Their participation was indispensable in effecting a meeting of the minds on all sides of the issue, thus making possible the responsible action taken by the Senate today.

Working also so indispensably to accomplish the responsible end obtained were the capable senior Senator from Delaware (Mr. WILLIAMS) and the able Senator from South Dakota (Mr. MUNDT). Their views were expressed with the deep understanding and wisdom that have characterized all of their efforts in the past. I might say that it is most difficult to express in words my esteem and gratitude for their splendid contribution.

To say it simply: Senator DIRKSEN, Senator WILLIAMS, and Senator MUNDT all deserve our deepest appreciation for their tireless efforts to resolve this matter reasonably. They happen to serve on the other side of the aisle, but I might say that in the interest of accommodation and unity in the Senate, their service rises above partisanship.

May I say, also, that I think the entire Senate is to be commended on that score. The close attention and support during the discussions today and the splendid cooperation displayed by all certainly credits this body immeasurably. It was imperative that all views be heard and considered. I am proud to say they were. I thank each and every Senator. We may all be proud.

CONTINUATION FOR A TEMPORARY PERIOD OF THE INTEREST EQUALIZATION TAX

Mr. LONG. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 13079.

The PRESIDING OFFICER laid before the Senate H.R. 13079, an act to continue for a temporary period the existing interest equalization tax, which was read twice by its title.

Mr. LONG. Mr. President, I ask unanimous consent that the Senate proceed to its immediate consideration.

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. LONG. Mr. President, this is a mere 30-day extension of the existing equalization tax, so that we can get the bill considered.

Mr. JAVITS. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield.

Mr. JAVITS. Mr. President, this is an important bill, which has a widespread interest, especially today. I understand that it is only a 30-day extension but I should like to ask the Senator from Louisiana whether there are any facts or figures available as to how it is operating today, both in terms of our balance of payments problems, for which it was originally devised, and in terms of the high interest rate we have not only in this country but also the very high interest rates now being paid by our banks with regard to Eurodollar borrowings abroad. I should like to ask the Senator whether the Finance Committee is going to look into the general network of questions which are involved so that when we do come to act in a definitive way, we will have that body of information.

Mr. LONG. Mr. President, I shall seek to obtain that, and any other information the Senator wants, if he will just let us know. Unfortunately, I cannot provide all of that for the Senator today, as he is well aware of, I am sure. I am merely told by the Treasury Department that if we do not do this, a large amount of money might flow out of the country which would create some problems for us in this country.

Mr. JAVITS. Of course, I would not dream of being so irresponsible as to seek to block this legislation but I do want to get abreast of how it will work. That is why I asked for the information I did. I have no objection, of course.

Mr. LONG. I will cooperate with the Senator to that end.

The bill was ordered to a third reading, was read the third time, and passed.

Mr. LONG. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. MANSFIELD. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM

Mr. SCOTT. Mr. President, I rise to inquire of the distinguished majority leader whether he expects any votes tomorrow.

Mr. MANSFIELD. Mr. President, responding to the question raised by the distinguished acting minority leader, I cannot give an unequivocal answer but to the best of my knowledge, it does not appear that there will be any votes tomorrow.

Mr. SCOTT. I do thank the Senator from Montana.

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

The PRESIDING OFFICER (Mr. SAXBE in the chair). The Chair lays before the Senate the unfinished business which the clerk will state.

The LEGISLATIVE CLERK. 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 Senate resumed consideration of the bill.

AMENDMENT NO. 111

Mr. FULBRIGHT. Mr. President, I submit an amendment to the pending bill. It is a simple amendment which I would like to explain briefly.

The amendment would require the Secretary of Defense to make available to a congressional committee, upon request, any study or report prepared outside the Department of Defense which was financed in whole or in part by the Department. The purpose is to insure that the Congress is given access to research studies performed by the so-called "think tanks," the universities, or individuals whose work is paid for by the taxpayers. The amendment recognizes the issue of executive privilege and carefully specifies that the mandate applies only to work performed outside the Department of Defense.

This amendment is the outgrowth of an effort by the Committee on Foreign Relations to obtain a study prepared by the Institute for Defense Analysis relating to the Gulf of Tonkin incident. It is my understanding that the study contains a review of what happened in the Gulf of Tonkin, how communications were handled, and in general how deci-

sions were made. The purpose of the study, I was informed, was to determine what lessons could be learned for future crisis situations. I think that my colleagues will agree that there is much that all of us can learn from that incident and its aftermath. The committee has attempted several times to obtain this study from the Department of Defense, but has been refused each time.

The Institute for Defense Analysis receives virtually all its funds from the Department of Defense. In fiscal year 1969 this organization received $10,898,000 from the Department of Defense, and the Department proposes to give it $11,150,000 in 1970.

I believe that the Congress, which imposes the taxes on the public to finance this organization, and which authorizes and appropriates the money for it, should have the right to see how that money is being spent. The issue here is far more important than this one study—it is a question of whether the Congress has the power to obtain information, prepared outside the Government with tax money, for which no claim of executive privilege has been made.

The Senate is beginning, at long last, to reassert its constitutional prerogatives and to restore the proper balance to our system. Passage of this amendment will be one small, but positive step in that direction.

In that connection, I wish to simply observe that today I believe is the first—perhaps the second—time in my 25 years in the Senate in which all 100 Senators were present and voting on pending measures—which again I think is also a demonstration of the Senate's taking its responsibilities more seriously.

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

Mr. FULBRIGHT. I yield.

Mr. CASE. Are there any cosponsors of the Senator's amendment?

Mr. FULBRIGHT. There are none, but I am always glad to have cosponsors.

Mr. CASE. Will the Senator request that I be made a cosponsor?

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the name of the Senator from New Jersey (Mr. CASE) be added as a cosponsor of the amendment.

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

Mr. JAVITS. Mr. President, will the Senator do the same for me?

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the name of the Senator from New York (Mr. JAVITS) be added as a cosponsor of the amendment.

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

The amendment will be received and printed, and will lie on the table.

AMENDMENT NO. 110

Mr. FULBRIGHT. Mr. President, I also submit another amendment to the pending bill, and I should like to discuss it briefly.

The amendment and the purpose are simple. It would reduce the authorization for research, development, test, and evaluation by a total of $45,614,000. This represents a 7-percent reduction in funds for the "military sciences" research category for each of the three services and the Department of Defense, plus a 20-percent reduction in the authorization for the Defense Department's overseas research program, Project Agile, which is funded under a category labeled "Other equipment." The proposed reductions, by service, are: Army $11,893,000; Navy $10,157,000; Air Force $9,989,000; and the Department of Defense $13,575,000. The purpose is to make a modest cutback in the Department's funding of Federal contract research centers—the so-called "think tanks"—other social and behavioral science research, foreign research, the Department's aid-to-education program, Project Themis, and research on counterinsurgency matters. The intent is to have the $45 million reduction applied roughly as follows:

First, reduce the funding of the Federal contract research centers by 10 percent, or $27 million;

Second, reduce research in foreign institutions—colleges and universities, primarily—by $2 million, or approximately one-third the program proposed;

Third, reduce counterinsurgency research, Project Agile, by 20 percent, or $5 million;

Fourth, cut other social science research, performed by organizations such as the Hudson Institute, by the remaining $3 million; and

Fifth, hold the line on new starts under Project Themis by reducing the request by $8 million—a 25 percent reduction.

The committee has recommended an 8 percent cut in the military sciences item, the funding source for most of the programs I listed. This is but a slap on the wrist, and I think that the circumstances call for a more meaningful reduction in non-essential research activities. I propose that the Senate cut this category by an additional 7 percent, to, in effect, impose a 15 percent surtax on the research programs I have listed. My amendment would also reduce by $5 million the funds for Project Agile, the overseas research which is funded under the "Other equipment" category.

It cannot be said that the amendment ties the hands of the Defense Department since each service will be left with considerable flexibility to distribute the cutback within these general areas. I might add that, under provisions of this bill, the Department of Defense will still have a $100 million emergency fund to play with, double last year's contingency fund.

It is time that the Senate took a hard look at what the taxpayers' money is being spent for in the Defense research program. This amendment is but a small step—but it is a step in the right direction.

I hope that the Senate will adopt it.

Mr. President, I think it is very appropriate, the Senate just having extended the surtax, which is a 10 percent across-the-board additional tax upon the citizens of this country, that immediately following that action we consider reasonable cuts in the exorbitant and extraordinarily large appropriation requests for the military establishment. It seems to me that, in connection with the effort to control and bring back into control our fiscal affairs, these relatively small amounts of reductions be imposed upon the budget.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. STENNIS. Mr. President, I appreciate the fact that the Senator from Arkansas has laid before the Senate and put in the RECORD the amendments that he proposes to offer to the military authorization bill. That will enable us to be ready when he proceeds to call them up. I urge other Senators who have amendments, who have not already filed them and put them in the RECORD, that they do so at the earliest time they conveniently can. That will expedite matters greatly.

Perhaps after the ABM vote, this bill can move along fairly rapidly. The cooperation of Senators will certainly help a great deal.

FOREIGN COMMITMENTS

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that an editorial from this morning's New York Times, entitled "No More Vietnams?" and an article from the July 11 New York Times, entitled, "Congress and the Pentagon: The Problem of Commitments," be printed in the RECORD as part of my remarks.

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

NO MORE VIETNAMS?

President Nixon, the statesman, in Guam last week carefully sketched for reporters a sensible new Asian policy designed to avoid future Vietnams. Richard Nixon, the politician, in Thailand and Vietnam this week carelesly tossed off remarks that were uncomfortably close reminders of old policies that have long since been discredited.

In a burst of enthusiasm reminiscent of President Kennedy's "Ich bin ein Berliner" remark in Berlin in 1963, Mr. Nixon told a welcoming delegation of Thais in Bangkok Monday: "The United States will stand proudly with Thailand against those who might threaten it from abroad or from within." This invitation to entanglement was in sharp contradiction to the Guam doctrine of no direct military involvement except where a nation is directly threatened by a nuclear power.

Presidential aides quickly assured reporters that in private discussions with Thai officials Mr. Nixon was stressing the primary responsibility of Asian governments to look to their own defenses, especially in regard to internal subversion. They said the President was telling the Thais they may count on American advice, training, technical aid and equipment but probably no combat forces. This comes closer to the principles set forth at Guam, but the emphasis on military assistance and the ambiguity concerning direct combat aid are disturbing in view of internal challenges which the Thai oligarchy has failed so far to meet.

Addressing the troops in Vietnam yesterday, President Nixon made the astonishing assertion that he thought the war effort there may go down in history as "one of America's finest hours."

This was not the verdict of the American people when they forced Lyndon Baines

Johnson into retirement and when they elected Richard M. Nixon on a pledge to end the war. If Mr. Nixon really believes the Vietnam war represents the United States at its best, how credible is his promise of no more Vietnams?

CONGRESS AND THE PENTAGON: THE PROBLEM OF COMMITMENTS

(By James Reston)

It is hard to pick up a paper these days without reading some new charge that the Congress is being misled or even willfully deceived by executive officials, who are said to be making "secret deals" with foreign governments, or trying to scare the people into approving new weapons systems, or covering up expensive blunders.

For example, the Chairman of the Foreign Relations Committee, Senator J. William Fulbright recently asked about an unpublicized defense arrangement which he said enlarged U.S. military commitments to Thailand without the knowledge of the Senate. He had done the same earlier about private U.S. arrangements with Spain.

Also, Representative Samuel S. Stratton, Democrat of New York, has just issued a detailed report by a subcommittee of the House Armed Services Committee, charging that the Army not only tangled the production of the Sheridan tank-like weapon at a cost of over a billion dollars, but covered up its mistakes in order to keep the appropriations going.

Earlier, Secretary of Defense Laird, was accused of doctoring official intelligence reports in such a way as to indicate the Soviet Union was building up an alarming first-strike missile force which might change the whole U.S.-Soviet balance of power—Laird's implied purpose being to get Congress to approve the Administration's Safeguard antiballastic missile system.

There has been more of this in and out of Congress. Robert Donovan, of The Los Angeles Times, one of the most reliable and talented reporters in the capital, recently reported that President Nixon had told several Congressmen privately that it would be disastrous for the Republican party if large numbers of American troops were still in Vietnam at the time of the 1970 elections, the implication being that political considerations were affecting military decisions in the war.

THE PROBLEM OF CANDOR

Several points should be noted about all this. First, the charges of Pentagon blundering and "secret dealing" with Thailand and Spain were not directed against the Nixon but against the Johnson Administration. Second, opposition to the President's defense and military policies are rising, and now that the Nixon honeymoon is over, partisan feeling is obviously rising.

The main point, however, is that the longer these charges go unanswered, the greater the danger that the Nixon Administration will suffer from the doubts that finally eroded public confidence in the Johnson Administration.

There may be absolutely nothing wrong with U.S. "understanding" or "commitment" or "arrangement" of whatever it is with Thailand. Obviously, with a large U.S. military force in that country, there have to be contingency plans for the common defense of U.S. and Thai forces there, and these cannot be made public.

ROGER'S DOUBTS

But when it was first reported that there was an understanding—which was characterized by the ominous title of a "secret deal"—Senator Fulbright asked Secretary of State Rogers about it and got the impression that Mr. Rogers had never heard of any such arrangement.

Since then, the Secretary of State has undertaken to tell Senator Fulbright what it is all about, but meanwhile the suspicions exist, and the reason for the suspicions is perfectly clear. For so many secret arrangements were made in Vietnam and the results of those arrangements were so costly in human life that the Senate is determined to avoid other military commitments to other countries if it possibly can.

CONTROLLING THE MILITARY

Ever since it passed the so-called Tonkin Gulf resolution which gave the President a blank check to use whatever power he deemed necessary in Vietnam, the Senate has been told, first, that it approved this grant of Presidential power, and second, that the President's commitments to Saigon had to be kept or America's commitments would be worthless everywhere else in the world.

Accordingly, every charge of new commitments raises new doubts and adds to the atmosphere of suspicion which has poisoned the political life of the capital for the past few years. The Stratton subcommittee's evidence on the Pentagon's blunders and deceit on the Sheridan weapon system has increased the growing determination in Congress to bring the Pentagon's power and procedures under stricter control, and the longer the Nixon Administration avoids the policy of candor it promised in January, the more trouble it is likely to have.

Mr. FULBRIGHT. The editorial "No More Vietnams?" deals with the statements of President Nixon on his present journey, particularly his statements made in Southeast Asia. These are very thoughtful observations on those statements and they also deal with the role the Senate should play, and is playing, in the formulation of our foreign policy.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that we now have a period for the transaction of routine morning business, with statements to be limited to 3 minutes, with the exception of the Senator from New York, who has asked for 5 minutes.

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

ONE HUNDRED SENATORS VOTING ON THREE ROLLCALLS IN 1 DAY ESTABLISHES A RECORD

Mr. RANDOLPH. Mr. President, on August 25, 1959, during a quorum call the Members of this body first had the opportunity to be recorded under the present total of 100. A full complement of Senators was not recorded on that date.

It was on February 10, 1962, that for the first time 100 Senators voted. This was a rollcall on my motion to discharge the Committee on Government Operations from further consideration of a resolution disapproving the plan to create a Department of Urban and Housing Affairs.

On July 17, 1962, 100 Senators also voted on a motion to table the medicare proposal.

We then go to the date of July 10, 1964, when all Senators voted on a cloture motion on the civil rights bill.

Nine days later, on the same bill Senators voted again with the full membership of 100.

Then on May 25, 1965, on two rollcalls on the Voting Rights Act, 100 Senators voted.

From 1965 until today, we have not had an issue on which all Senators voted. Today, we established a record. There have been three consecutive rollcalls with 100 Senators voting; and there was an earlier rollcall with 99 Members voting.

So a record, for whatever it is worth, has been set by the Senate.

S. 2753—INTRODUCTION OF THE VETERANS IN ALLIED HEALTH PROFESSIONS AND OCCUPATIONS ACT OF 1969

Mr. JAVITS. Mr. President, I am today introducing, for myself and the Senator from Vermont (Mr. PROUTY), the "Veterans in Allied Health Professions and Occupations Act of 1969," a bill designed to help overcome critical manpower shortages in the allied health-care field by fully utilizing medical corpsmen released from the armed services. My bill would provide Federal assistance to public and private nonprofit agencies, organizations, and institutions—such as medical schools, medical societies, hospitals—as well as to existing training centers for the allied health professions which establish training and retraining programs in the allied health professions. Students at these institutions would be assisted through Federal scholarships and loans.

Public attention recently has focused on the burgeoning crisis in the delivery of our Nation's health-care services. A most critical factor is the acute shortage of manpower in the allied health professions. The number of paraprofessionals, and the adequacy of their training, have not kept pace with the sharply increasing demands for their services.

In 1967 there was a deficit of some 110,000 allied medical personnel in terms of the demands made on these professions, according to the National Advisory Health Council of the Department of Health, Education, and Welfare. The Council's recent study on the Allied Health Professions Training Act indicates that national needs merit no less an increase than 165 percent of the number of baccalaureate-level allied medical personnel alone by 1975. Moreover, the Council reports the urgent demands in the health fields for which a baccalaureate is not required demand 5 to 10 times the present annual number of new personnel fields.

The problem is formidable and critical, and I believe it demands immediate action and initiative to meet this crisis. The recent report to the President and the Congress by the Department of Health, Education, and Welfare on the Allied Health Professions Personnel Training Act of 1966, as amended, has revealed the grave deficiencies in allied health personnel, the need to experiment in the areas of education and health manpower utilization, and the serious shortfall of resources which are being made available to meet current health personnel needs. The requirement for this report resulted from my questions during the Senate Health Subcom-

mittee hearings on the critical shortage of health manpower. I have written to Secretary Finch expressing my deep concern about the findings of this report. He has, in turn, advised me that—

> Strenuous efforts need to be made to tap every potential resource to augment the pool of personnel needed to provide adequate health services to all our people.

I ask unanimous consent that the full text of our correspondence be placed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. JAVITS. I am convinced that we must improve the Allied Health professions Personnel Training Act of 1966, as amended, by initiating new programs, providing new funds, and establishing new incentives. We must increase the Nation's supply of manpower in the allied health fields by utilizing in our civilian-health industry the more than 30,000 medical corpsmen who leave the military service each year. What better way to help many of the thousands of returning Vietnam veterans find meaningful employment? Surely, a medical corpsman who is qualified to treat the wounded on the battlefield should be quickly qualified to assist in the treatment of patients in our hospitals' wards and emergency rooms.

A recent issue of the National Academy of Sciences' News Report indicates that relatively few of these veterans decide on a career in civilian health services because of traditions and restrictive requirements which block their entry into jobs commensurate with their abilities. They are forced to take menial tasks until they have the proper civilian credentials and training for skills they already have acquired and used in the service.

I ask unanimous consent that the full text of the article entitled "Make Use of Corpsmen From Military as Medical Aids in United States, Report Says," from the June-July 1969 issue of the National Academy of Sciences' News Report be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

Mr. JAVITS. To add to this problem, current Federal assistance for those seeking training toward a career in the allied health professions—the ex-corpsmen and the students alike—is directed only to those who are pursuing degree-oriented programs in training centers for the allied health professions. This degree requirement tends to accentuate the already topheavy manpower structure in the health field and stresses degree attainment rather than the offering of services to the patient. Moreover, many times the requirement of a degree results in extending a training program substantially beyond that which is actually necessary for proficiency in a particular health-technology field.

The bill I am introducing today would—

First, provide special-project grants to plan, develop, or establish new programs, or modify existing programs, for training or retraining of health personnel. This section would include incentives to utilize veterans with experience in the health fields. For this purpose $15 million is authorized to be appropriated for the first fiscal year.

Second, provide grants to identify and recruit into education and training for the allied-health professions, first, veterans with experience in the health field, and second, individuals of cultural, economic and educational deprivation who are potential candidates for the allied-health professions. For this purpose $750 thousand is authorized to be appropriated for the first fiscal year;

Third, provide scholarship grants and loans to allied-health personnel in training or retraining programs established by training centers for the allied health professions and other public or nonprofit agencies, organizations or institutions. The scholarships shall not exceed $2,000 per annum plus $600 for each dependent—not to exceed three—and the loans shall not exceed $1,500 in any one year. For the purpose of the scholarship grants, $1,750,000 is authorized to be appropriated for the first year and for the purpose of loans $1,500,000 for the first year;

Fourth, establish a National Advisory Council on Training in the Allied Health Professions, composed of the Surgeon General and 16 members chosen by the Secretary of HEW from among leading authorities in health and education and the general public. The appointments would be for staggered terms. The Council would conduct a study of existing laws governing licensing and certification standards in the allied-health professions and would offer a model code in an effort to maximize proper and efficient utilization of the allied health professions in meeting the Nation's health needs; and

Fifth, provide that an eligible veteran pursuing a course of study in any one of the allied-health professions shall be entitled to receive not only a scholarship grant, loan, or other educational allowance provided by law but also that such educational assistance allowance shall not disqualify him from educational benefits that the veteran would otherwise have been entitled to receive.

My bill is not intended to replace existing legislation which now provides resources to educational and training institutions that presently support allied health training, but to supplement such legislation.

Mr. President, in this time of crisis in the health care of our Nation I believe we should analyze the new technologies available and explore the real possibility of finding new sources of manpower capable of performing many of the functions now carried out by highly skilled and scarce professional personnel. We must make every effort to permit technically qualified individuals—particularly military corpsmen—to meet employment requirements in the civilian health-care fields.

We must act now to prevent the further "breakdown"—as Secretary Finch so aptly put it—of this country's system of health care. We must counteract the lack of adequate health manpower as we aspire to bring the full potential of modern medicine to all our citizens.

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

The bill (S. 2753) to amend the Public Health Service Act so as further to assist in meeting the Nation's needs for adequately trained personnel in the allied health professions, and for other purposes, introduced by Mr. JAVITS, for himself and Mr. PROUTY, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

EXHIBIT 1

MAY 1, 1969.

Hon. ROBERT H. FINCH,
Secretary of Health, Education, and Welfare,
Washington, D.C.

DEAR MR. SECRETARY: I have carefully studied your report on the administration of the Allied Health Professions Personnel Training Act of 1966. It serves to confirm the testimony before the Senate Health Subcommittee last year, the critical shortage of health manpower. As you may know, the requirement for such report, Section 301(d) of the Health Manpower Act of 1968, was the result of my questions to the Department at the hearing—and, I regret, remain unanswered by your report.

The report is permeated with statements that the present law has not adequately met the demands and expectations for health services and the present capacity of our institutions is not adequate to supply such demand. Yet, in the face of this conclusion, the only recommendation of the Department is that the present law "be extended for one year."

I am convinced that we should not merely maintain the status quo. We should take further legislative action, other than require the act to be coterminous with other nursing and health professions manpower programs and in the interim, develop consolidated programs. I believe we cannot stand still while facing mounting shortages of para-professional health personnel, particularly when we have a valuable source of health manpower—the returning Vietnam veteran who has served as a para-medic. Therefore, I intend to introduce in the near future appropriate legislation to utilize this valuable manpower resource—medically trained veterans—for the benefit of all concerned with the critical health personnel shortage.

I trust you will review the findings and recommendation of your report and, also, respond to the precise question I put forward to the Department at the hearings, to-wit: "Should financial assistance provisions for medical technology students be included in the Allied Health Professions Act."

With best wishes,

Sincerely,

JACOB K. JAVITS.

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, July 3, 1969.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: Thank you for your letter expressing your deep interest in the report on the administration of the allied health professions personnel training programs. It raises some most significant points on which I should like to comment.

As you know, the report to the President and the Congress on the allied health professions personnel training programs was prepared under the previous Administration. In reviewing the current status of knowledge about the allied health field and

its contribution to the provision of health services, it is evident that the field is rapidly changing. New disciplines and technologies are emerging. Junior colleges, four-year colleges, and universities, including their schools of the allied health professions, are currently examining their roles in education and training of allied health personnel and are revising their curricula. The practicum offered in hospitals and other health care agencies and institutions is also in a period of rapid change.

Because we are in a period of rapid change and because of the increasingly complex relationships of allied health personnel among themselves and to other health professions in the provision of health services, and because of the variety of institutions and the differences in curricula that they offer to prepare allied health personnel, we are examining the ways in which public funds may be most prudently expended to prepare health manpower essential in the provision of more effective health care. This is true of the allied and other health fields as well. We are also examining the ways in which the Federal programs may be most effectively administered.

To enable the new Administration to examine these most important questions, to develop more effective programs and at the same time, to continue to provide resources to educational and training institutions that are now receiving support for allied health training, we recommended a one-year extension of the present legislation.

I share your concern that strenuous efforts need to be made to tap every potential resource to augment the pool of personnel needed to provide adequate health services to all our people. The returning veteran who has had medical training while in the armed services is certainly a significant potential resource. As you know, I have on several occasions made public statements regarding my interest in returning medical corpsmen. I, therefore, have a deep interest and would welcome the opportunity to review with you your proposal on legislation to utilize this potential health manpower source.

We do not recommend at this time legislative amendments to the Allied Health Professions Personnel Training Act, authorizing a special program of financial assistance to medical technology students. Inclusion of an authority for student assistance for undergraduate training programs in addition to creating complex problems of administration would inevitably lead to the authorization of similar support for the 19 other allied health professions currently supported under that program. It is not reasonable to expect that a new loan and scholarship program can be established in the near future with funding adequate to meet the total needs of all such students.

As you know, the present law does authorize assistance in the form of traineeships to medical technologists and other allied health personnel to prepare them to be teachers, administrators, and supervisors in the allied health field—an area of great priority at this time.

Medical technology students are currently eligible for and are receiving support from the student assistance programs administered by the Office of Education. These are the National Defense Student Loan Program, the Educational Opportunity Grants Program, the College Work-Study Program, and the Guaranteed Loan Program. I recognize that these programs do not meet the total needs of every student. However, a special program for assistance to students of medical technology raises the question of further proliferation of student assistance programs at this time and is not consonant with current fiscal constraints.

May I again express my appreciation for your deep concern with efforts to alleviate the critical health manpower shortage with which this nation is faced. I would be very happy to discuss these matters further with you if you wish.

Sincerely,

ROBERT H. FINCH,
Secretary.

EXHIBIT 2

MAKE USE OF CORPSMEN FROM MILITARY AS MEDICAL AIDS IN UNITED STATES, REPORT SAYS

Medical leaders in the United States should take measures to bring former military medical corpsmen into civilian health-care activities, says a committee of the National Research Council.

Many lessons for civilian health-care can be learned from the military in the training and use of supporting personnel to assist physicians.

The more than 30,000 corpsmen who leave the military each year, the group said, could profitably be put to work in hospitals, clinics, and doctors' offices to help relieve the severe shortage of manpower in all of the 125 or so categories of health occupations.

Many of these corpsmen have the basic knowledge and skills to perform, under supervision, certain direct patient-care activities. These include special physical examinations, treatment of minor illnesses and injuries, application of casts and traction following fractures, collection of blood samples, administration of drugs, and giving of immunizations.

Their knowledge and skills, the group said, constitute a valuable national resource which far too often is allowed to go to waste because of traditions and restrictive requirements that limit the entrance of subprofessional personnel into health fields and close off avenues of advancement.

The committee found that most corpsmen interviewed want to continue in health care after they leave the military but are frustrated by the lack of civilian jobs with comparable responsibilities and recognition.

GET LITTLE RECOGNITION

"The principal reasons given for seeking civilian employment in other than health care fields were ineligibility for recognition in their specialty and the low wage scales and lack of responsibilities associated with the jobs for which they could qualify. There appear to be very few career patterns in civilian life comparable with the one in the military, where a person [with some medical training] can obtain recognition for his technical knowledge and skill and, by advancement in rating, obtain a highly respected military stature."

The committee recommended that career opportunities be structured so that a person can rise from one classification to another in his specialty or enter a related field while receiving adequate credit for his earlier training, experience, and education.

More attention must be given to ways of recruiting and retaining ex-corpsmen in civilian health care, the committee said. Pilot programs should be set up to develop methods of evaluating the ex-corpsmen's skills and programs to provide any additional training they need. And organized medicine must seek the necessary changes in accreditation and licensing regulations and laws that now often prevent the technically qualified person from meeting employment requirements.

In addition the committee recommends that each state establish a permanent committee of experts to advise educational institutions in establishing pilot education and training programs in health care. This body would study the adequacy of faculty, facilities, and curricula. It would also assist in modifying obstructive regulations.

The study was carried out by the ad hoc Committee on Allied Health Personnel, a six-person group in the NRC Division of Medical Sciences under the chairmanship of Dr. Lamar Soutter, Dean of the University of Massachusetts Medical School. Its report is titled *Allied Health Personnel* (see "New Publications," p. 16). Funding for the study was provided by the Commonwealth Fund.

Mr. PROUTY. Mr. President, the distinguished Senator from New York (Mr. JAVITS) has introduced a most imaginative and innovative measure. He has responded to the critical need for medical personnel not with a mere expression of alarm or a call for a vast outpouring of funds, but rather he has said:

> There are veterans and others with the background and interest in a health profession, let us bring them into civilian medical service where they are desperately needed.

The Senator from New York has offered a proposal which will serve as a catalyst. I commend him for his imaginative approach, and I am pleased to cosponsor the Veterans in Allied Health Professions and Occupations Act of 1969.

While all aspects of this measure respond imaginatively to our health personnel needs. I wish to call to the attention of the Senate the emphasis in the bill on our veterans.

I have talked with many of the Nation's young veterans, and I have discovered in these dedicated men a common response to the urgings of President Kennedy when they ask not what the country can do for them but what they can do for the country.

To the medical corpsmen of proven maturity, self-discipline, and dedication, this measure says "Here is what you can do for your country and what your country would like to do for you." The bill offers a challenge, a reward, and, I strongly believe, the potential for revitalizing our Nation's health services.

THE COAL MINE SAFETY BILL

Mr. JAVITS. Mr. President, I call to the attention of the Senate the historic achievement of the Subcommittee on Labor of the Committee on Labor and Public Welfare, in its action today in reporting out the coal mine safety bill.

This is an historic achievement for advancing health and safety in the coal mine industry—the most dangerous industry in the Nation. It deals most effectively with the control of coal dust in the mines. By setting maximum standards for coal dust, we have taken the major step necessary to seek to end the scourge of "black lung" which, up to now, has afflicted thousands of coal miners. By adopting stringent new standards, we have also hopefully reduced substantially the probability of more explosions such as the one that recently took the lives of 78 miners in Farmington, W. Va.

The bill reported out will be extremely valuable as a precedent for the measure which will deal with health and safety in industry generally, and which I hope will follow soon. Long-needed reforms

to enable the Federal Government to deal effectively with the problem of occupational diseases and accidents are at last being established, and all our people will benefit as a result.

The President and Secretary of the Interior Hickel have played a most vital role in bringing about this historic achievement. I also would like to commend Senator HARRISON WILLIAMS, chairman of the subcommittee, for his tireless efforts to move this bill forward and for his willingness to work with me and the other minority members in the bipartisan spirit that this crucial matter so clearly deserves. I am very hopeful of early action in the Senate, and of the bill becoming law well before the end of this session.

RECOMMENDATIONS OF THE COMMITTEE ON LABOR LAW OF THE FEDERAL BAR COUNCIL CONCERNING FARM LABOR LEGISLATION

Mr. JAVITS. Mr. President, the Committee on Labor Law of the Federal Bar Council has recently issued a thoughtful analysis of legislation to bring farmworkers under the National Labor Relations Act, and the recommendations for a solution to this vexing problem. I believe the committee's analysis and recommendations should be of interest to all who are concerned with this problem; certainly I believe the Subcommittee on Labor, which has been holding hearings on S. 8, which would extend the National Labor Relations Act to farmworkers, will find the committee's work most helpful. I ask unanimous consent that the committee analysis and recommendations be printed in the RECORD.

There being no objection, the committee announcements and recommendations were ordered to be printed in the RECORD, as follows:

RECOMMENDATIONS CONCERNING LEGISLATION ON LABOR RELATIONS OF FARM EMPLOYEES

(By the Committee on Labor Law of the Federal Bar Council)

BACKGROUND

So far as we are aware there is little acknowledged opposition to the *principle* that agricultural employees, no less than the rest of mankind, are entitled, if they choose, to organize and bargain collectively through representatives of their own choosing.[1] Thus, we cut little new ground by reiterating [2] our endorsement of that principle and stating quite bluntly that we believe that the immediate recognition of that principle in the labor relations laws of the United States and of the states is an essential first step which justice and decency require.

The problem then, as we see it, is not whether the National Labor Relations Act—and similar state legislation—ought to be extended to agricultural labor, but how the right to collective bargaining for such people can be made effective and whether there are any special characteristics to the agricultural industry which justify special safeguards around the full exercise of those rights and the undoubted power such exercise creates.[3]

While it might be assumed that a simple deletion of the exclusionary language of Section 2(3) of the NLRA would have been acceptable to farm labor organizers a few years ago, the current position of their most effective spokesman, Cesar Chavez (on behalf of the Farm Workers Organizing Committee), is that such a measure would "not give us the needed economic power and it would take away what little we have". He looks instead for a form of legislation modeled more or less on the original Wagner Act, in order to preserve for farm labor unions their weapon of product boycotts, which Chavez considers their most effective organizing tool. (BNA Daily Labor Report, April 16, 1969, pp. 1 AA–1, G–1.) Chavez' proposal, entitled the National Agricultural Bargaining Act of 1969, would also prohibit an employer from hiring replacements for economic strikers.

Prior to Mr. Chavez' statement, the major farm labor bill introduced in the 91st Congress was Senator Williams' bill (S. 8) which he introduced on behalf of himself and 19 other Senators, including Senators Brooke, Case, Hart, Javits, Kennedy, McCarthy, McGovern, and Muskie.[4] This bill simply deletes the exemption of "agricultural laborer" from Section 2(3) of the NLRA and extends the current treatment of construction workers under Section 8(f) of the NLRA to agricultural workers, thereby modifying the "union shop" scheme to permit compulsory membership agreements for such employees to be made in pre-hire contracts and to begin seven days, rather than 30 days, after employment or the execution of a contract.

This bill is somewhat simpler than the measure (H.R. 16014) introduced in the 2nd Session of the 90th Congress, which was favorably reported in H. Rep. 1274, 90th Cong., 2nd Sess., but died. H.R. 16014 modified the "agricultural laborer" exception in Section 2(3) of the NLRA so as to extend coverage of the Act to agricultural laborers whose employer had more than 12 employees at any time during the preceding year, and had labor costs of $10,000 or more during the same period. Rather than modify Section 8(f) of the present Act, it accomplished a somewhat similar end by a new Section 8(g) which permitted a union shop agreement to be compulsory after seven days, and also permitted the parties to give priority in hiring to those with seniority with the employer, in the industry or in a particular geographical area.[5] The Report suggests that the limitations contained in amended Section 2(3) would confine its impact to 30,000 large farms, roughly .9% of all American farms, but the farms employ perhaps as many as 60% of all farm labor. Opponents of the bill thought its sweep much broader and supported an amendment proposed by Congressman Quie which would have modified the exclusion to limit NLRA jurisdiction to farms with gross volume of sales of $250,000, or more *and* total employment of 500 man days, the standard used in the FLSA.[5a]

In the course of hearings before the Senate Labor Committee in April 1969, the American Farm Bureau Federation proposed a bill which would permit elections among farm laborers, conducted by the U.S. Department of Agriculture, with unfair labor practice charges tried before the federal courts. Harvest-time strikes would be banned. In the same hearings, as already noted, the farm workers union spokesmen indicated that they would have a bill of their own, but one modeled after the Wagner Act rather than Taft-Hartley.

Early in May, 1969, Secretary of Labor Shultz introduced the Administration's proposal—in essence adopting the substantive scheme of the Taft-Hartly Act, but creating a new agency, a Farm Labor Relations Board, to administer it. The Administration proposal requires ten days advance notice of agricultural strikes (or lock-outs) and gives the farm employer the right to a thirty-day no strike period (in order to protect his harvest) if during that time he agrees to submit the issues to fact-finding and recommendations, *and* agrees to be bound by those recommendations if the union accepts them. The Shultz proposal will include certain special prohibitions on secondary boycotts in the agriculture area. (*BNA Daily Labor Report*, May 6, 1969, pp. 1, A–1, E–1; see Editorial, N.Y. Times, May 12, 1969.)

ANALYSIS

We leave to other places a consideration of the general merits *vel non* of proposals to modify the major provisions of the present Taft-Hartley Act, by moving back toward the Wagner Act framework or in other directions, such as to a labor court. Our sole concern in this Report is the status of farm labor under the federal labor relations statutes—and this, in our view, is a matter which ought not to wait—or be sidetracked—by broader issues of labor relations law reform.

We reiterate our view that the present exemption of agricultural laborers should be repealed. We do not have any strong view on the various proposals to define the ambit of federal jurisdiction. In the absence of a statutory definition, there seems little doubt that the NLRB will develop jurisdictional standards of its own which will generally leave the truly small farm exempt from direct federal regulation. If a statutory definition of the limits of federal jurisdiction is deemed desirable, we would endorse the approach of H.R. 16014. It may be that this formula will not reach a significantly more important segment of the agricultural industry than the amendment proposed by Congressman Quie, but we suspect that the Quie amendment may omit a good number of migratory workers which H.R. 16014 covers [7]—and, if this be true, we deem that an important reason to favor the definition of H.R. 16014 over the approach of the Quie amendment (and the jurisdictional test in Secretary Schultz' proposals.)

At this point, it seems appropriate to discuss certain of the objectives asserted against any change in the labor law relating to farm labor (we save for a later point discussions of questions which relate to the special character of the agricultural industry). Aside from questions of constitutionality—which we believe to be meritless even in the context of a complete repeal of Section 2(3) of the Act [8]—it is claimed that such a measure would (1) increase costs to the consumer; (2) impinge on the American way of life; and (3) adversely affect the interests of the farm laborers, i.e., destroy their employment opportunities by driving agricultural industry elsewhere.

The first criticism would, we suggest, be irrelevant if true. To suggest that human beings, to say nothing of citizens, should forego the rights enjoyed by all others in order that others (while enjoying those rights) may enjoy greater bounty may have some merit as a suggestion of voluntary restraint; it can have no merit as a reason to deny those rights by fiat. But even on its merits, the argument has little to support it. The cost of agricultural products at the farm is a relatively small element of the cost of finished agricultural products to the consumer, and agricultural labor is a relatively minor element even in the cost of agricultural products as they come off the farm. One estimate is that agricultural labor represents 7% of the final cost of agricultural products.

The second argument—premised on the "American way of life"—uses what in this context we find almost a shibboleth to defend one of the most distressing divergences between those values which in our view constitute the very kernel of the American way of life—including equality under the law—and

Footnotes at end of article.

the current American scene. We reject the notion that a desire to preserve cultural museum pieces justifies incarcerating the inmates. Moreover, the measure we endorse hardly threatens the disaster envisioned; we can see no sensible probability that the extension of federal agency jurisdiction will reach the small farmer.

The third argument—that given the right to organize, the farm laborer will obtain higher wages and thereby drive away his job—is more serious. Indeed, if such an argument were made by the farm laborer rather than by those who represent his employers, we might find it reason for greater pause. Certainly, the possibility must be faced that increased wages will create pressures on farm operators to diminish costs by moving farm operations or by increasing mechanization.[9] Yet both of these phenomena have been taking place for years—and it is not at all clear to us that they are in themselves undesirable. Arguably, such developments bring about a significantly better allocation of resources, including human resources, within the nation and throughout the world economy; certainly, they have not decreased total domestic agricultural production, whether measured in terms of quantity or value. Moreover, the experience with imposition of minimum agricultural wages and with the ban on importation of *braceros* does not appear to support the dire consequences predicted. Finally, this argument is one which has been made repeatedly by almost every industry which has been subjected to reorganization by statute—and by most companies which face an initial organizing drive. Whatever merit such contentions may have, it seems to us that they should be addressed to the workers deciding how to exercise the organization rights we endorse, rather than to the question whether such rights should be recognized by law.

While we have little hesitation about endorsing the principle of extending organizing rights to agricultural workers, we are less clear about the fashion in which those rights may best be exercised.

Initially, we are inclined to favor—because it is simplest and therefore least likely to generate irrelevant controversy—simply removing the exclusion in Section 2(3) of the NLRA, thereby extending to agriculture the full reach of Taft-Hartley. Given the brevity of much agricultural employment with a given farm operator, we are persuaded that it would be appropriate to extend to agricultural labor provisions similar to those provided for construction workers in Section 8(f) of the present Act. In our view, this is done more clearly by the language of proposed Section 8(g) of H.R. 16014 than by incorporating provisions regarding agriculture in present Section 8(f), the scheme used in S. 8.

Thus, we are not persuaded that it is necessary to deal with agricultural labor outside the context of the NLRA—and the NLRB. We make this judgment for three reasons—(1) the NLRB has a fairly well-developed body of law and experience in conducting representation and unfair labor practice proceedings; it seems more economical of time and less pregnant with possibilities of conflict and inconsistency to use this existing machinery; (2) there is some just basis for regarding the Agriculture Department as historically more orientated toward farm owners and operators than otherwise; while the NLRB has not been immune from accusations of bias, the fact that it regulates large and powerful adversaries seems to us a more reliable way to assure relative neutrality (in both directions) than would exist in the case of a special jurisdiction, such as that suggested for the Department of Agriculture; and (3) we believe that any proposal to create a special jurisdiction for agricultural labor, particularly one like the Farm Bureau's, which would involve the federal courts in agricultural unfair labor practices, will almost certainly embroil this subject in all of the general labor reform debate—and thus postpone it indefinitely.

We are also not persuaded that we should exempt agricultural labor unions and agricultural labor from the proscriptions of Section 8(b)—and particularly from Section 8(b)(4) and 8(b)(7)'s regulation of secondary pressures and certain organizing tactics. It is our conclusion that before embarking on a program which permits conduct in agriculture which Congress has found unacceptable elsewhere, we should at least see how far collective organization can be meaningful in agriculture under the same rules that obtain in other industry. We also, and for similar reasons, are not persuaded by the Farm Bureau's proposals that look to create special regulations in agriculture which may seem favorable to management. We do not mean to suggest that we are convinced that the fact that packinghouses and other industries have coped more or less successfully with their problem of working with perishables under existing labor relations laws necessarily means that farmers will have a similar experience; although the emergency strike procedures in present law provide some protection against catastrophic strikes of broad scope, they furnish little comfort to minor segments of an industry and none to the individual farmer who is chosen as an example. It may be that special protections will prove necessary for agriculture—and, if they are, Secretary Schultz's proposals for a thirty-day cooling off period seem relatively modest and, in fact highly inventive.[10] We simply say we can see no reason yet to conclude that they are needful.

As is our common experience, legislation follows social change. Organization of farm labor is a phenomenon which is already with us, and is with us in a form which is chaotic and largely without any statutory framework.

We believe that it is urgent—in the interest of the farm workers, the farmer, the merchant and the public—to enact laws which recognize the organizational rights of agricultural workers and which provide a mechanism whereby they can exercise their rights effectively, meaningfully and peaceably, without violence and without injury to the rights of others. And that is why we make the recommendations we do—namely, that Congress should proceed promptly to enact legislation generally along the lines of the present Senate Bill No. 8, but adding a new section 8(g) for agricultural workers rather than including them in present section 8(f).

FOOTNOTES

[1] We discuss the major arguments of what opposition there has been below, but it seems that such opposition is fading.

[2] See, e.g., this Committee's Report on Migratory Farm Labor reprinted in Labor Law Journal, April 1967, pp. 246–248; and the Report on Migratory Farm Labor of the Committee on Labor and Social Security Legislation of the Association of the Bar of the City of New York, 20 Record of NYCBA 518 (1965).

[3] There is a subsidiary question of how far the federal statute should extend, not in terms of the constitutional sweep of the commerce power (presumably, *Wickard* v. *Filburn*, 317 U.S. 111 (1942) provides the answer to that), but in terms of practical judgments as to the work load of the NLRB, the appropriate division of federal and state responsibility and the preservation of "family farms". This is also discussed below.

[4] Apparently identical measures were introduced in the House as H.R. 1004, 5555, 55963, 8177, 9954, 9955 and 9956.

[5] This bill did not contain the provision permitting prehire contracts that appears in Section 8(f) of the Act, and also omitted provisions similar to 8(f)(3) and 8(f)(4), which probably have little current relevance to agriculture.

[5a] Secretary Schultz' proposal, more fully discussed below, also uses the FLSA standard. It is estimated to cover 2 per cent of the farms and 48 per cent of the farm workers, or about 500,000 employees.

[7] Unfortunately, the data on farm employment—in terms of number of employees or man days of work per farm is apparently not very reliable. However, the principal argument offered by the supporters of the Quie amendment was that it would exempt a farmer who only used a relatively large force during a harvest season, while H.R. 16014 would not.

[8] We gravely doubt that under the rationale of *Wickard v. Filburn*, 317 U.S. 111, any farm is beyond the reach of the commerce power. See also *Mandeville Island Farms v. American Crystal Sugar Co.*, 334 U.S. 219 (1948). Assuming *arguendo* there were narrower limits on the reach of the commerce power, this would be a question that could—and would under existing NLRB procedure—be tried out in the administrative proceeding. Such a case-by-case testing of the Act would seem the most that the Constitution requires.

[9] While it might seem that this problem would be less in agriculture than in other businesses, because the land is obviously not portable, we suspect that this factor is more important with respect to the small farmer than is the case with large farm operators. In many cases, these operators lease rather than own land—and in any case, other cost elements probably tend to outweigh land in agricultural economics. On the other hand, we are not clear whether the element of labor cost in the production of agricultural goods is of such magnitude that it will outweigh factors such as climate, proximity of markets and sources of seed and fertilizers, and problems of import and quarantine restrictions or what the result of the interplay of all these factors will be.

[10] We assume that a case might be made for safeguards like that proposed by Secretary Schultz, based on an analysis balancing the (perhaps modest) effects of such safeguards upon farm labor organizers and the (perhaps grave) consequences of harvest-time strikes for farmers and public alike. If there is such a case, it is not to be found in the arguments heretofore made by the farmers' representatives—and time is growing short.

ORDER FOR ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, when the Senate completes its business today it stand in adjournment until 11 o'clock tomorrow morning.

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

(This order was later vitiated when the Senate recessed until 11 a.m. tomorrow.)

ORDER FOR RECOGNITION OF SENATOR DODD

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, immediately following the prayer and the disposition of the reading of the Journal

tomorrow, the able senior Senator from Connecticut (Mr. DODD) be recognized for not to exceed 1 hour.

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

A QUESTION OF TIME

Mr. THURMOND. Mr. President, Mr. Robert Hotz, editor of the Aviation Week and Space Technology magazine, has made a significant contribution to our debate on the ABM. Mr. Hotz is a competent and experienced analyst of nuclear strategy. His editorial in the July 7 issue is an astute evaluation of the critical security situation our country would face in the 1970's without the Safeguard anti-ballistic-missile system.

Mr. President, it is a pleasure for me to call the attention of my distinguished colleagues to Mr. Hotz's excellent editorial entitled, "A Question of Time." He makes it very clear for us that we are buying time. We are not voting on the complete deployment of the ABM. We are voting only on the next stage of operational development for a relative low cost. A vote for ABM means we will maintain our capability to meet the spearhead of the Soviet threat. A vote against ABM means 3 or 4 years of nuclear nakedness between 1974 and 1978.

This time lag would mean an unacceptable risk to our security in the face of the Soviet's growing nuclear capability.

Mr. President, this editorial concisely presents the Soviet nuclear threat and the danger our country would face without ABM. Mr. Hotz's analysis logically leads to the conclusion that our country cannot risk Soviet nuclear superiority. Concurrently, we cannot risk Soviet diplomatic leverage of nuclear blackmail they would achieve if we do not protect our nuclear deterrent.

Mr. President, I ask unanimous consent that this editorial be printed at this point in the RECORD:

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

A QUESTION OF TIME

The fate of this nation over the next decade will hinge on whether Congress votes to proceed with the development of an anti-ballistic missile system (ABM). This is the crux of the issue now before the country. It transcends all of the comparatively trivial issues that have generated most of the public debate on this subject.

The guts of the ABM problem now is whether Congress will buy, at a cost of from $200–300 million, the time that will enable the U.S. to maintain its capability to meet the spearhead of the Soviet threat if it materializes in the 1974–75 period. Congress's alternative is to foreclose this country's option and create a development lag that will leave the U.S. unable to respond to this crisis until three or four years after it occurs. Those potential three or four years of nuclear nakedness between 1974 and 1978 are what are at stake in the current ABM debate on Capitol Hill.

The $200–300 million cost is not, of course, the price of the fully deployed ABM system. It is the difference between proceeding with the next stage of operational development with the two Minuteman sites in the west which will maintain the capability to meet the growth rate of the Soviet threat and the cost of proceeding at a strictly research and development level with the Kwajalein facility. The latter will inevitably produce a four-year lag in the possibilities of operational deployment in sufficient strength to blunt the Soviet spearhead.

It is a matter of incontrovertible fact that the Soviet Union is well along on a program of weapons development aimed, by its own admission, at achieving nuclear superiority over the United States or any other potential enemy or combination thereof. This weapons development has proceeded at a steady and inexorable pace despite what the U.S. and other countries have done.

GOAL OF SUPERIORITY

The Soviet Union's goal is nuclear superiority, not parity. The Soviet leaders apparently understand the potential value of nuclear superiority better than many U.S. policy makers. This despite the fact that the U.S. was the first to use its nuclear superiority effectively as a major policy instrument against the USSR in the 1962 Cuban missile crisis.

In 1962 the U.S. had an unquestionable superiority in nuclear weapons and delivery systems with Atlas and Titan ICBM's, plus the large fleet of B–52 intercontinental bombers. It was a desperate move to reduce this margin of superiority that apparently motivated the Soviets to deploy medium-range Sandals to Cuba within range of key U.S. targets. It was a move similar to that in a chess game when a pawn reaches the last row and is instantly transformed into a powerful queen. The Soviet MRBMs in Cuba suddenly became the strategic equivalent of the SS–6 first-generation Vostok-booster ICBMs with their 20 clustered liquid-fueled engines deployed with flatcar launchers on spurs along the trans-Siberian railroad.

Contrary to popular belief at the time, the MRBMs in Cuba were not targeted against the U.S. cities but against key communications, command and control centers and soft SAC air bases. Offering much less warning time than Siberian launched ICBMs, the Cuban MRBMs had the task of crippling the U.S. ability to launch its retaliatory forces.

When the U.S. made it clear that this continued deployment in Cuba was unacceptable and demanded the missiles' removal, the Soviet policy makers had to decide whether the U.S. had both the forces and the will to use them in nuclear retaliation against the USSR. When the U.S. put its nuclear forces into a strike configuration, the Soviets had no stomach to bluff further. They withdrew their missiles from Cuba.

DIPLOMATIC LEVERAGE

They felt that the U.S. was not bluffing because all of their intelligence scensors—human, electronic and photographic—told them that the U.S. was in a condition to exercise its tremendous nuclear superiority. The Strategic Air Command's bomb-loaded B–52s were blips on Soviet radar. ELINT told them that SAC ICBMs were counted down to final launch configuration.

No country on this tiny planet would care to proceed further in that kind of situation. The Soviets backed down and so would any other government in a similar situation.

Ever since that humiliating defeat, the Soviet Union has made a mighty effort to wipe out the margin of U.S. nuclear superiority. Its goal was to reverse the situation by achieving its own significant margin of nuclear superiority that could provide it with the same force of diplomatic leverage that the U.S. was able to exert over Cuba. The Soviets have developed, produced and deployed a whole new arsenal of nuclear weapons during the past six years in an armament program that has no parallel in history.

These weapons included mobile battlefield medium-range missiles for the European and Chinese theaters, hardened silo-based third and fourth-generation ICBMs, nuclear-powered submarines with SLBMs, and FOBS (Fractional Orbital Bombardment System) or depressed trajectory ultra long-ranged ICBMs.

In addition, the Soviets have developed, produced and deployed a whole new generation of weapons for tactical nuclear war, stressing vertical envelopment, air transportability and independence of fixed, permanent bases.

None of these developments comes as any surprise to U.S. military planners and top level civilian policy makers. The reconnaissance satellite systems plus various other types of ELINT have produced pictures and progress reports on production and deployment of all these weapons.

Thus, it is possible for President Richard Nixon to know that there are approximately 900 Russian SS–11 Savage missiles operationally deployed in hardened, camouflaged silos and that they are being replaced by the SS–13 solid-fueled version of the storable, liquid-fueled Savage. These weapons are of the same class in range, accuracy and warhead capacity as the earlier versions of the U.S. Minuteman. They appear to be targeted primarily toward soft-type objectives such as cities and major industrial concentrations.

But the real concern that is now rippling through the Pentagon and the White House is caused by the SS–9 Scarp. The Scarp began initial operational deployment in 1965 and was first publicly displayed by the Soviets in their 50th anniversary of the revolution parade in November, 1967. The version displayed in the Moscow parade was an earlier model with a single 20–25 megaton warhead that led to an early interpretation that it was primarily a city-buster.

But later versions of the SS–9 have utilized three warheads that make separate re-entries with an impact footprint that roughly matches the deployment of a Minuteman wing. Tests in the Pacific have not yet revealed the characteristics of a fully developed multiple independently targeted re-entry vehicle (MIRV) system. But the developmental progress of the tests indicated that their only purpose could be to achieve such a capability.

DISTURBING CAPABILITY

During the 1967–68 period, SS–9 deployment in operational silos reached a total of about 200 and then stopped temporarily. Early in 1969 deployment was resumed at a rate that could give the USSR from 400 to 500 ready to go by 1974–75. This is a force sufficient—with the triple dispersed warhead—to knock out a high percentage of the hardened Minuteman silo sites.

It is this capability that has both the Pentagon and the White House deeply disturbed about its possible effect on the U.S. strategic deterrent second-strike strength and the position of this nation in international policy.

This is why the Nixon Administration is fighting so hard to proceed with a complete operational test installation of its ABM system at the two Minuteman sites in Montana and North Dakota. The Administration desperately wants to buy the additional development time for an ABM system that will eventually give it the capability to counter the Soviet threat in the 1975–80 period.

The ABM system that the Pentagon is now pushing into operational test phase is a far cry from the old Nike concept of the Army. It is far from perfected. But the system utilizes a new generation of technology in warheads, computers, missiles and radar. It is similar in concept and potential to the ad-

vanced ABM system the Soviets are deploying around Moscow.

Now there is no way in the world that U.S. policy makers can divine Soviet intentions. They must base their planning for this nation's defense on the capabilities of the foe, not his intentions.

CRITICAL CHESS GAME

In the nuclear age, the weapons development and deployment cycle is more like a chess game than a battle. Both sides have developed and scrapped several generations of nuclear weapons without using them. But they always press on to exploit new technology to develop superior capabilities in the hope that when the big international crunches come, as they inevitably do, one side will have outmaneuvered the other technically and strategically so that "check" can be called and the other will concede without the holocaust of a nuclear "mate." This is what happened in Cuba in 1962.

This is what the Soviet Union can do in reverse if it has a credible threat to the U.S. Minuteman force in 1975 and the U.S. has no credible counter to it. Because of the complexities of development of some phases of the ABM system and the long lead time required for production of certain key components, one fiscal year's delay in proceeding now will translate into a four-year lag in eventual deployment.

Congress is not really voting now on the issue of full ABM deployment. That decision should come in subsequent years commensurate with development progress and the scale of the Soviet threat.

What Congress is voting for now is simply whether it will give the U.S. time to prepare an effective counter to the Soviet SS–9 threat or whether it will allow the Soviets an opportunity to achieve significant nuclear superiority between 1974 and 1980 and exercise its resultant leverage.

Every senator and congressman should search the depths of his conscience before he votes on this momentous issue. The decision will determine the fate of his country and his children for many years to come.

—ROBERT HOTZ.

ABM: AN EVALUATION OF AN EVALUATION

Mr. THURMOND. Mr. President, it is essential that my distinguished colleagues and the American people have the benefit of all the facts pertinent to the ABM debate. It is more important that they not be mislead by anti-ABM studies sponsored by politicians and "credible" experts.

Mr. President, I am once again compelled to call attention to the misleading aspects of an anti-ABM "book" by Harper and Row entitled "ABM: An Evaluation of the Decision to Deploy an Anti-Ballistic Missile System." This study disqualified its purported credibility when its sponsors permitted misquoting of an American Security Council pro-ABM study enttled "The ABM and the Changed Strategic Military Balance: U.S.A. versus U.S.S.R." This misrepresentation was in a two-page advertisement which was carried in major newspapers in the United States.

Such deliberate misleading information by responsible Americans caused bewilderment. Consequently, the American Security Council was compelled to set the record straight on its study and to respond to the anti-ABM advocates. The council made its rebuttal in the July 7 issue of the Washington Report entitled "ABM: An Evaluation of an Evaluation."

Mr. President, this evaluation renders further doubt as to the reliability, logic and validity of the anti-ABM study. This analysis reveals that the anti-ABM study misleads its readers in at least six critical areas. If the opponents of the ABM would carefully examine both the anti- and pro-ABM studies, I am confident they would conclude that the pro-ABM study is more logical and factual.

Mr. President, I ask unanimous consent that the July 7 issue of the Washington Report be printed in RECORD.

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

ABM: AN EVALUATION OF AN EVALUATION

"If we pursue arms control as an end in itself we will not achieve our end. The adversaries of the world are not in conflict because they are armed. They are armed because they are in conflict."—(Richard Nixon, speech to the U.S. Air Force Academy, June 4, 1969)

On June 3, a two-page advertisement was carried in major newspapers across the United States. The advertisement was by Harper and Row for a book entitled, "ABM: An Evaluation of the Decision to Deploy an Anti-Ballistic Missile System."

The book is a compendium of articles opposing deployment by the United States of the Safeguard ABM system. It was prepared under the direction of Abram Chayes and Dr. Jerome B. Wiesner. Because it was sponsored by Senator Edward M. Kennedy and carries an introduction by him, it has often been referred to as the "Kennedy Study."

The advertisement itself is interesting for two reasons. First, it holds up to ridicule all those Americans who, a few years back, thought it a good idea to provide themselves with an element of insurance against nuclear attack by installing backyard fallout shelters. Because nothing "happened" and this insurance has not, so far, been needed, the reader is invited to conclude that the owners of the shelters were all victims of a "mass delusion." The idea that an ABM will contribute anything to our security is then placed in the same category.

Second, the advertisement misquotes the American Secuity Council study, "The ABM and the Changed Strategic Military Balance: U.S.A. vs. U.S.S.R." (without naming it). We are alleged to have said, "Anti-missile defense is foolproof." We said no such thing.

This is what we did say:

"Anti-ballistic missile defense is not a cure-all for the security of the United States. It is not the ultimate defense system, for technology knows no limits and each decade produces fresh challenges of free nations. But anti-missile defense is an essential component in the network of military systems designed to give the American people a seamless garment of security in an age of acute danger."

KENNEDY STUDY DEFECTS

After a careful analysis of the Kennedy study, we see no reason to alter our support of the President's decision to deploy Safeguard nor do we see any need to change any of the conclusions reached in our own study, "The ABM and the Changed Strategic Military Balance: U.S.A. vs. U.S.S.R." We believe, in contrast, that the Kennedy study misleads the American public for the following basic reasons:

(1) It overstates the technological problems and disadvantages of the Safeguard System, and understates the need for missile defense.

To cite some examples, the Kennedy study makes its case largely on the claim that it would require two Soviet ICBM's to knock out each minuteman silo and that it would require at least three defensive missiles to kill one offensive warhead. Since the Soviet SS–9 costs about 20 million dollars and the Sprint only costs about 2 million dollars, our defense would be most favorable at this ratio. But the Kennedy study figures are vigorously disputed by the Defense Department and other independent analysts such as those at the Hudson Institute and the Institute for Defense Analysis (IDA). According to these analysts, they are assumptions based on erroneous data involving such key elements as blast resistance of minuteman silos, yields and accuracy of Soviet SS–9 warheads, effectiveness of penetration aids, performance reliability of both offensive and defensive missiles, and retargetry capabilities to allow for missile failures at launch. Using realistic data, the probability that an arriving SS–9 warhead would destroy its minuteman target in the mid-1970's is closer to 99 percent than the 65 percent assumed in the Kennedy study. Secretary of Defense Laird was apparently using these kinds of assumptions when he testified that as few as 420 Soviet SS–9 missiles, each carrying three independently targeted warheads and assuming a failure rate of 20 percent, could place 1,000 warheads over our minuteman fields. Assuming the increased accuracy which the Soviets are capable of developing for their warheads, this would destroy 95 percent, or all but 50 of our 1,000 minuteman retaliatory force. The Soviets might well calculate that their own ABM systems—and they are now testing a new ABM according to Secretary Laird—could handle whichever of the minutemen were not destroyed in the initial Soviet strike.

With respect to the Spartan/Sprint reliability, Secretary Laird has stated that the most recent tests of Sprint and Spartan have provided a very high rate of success and that where failures have occurred their exact causes have been pinpointed and are subject to correction. According to IDA, the Kennedy study is simply in error, both in its assumption about the actual rate of reliability and, more important, in its assumption that three or more intercepting missiles must be fired simultaneously in order to allow for the possible failure rate. Most failures occur immediately after launch, and there is time to wait and fire another missile if one fails immediately. Again according to IDA, the planned reliability after the first few seconds of flight has been publicly stated to be greater than 90 percent.

In a larger sense, the United States has amply demonstrated its capacity to produce and operate the most complex communications, electronic and nuclear warfare systems. The history of such systems is that with time they undergo evolutionary improvement in their capabilities as operating experience is gained. The Soviets have not yet made a major ABM deployment, but they have deployed and in so doing they are gaining the kind of information which only deployment can provide.

It is the judgment of the distinguished panel of scientists and experts who produced the ASC study that Safeguard can be made to "work" in the sense that it is intended to work—not as a foolproof defense, but one which will assure the survivability of a sufficient number of minuteman missiles so as to maintain the credibility of the U.S. deterrent.

In all logic, unless it is assumed that President Nixon has been grossly negligent in the extensive review which he gave to the question before announcing his decision to proceed with Safeguard, it must be concluded that there are sound answers to each of the technical problems raised by the Safeguard opponents. Dr. John Foster, Director of Research and Engineering for the Department of Defense, held a press conference on May 6, 1969 in which he declared that: "We find nothing in the report (Kennedy study) that has not been analyzed in depth by the Department of Defense in the technical community over the past 10 years . . . it greatly overstates the technical and tactical problems of the proposed ballistic missile de-

fense." The President has likewise reviewed whatever disagreement there may be in the intelligence community over interpretation of intelligence data. The President has concluded that Safeguard is both needed on the basis of the developing Soviet threat to our deterrent, and that it will be effective in meeting that threat.

(2) It is self-contradictory on the importance of whether Safeguard will or won't "work."

The Kennedy study attempts to argue that Safeguard will adversely affect the strategic arms race. To make this point, however, it must fly in the face of its own technical arguments against it. Having argued that it "won't work," the authors must perforce concede that the Soviet Union, nevertheless cannot make the same assumption. Putting themselves in the position of the hypothetical "Marshal S," the Soviet Defense Minister, they say that, "Of course, he might believe those American scientists who think that this defensive system is highly penetrable and probably unreliable, but as a prudent defense planner he would more probably give it the benefit of the doubt."

We agree, of course, with such a conclusion. If the Soviet Minister of Defense makes such a decision, then Safeguard has, in our judgment, already worked. Just as the people who bought backyard fallout shelters all hoped they would never have to use them for that purpose, so do we all hope that the circumstances under which the Safeguard missiles would actually have to be used will never occur. The purpose of Safeguard is to deter nuclear war by reducing temptation to the aggressor to launch a first strike against our retaliatory forces. Safeguard will achieve this purpose if it does no more than add a factor of complicating uncertainty to the enemy's calculations. The difference between a totally defenseless American minuteman force and one defended by even an unknown factor of reliability could be enough to affect the decision for peace or war in the minds of the Kremlin planners.

Of equal importance, an apparent ability to defend our deterrent against the Soviet Union and our cities against a Chinese ICBM—when and if that threat develops—will deny to our foes the element of nuclear blackmail which would otherwise give weight to their diplomacy. It is one thing to argue as the Kennedy authors do that the Soviets or Chinese would never dare to attack. That is only opinion. It is another thing to deny them the capability to attack successfully. This strengthens the hand of our President in any future negotiations and is a major reason for Safeguard.

(3) The Kennedy study argues as a basic premise that the Soviet Union only reacts to what the U.S. does in the arms race.

This is the "mirror image" of Soviet behavior, or the "equal guilt" theory of the Cold War. Entirely missing is any acknowledgment that there may be a difference in the national objectives of the U.S. and U.S.S.R. which might cause Soviet military policy to be dictated by factors quite independent of what the U.S. does or does not do. Thus, according to the Kennedy study, "Marshal S.", forced to give Safeguard the benefit of the doubt, "would have to consider the wisdom of increasing the Soviet offensive force."

But this is just, what the Soviets are already doing, quite independently of any U.S. decision to deploy an ABM, and well beyond the needs of any legitimate Soviet second strike requirement. They are deploying a fractional orbital bombardment system, which is a first strike weapon entirely missing from the U.S. inventory. They are deploying an SS–9 missile with a 25-megaton warhead, which is also absent from the U.S. arsenal. And, despite the fact that they have already reached parity with the U.S. in ICBM's, they are continuing to start new silos at a rate which could give them 2,500 ICBM's by the mid-1970's—or 2½ times the present U.S. force.

As President Nixon has pointed out, the arms race with the Soviet Union is a product of the conflict between us and not vice-versa. The U.S. is not, as a matter of objective fact, equally responsible with the Soviet Union for world tensions. It is not our doctrine which postulates inevitable class struggle. It is not our doctrine which postulates the inevitable victory of one social system over the other. It is not our doctrine which claims the right of intervention in the internal affairs of other states (e.g. Czechoslovakia). The Soviets have a clearly enunciated political goal of establishing world communism. Their aim is victory. The U.S. has no comparable goal for its system and only wants to live and let live.

In failing utterly to allow for this basic difference in national goals, the Kennedy authors commit a fundamental error in dwelling upon the alleged "action-reaction" of the arms race which, they say, will be further escalated if the U.S. deploys the Safeguard ABM system.

Thus, it is asserted, without proof, that the present Soviet ICBM build-up is probably only a reaction to the U.S. missile build-up of the mid-1960's and that the Tallinn missile system to the western U.S.S.R., which appears to be aimed at bombers (but could be upgraded to an ABM system), was the product of Soviet expectation that we would build the B–70 bomber. The U.S.S.R. is portrayed as awaiting only some sign of restraint by the U.S. before scaling down its own arms program. Above all, the U.S. is urged to keep the "strategic confrontation," i.e. arms talks, entirely separate from the "political rivalry."

Such a separation, however, is a practical impossibility. The threat of force, i.e. war, is always implicit in any political contest, and the Soviet Union has never been bashful in reminding its adversaries of this most fundamental facet of international relations. The Soviets take the more traditional view that any political dialogue is always a product of the relative power relationship. The power relationship cannot be regulated by any political dialogue, as the Kennedy authors erroneously seem to suppose.

The facts repeatedly show that the Soviets have initiated new moves in the arms race rather than merely reacting to the U.S. moves. They failed to reduce their military forces after World War II in response to the U.S. demobilization. They failed to accept the U.S. offer to surrender control of nuclear weapons to an international agency (the Baruch Plan). They, not we, initiated development of offensive ballistic missiles. They, not we, began the deployment of ABM systems. It is their military doctrine, not ours, which openly stresses the need and the advantage of striking first in any possible war. (Such a doctrine is expounded in Military Strategy, the major work on Soviet military concepts approved by the Communist Party of the Soviet Union.)

(4) The Kennedy study refuses to take seriously the Soviet strategic build-up.

"For our part, we agree with the less threatening interpretation of the intelligence data. . . . We find the evidence that the U.S.S.R. is seeking a first-strike capability against the U.S. to be thin and unpersuasive."

Thus say the Kennedy authors. It is their privilege as private citizens to take this view, but the President and his Secretary of Defense would be plainly derelict in their duty to the American people were they to take a similarly optimistic attitude toward intelligence reports of the Soviet strategic build-up.

It is quite incorrect to compare the situation today with the "non-existent bomber gap of the early sixties" as the Kennedy authors presume to do. Those misestimates of expected force levels stemmed from projections of Soviet gross capabilities and assumed intentions without, however, being subject to immediate intelligence verification. Today, in contrast, we know a great deal about what the Soviets are doing in the area of strategic weapons deployment. Reconnaissance satellites can detect and monitor the progress of the Soviet ICBM silo construction from the first site clearings to the installation and operational readiness of the actual missile.

It takes the Soviets roughly 18–24 months to complete an ICBM silo. We can thus be reasonably sure what their force level will be for that period ahead, based on the silos now observed to be under construction. Beyond this we must estimate. The projected figure of 500 25-megaton SS–9's in 1975 is based on the present rate of construction. It could be more than 500. But simple prudence requires the nation to be able to deal with the worst possible contingency which might arise. President Nixon has stated that the latest Soviet SS–9 tests in the Pacific had multiple warheads which fell in a pattern suggesting that they are targeted against our minuteman fields. Thus the latest information continues to support the growth of the Soviet threat to our minuteman deterrent and the corresponding need for Safeguard.

(5) The Kennedy authors reject "symmetry" in arms talks with the U.S.S.R.

In one of its more controversial statements, the study declares that "more fundamentally, there is no particular reason why we should want to enter negotiations from a position of symmetry with the U.S.S.R."

The reasoning here is that the U.S. now has a superiority in Polaris-type missiles and that a U.S. ABM would give the Soviets an opportunity to argue that they should be allowed to close the gap in such missiles and also to build more ICBM's. So, it is claimed, the U.S. is in a better position to negotiate for a freeze in the present level of the arms race if it goes to the conference table without an ABM.

Such a philosophy reveals a remarkable attitude about our Soviet adversaries. At present building rates, the Soviets will overtake us in submarine launched missiles by 1971 and will be far ahead in ICBM's. Arms limitation talks, if begun, will almost certainly still be in process at this point, if only because of their extraordinary complexity. The Soviets will also have a deployed ABM. If the Safeguard opponents prevail in the U.S. ABM debate, the U.S. will have no ABM and will find itself negotiating in a situation of growing strategic inferiority. If we do not strengthen our defenses, this will only encourage the Soviets to seek complete ascendency. Nothing in the history of Soviet behavior suggests that they will do otherwise than exploit this situation to the hilt. So long as they are free to go on building while the U.S. unilaterally holds back, it would be in the Soviet interest to prolong the talks indefinitely.

(6) The Kennedy authors contend that our Asian and European allies would be alarmed, rather than reassured, by an ABM deployment.

The logic of this argument is highly tortured and factually unsupported. An anti-Chinese component to our ABM will supposedly build up the menace of Red China in Asian eyes. This is because Asians allegedly now believe that Red China is committed to restraint in the use of force and are thus not overly worried by the disparity of force levels between themselves and Peking. But a U.S. anti-Chinese ABM would seem to indicate that the U.S. believes in the possible irrationality of the Chinese. This would panic the Asians, according to the study, and cause them to seek out accommodations with Peking. Or, it might goad Japan and India into going nuclear themselves.

In similar fashion, the Kennedy study also argues that the west Europeans would feel less, rather than more, secure with a U.S. ABM because it would betray our own insecurity vis-a-vis the Soviets and would call into question the credibility of the U.S. commitment to defend western Europe.

The Kennedy authors may, of course, argue ad infinitum that Asians and Europeans ought to react in the above manner. But there is still no evidence that they do reach such conclusions. The few public statements now on record by the leaders of our allies tend to support, rather than question, the President's decision to deploy Safeguard and to protect our "nuclear umbrella" which in turn protects all these allies. As a case in point, when Mr. Adenauer visited this country, he was deeply concerned, not reassured, by the state of the defenses of our cities.

It is not difficult to discern why this should be so. Red Chinese bellicosity is not dismissed in Asia as the mere "rhetoric" that the Kennedy authors ascribe to it. The Soviet invasion of Czechoslovakia shattered whatever illusions responsible European statesmen may have had about the realities behind "detente" with the U.S.S.R. Men who have lived under the shadow of Soviet or Chinese aggressive power, with nothing but the strategic power of the United States to deter that aggression, can scarcely look with pleasure on any development which makes that deterrent—even psychologically—less certain. It seems axiomatic that if the U.S. feels more secure with Safeguard, those whose defense depends on the U.S. will feel more secure also. The Kennedy study makes a poor case for supposing otherwise.

SUMMARY

In summation, we find the Kennedy study opposing Safeguard to be factually erroneous or misleading in its more technical aspects and entirely unconvincing in the more speculative area of judgment about the consequences of Safeguard.

In this latter area we believe that it is the product of fundamental misconceptions which seriously distort the nature, purposes, and probably reactions of our enemies. Those on the political offensive cannot be equated with those whose goal is a peaceful and stable world.

From false premises there are bound to flow false conclusions. President Nixon, we think, came much closer to describing the real world in his speech at the U.S. Air Force Academy. We applaud that speech, and we continue to applaud and to endorse the decision to deploy the Safeguard ABM system.

BIOLOGICAL CATASTROPHE POSED BY SEA LEVEL CANAL

Mr. THURMOND. Mr. President, recent studies by biological scientists are now pointing to the conclusion that the construction of a sea level canal across the Panama Isthmus would lead to a potential biological catastrophe. This aspect of the Panama Canal problem has received little consideration in public discussions. Yet it could conceivably have repercussions that go far beyond the interest of zoology and might have serious consequences for international relations particulraly in those nations which depend upon the sea as a source of food. Both the biological and international political effects strongly argue against the construction of a sea level canal.

These problems were discussed in the January 1969 issue of BioScience. The author of this article, Dr. John C. Briggs, is Professor and Chairman of the Department of Zoology of the University of Southern Florida in Tampa. His research was supported by a national science foundation grant. Dr. Briggs first discusses the effect of the Suez Canal upon the migration of underwater species between the Red Sea and the Mediterranean. Despite the fact that the Suez Canal connects two areas that are separated by a temperature barrier and high saline lakes, there has been considerable transmigration.

However, in the case of the proposed sea level Panama Canal, there would be no barrier whatsoever to the migration of species. The tidal currents would create a wash in both directions, considerably assisting the movement of sea life. According to Dr. Briggs, this would probably result in the Eastern Pacific being invaded by over 6,000 species and the Western Atlantic being invaded by over 4,000 species. Dr. Briggs says that the resulting competition would bring about widespread extinction among the native species. He says that large-scale extinction would be "inescapable."

Dr. Briggs asks the following questions:

Should the sea level canal project be undertaken at all? What is the value of a unique species—of thousands of unique species? Currently, many countries are expending considerable effort and funds in order to save a relatively few endangered species. The public should be aware that international negotiations now being carried on from a purely economic viewpoint are likely to have such serious biological consequences.

Dr. Briggs' own conclusion is extremely important:

Assuming that a better canal would provide economic benefits, I suggest either an improvement of an existing structure or the construction of a new overland canal that would still contain fresh water for most of its route. There seems to be no reason why we cannot have a canal that could accommodate ships of any size, yet still maintain the fresh water barrier that is so important.

Mr. President, Dr. Briggs' research strongly suggests the kind of proposal which is embodied in legislation which I have introduced, S. 2228. This bill would provide for the modernization of the present Panama Canal without disrupting traffic and without negotiating new treaties. It would retain the fresh water barrier that Dr. Briggs says is so important.

Mr. President, this is a highly significant article in an authoritative professional publication, and I ask unanimous consent that this article entitled "The Sea Level Canal: Potential Biological Catastrophe" from BioScience of January 1969 be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. THURMOND. Mr. President, in addition, there was an exchange of letters between Dr. Briggs and John P. Sheffey, Executive Director of the Atlantic-Pacific Trans-Oceanic Canal Study Commission, which is currently charged under law with studying the suitability of a sea level canal. Since Dr. Sheffey disputes Dr. Briggs' conclusions and Dr. Briggs ably refutes the counterargument, I ask unanimous consent that these two letters from Bio-Science of April 1969 also be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

EXHIBIT 1

THE SEA LEVEL PANAMA CANAL: POTENTIAL BIOLOGICAL CATASTROPHE

(By John C. Briggs)

(NOTE.—The author is Professor and Chairman of the Department of Zoology, University of South Florida, Tampa, Florida 33620. This research was supported by National Science Foundation Grant GB-4330. Helpful suggestions were received from J. L. Simon, H. H. DeWitt, and T. L. Hopkins.)

While the possibility of a sea-level canal somewhere in the vicinity of the Isthmus of Panama has been discussed for many years, its feasibility as an engineering project has become enhanced as the result of recent experimental work with nuclear devices that can be used for excavation. It appears now that the undertaking of this project will be strongly supported as soon as the current economic crisis in the United States is over. Until recently, the only facet of the plan that had drawn the attention of many biologists was the possibility of radiation damage. However, Rubinoff (1968) finally pointed out that there would be other important biological effects and gave examples of disastrous invasions that have occurred in other places as the results of human interference.

THE NEW WORLD LAND BARRIER

The New World Land Barrier, with the Isthmus of Panama forming its narrowest part, is a complete block to the movement of tropical marine species between the Western Atlantic and Eastern Pacific. This state of affairs has existed since about the latest Pliocene or earliest Pleistocene (Simpson, 1965; Patterson and Pascual, 1963) so that, at the species level, the two faunas are well separated. It has been estimated that about 1000 distinct species of shore fishes now exist on both sides of Central America but, aside from some 16 circumtropical species, only about 12 can be considered identical (Briggs, 1967).

This land barrier is also effective for marine invertebrates. Haig (1956, 1960) studied the crab family Porcellanidae in both the Western Atlantic and Eastern Pacific and found that only about 7% of the species were common to the two areas; de Laubenfels (1936) found a similar distribution in about 11% of the sponges he studied; and Ekman (1953), about 2.5% for the echinoderms. It seems, therefore, that only a very small proportion of the species in the major groups of marine animals are found on both sides of the Isthmus of Panama. The present Panama Canal has not notably altered this relationship since, for most of its length, it is a freshwater passage forming an effective barrier for all but a few euryhaline species.

With regard to the tropical waters on each side of the isthmus, there is no reason to suspect that each area is not supporting its optimum number of species. Studies of terrestrial biotas have indicated that most continental habitats are ecologically saturated (Elton, 1958; Pianka, 1966) and that islands demonstrate an orderly relationship between the area and species diversity (MacArthur and Wilson, 1967). Assuming the niches of the two marine areas are filled, achieving maximum species diversity, invasion by additional species could alter the faunal composition but should not permanently increase the number of species.

REGIONAL RELATIONSHIP

The tropical shelf fauna of the world may be divided into four, distinct zoogeographic regions: the Indo-West Pacific, the Eastern Pacific, the Western Atlantic, and the Eastern Atlantic. While the Indo-West Pacific undoubtedly serves as the primary evolutionary and distributional center (Briggs, 1966), the Western Atlantic Region may be said to rank second in importance. Its geographic area is larger (Fig. 1), its habitat

diversity greater, and its fauna considerably richer than for each of the remaining two regions. Since the Western Atlantic species are the products of a richer and therefore more stable ecosystem, we may expect that they would prove to be competitively superior to those species that are endemic to the Eastern Pacific or Eastern Atlantic.

An examination of the faunal relationships between the Western Atlantic and the Eastern Atlantic does provide good circumstantial evidence that species from the former are competitively dominant. An impressive number have managed to traverse the open waters of the central Atlantic (The Mid-Atlantic Barrier) and to establish themselves on the eastern side. For example, in the shore fishes there are about 118 trans-Atlantic species but only about 24 of them have apparently come from the Indo-West Pacific via the Cape of Good Hope. The rest have probably evolved in the Western Atlantic and have successfully performed an eastward colonization journey across the ocean. None of the trans-Atlantic species belong to genera that are typically Eastern Atlantic. Recent works on West African invertebrate groups tend to show that an appreciable percentage of the species is trans-Atlantic (Briggs, 1967). It seems likely that the great majority of these species also represents successful migrations from the Western Atlantic.

EFFECT OF THE SUEZ CANAL

The Suez Canal is a sea-level passage that has been open since 1869, but its biological effects are not entirely comparable to those that would occur as the result of a sea-level Panama Canal for two reasons: first, the Suez Canal connects two areas that are separated by a temperature barrier, the Red Sea being tropical while the Mediterranean is warm-temperate: second, the Bitter Lakes which form part of the Suez passageway have a high salinity (about 45 0/00) which prevents migration by many species.

Despite the above difficulties, the limited migratory movements that have taken place through the Suez Canal do provide some significant information. At least 24 species of Red Sea fishes have invaded the Mediterranean (Ben-Tuvia, 1966), 16 species of decapod crustaceans (Holthuis and Gottlieb, 1958), and several members of other groups such as the tunicates (Pérès, 1958), mollusks (Engel and van Eeken, 1962), and stomatopod crustaceans (Ingle, 1963). So there is ample evidence of intrusions into the eastern Mediterranean, but there are no reliable data that indicate any successful reciprocal migration. Furthermore, there are some indications that the invaders from the Red Sea (a part of the vast Indo-West Pacific Region) are replacing rather than coexisting with certain native species. George (1966) observed that, along the Lebanese coast, the immigrant fishes *Sphyraena chrysotaenia, Upeneus moluccensis,* and *Siganus rivulatus* may be replacing, respectively, the endemic *Sphyraena sphyraena, Mullus barbatus,* and *Sarpa salpa.*

AN ANCIENT EVENT

It is now well established that in the past one or more seaways extended across Central America or northern South America for a considerable period of time, probably throughout the greater part of the Tertiary. While these oceanic connections assured the initial development of an essentially common marine fauna in the New World tropics, they operated as an important barrier for terrestrial animals. Later, perhaps about three million years ago, tectonic forces gradually produced an uplift that re-established the land connection between the two continents.

The effects of the new intercontinental connection must have been rapid and dramatic. The fossil record of this event is fragmentary but considerably better for the mammals than for the other terrestrial groups. Simpson (1965) presented an interesting and well-documented history of the Latin American mammal fauna. His findings relevant to the re-establishment of the Isthmus may be summarized as follows: (a) the full surge of intermigration took place in Pleistocene times with representatives of 15 families of North American mammals spreading into South America and seven families spreading in the reverse direction; (b) the immediate effect was to produce in both continents, but particularly in South America, a greatly enriched fauna; (c) the main migrants to the south were deer, camels, peccaries, tapirs, horses, mastodons, cats, weasels, racoons, bears, dogs, mice, squirrels, rabbits, and shrews; (d) in South America, the effect was catastrophic and resulted in the extinction of the unique notoungulates, litopterns, and marsupial carnivores; the native rodents and edentates were greatly reduced; and (e) now, South America has returned to about the same basic richness of fauna as before the invasion.

Comparatively, the invasion of Central and North America by South American mammals was not nearly so successful. The three migrants that have managed to survive north of Mexico—an opossum, an armadillo, and a porcupine—apparently occupy unique niches. Simpson (1965) noted that when ecological vicars met, one or the other generally become extinct. The dominant species that invaded South America were the evolutionary products of the "World Continent" including both North America and the Old World (the Siberian Land Bridge was frequently available).

CUTTING THE ISTHMUS BARRIER

How effectively would a sea-level ship canal breach the New World Land Barrier? The engineering problems have been worked out using scale models. Although the mean sea-level is 0.77 feet higher on the Pacific side, it would have little effect compared to the effect of the difference in tidal amplitude. The tidal range on the Pacific side is often as great as 20 feet while it is usually less than a foot on the opposite side. For an open canal, it has been calculated that the tidal currents would attain a velocity of up to 4.5 knots and would change direction every 6 hours (Meyers and Schultz, 1949). Tide locks would probably be employed to regulate the currents but it seems apparent that the vast amount of fluctuation and mixing would provide ample opportunity for most of the marine animals (as adults or as young stages) to migrate in either direction.

NUMBER OF AFFECTED SPECIES

Data on the number of marine invertebrate species that inhabit the major parts of the New World tropics are not available. The total fauna is so rich and so many groups are so poorly known that it almost defies analysis. Voss and Voss (1955) reported 133 species of macro-invertebrates from the shallow waters of Soldier's Key, a little island (100 by 200 yards) in Biscayne Bay, Florida. The tiny metazoans comprising the meiofauna of the sediments were not sampled. Work in other areas has shown that the numbers of individuals per square meter in the meiofauna are about 100 times that of the macrofauna (Sanders, 1960) Although a complete tally of species has apparently never been made, there are indications from partial indentifications (Wieser, 1960) that the number of species in the meiofauna is at least four or five times greater. For Soldier's Key, if we assume that the meiofauna is only four times richer in species, we would have a total of 665 benthic invertebrates.

Ichthyologists who have collected among the Florida Keys would probably agree that the shallow waters of Soldier's Key could be expected to yield close to 50 species of fishes. This provides an admittedly rough but useful ratio of 1:13 between the numbers of fish and invertebrate species for a small tropical locality. Although the fish fauna of the western Caribbean is not yet well known, the number of shore species can be approximated at about 600; this is probably a low estimate since we know that more than 600 exist in Florida waters (Briggs, 1958). Using the 1:13 ratio, the number of marine invertebrate species for the western Caribbean can be estimated at about 7800. Adding the fish species gives total of about 8400 marine animal species.

The tropical Eastern Pacific possesses a less diversified fauna than the Western Atlantic. The Gulf of Panama and its adjacent waters is probably inhabited by a shore fish fauna of some 400 species. Using the 1:13 ratio gives an estimate of about 5200 species for the invertebrates and a total of about 5600 marine animal species. The great majority of tropical, shallow-water animals are very prolific and possess highly effective means of dispersal. It has been estimated that 80–85% of all tropical, benthic invertebrate species possess planktotrophic pelagic larvae (Thorson, 1966). Since the fishes are relatively mobile, it seems apparent that the great majority of the animal species under discussion would be capable of eventually migrating through a saltwater canal.

Assuming that 80% of the species on each side of the isthmus would succeed in moving through the canal, 6720 species would migrate westward and 4480 eastward. However, since we are dealing with only rough approximations, it would be more appropriate to simply estimate that we would probably witness the invasion of the Eastern Pacific by more than 6000 species and the invasion of the Western Atlantic by more than 4000 species.

PREDICTION

A logical prediction can be made most easily if the pertinent information given above is summarized as follows:

1) The great majority of the species on either side of the Isthmus are distinct, at the species level, from those of the opposite side.

2) The habitats on each side of the Isthmus are probably ecologically saturated so that maximum species diversity has been achieved.

3) The Western Atlantic Region includes a much larger area, exhibits more habitat diversity, and possesses a richer fauna than the Eastern Pacific or Eastern Atlantic Regions.

4) Western Atlantic species are apparently competitively dominant to those of the Eastern Atlantic—a smaller region but comparable in size and habitat diversity to the Eastern Pacific.

5) At least some of the dominant species that have invaded the Mediterranean via the Suez Canal seem to be replacing the native species.

6) When the land bridge to South America was re-established, the invasion of North American mammals enriched the total fauna. However, this effect was temporary since so many native South American mammals became extinct that the number of species soon returned to about its original level.

7) A sea-level canal would provide ample opportunity for marine animals to migrate in either direction. This would probably result in the Eastern Pacific being invaded by over 6000 species and the Western Atlantic being invaded by over 4000 species.

For the tropical Eastern Pacific, it is predicted that its fauna would be temporarily enriched but that the resulting competition would soon bring about a widespread extinction among the native species. The elimination of species would continue until the total number in the area returned to about its original level. *The fact that a large scale extinction would take place seems inescapable.* It would be difficult, and perhaps irrelevant to attempt a close estimate of the number of

Eastern Pacific species that would be lost. The irrevocable extinction of as few as 1000 species is about as appalling as the prospect of losing 5000 or more.

There is little doubt that the tropical Western Atlantic fauna would suffer far less. With the exception of a few species that may be ecologically distinct, the level of competition would probably be such that the invaders would not be able to establish permanent colonies. Some dominant, Indo-West Pacific species have been able to cross the East Pacific Barrier and establish themselves in the Eastern Pacific (Briggs, 1961). It is likely that a few of these forms would eventually find their way through a sea-level canal. In such cases, the equivalent Western Atlantic species would probably be eliminated.

Man has undertaken major engineering projects for most of his civilized history and the construction of such necessary facilities as canals, dams, and harbors will continue and expand as the human population grows larger. In this case, however, man would remove a major zoogeographic barrier that has stood for about three million years. The disturbance to the local environment would not be nearly as important as the migration into the Eastern Pacific of a multitude of species that would evidently be superior competitors. So, instead of having only local populations affected, the very existence of a large number of wide-ranging species is threatened. This poses a conservation problem of an entirely new order of magnitude.

Rubinoff (1968) assumed that a sea-level canal would be constructed and looked upon its advent as an opportunity to conduct the greatest biological experiment in man's history. As I have stated elsewhere (Briggs, 1968), this approach is unfortunate for it tends to divert attention from a vital conservation issue. The important question is: Should the sea-level canal project be undertaken at all? What is the value of a unique species—of thousands of unique species? Currently, many countries are expending considerable effort and funds in order to save a relatively few endangered species. The public should be aware that international negotiations now being carried on from a purely economic viewpoint are likely to have such serious biological consequences. Does our generation have a responsibility to posterity in this matter?

A biological catastrophe of this scope is bound to have international repercussions. The tropical waters of the Eastern Pacific extend from the Gulf of Guayaquil to the Gulf of California. Included are the coasts of Ecuador, Colombia, Panama, Costa Rica, Nicaragua, Honduras, El Salvador, Guatemala, and Mexico. While the prospect of such an enormous loss of unique species is something that the entire world should be aware of, these countries are the ones that will be directly affected since their shore faunas will probably be radically changed.

ALTERNATIVE

Assuming that a better canal would provide economic benefits, I suggest either an improvement of the existing structure or the construction of a new overland canal that would still contain freshwater for most of its route. There seems to be no reason why we cannot have a canal that could accommodate ships of any size yet still maintain the freshwater barrier that is so important. One could conceive of other alternatives such as a sea-level canal provided with some means of killing the migrating animals—possibly by heating the water or adding lethal chemicals. However, such expedients would be both risky and distasteful.

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EXHIBIT 2

BIOSCIENCE

(By John P. Sheffey, Atlantic-Pacific Interoceanic Canal Study Commission, Washington, D.C.)

UNNECESSARY ALARM

Professor John C. Briggs' article (*BioScience*, January 1969, p. 44) points out some valid and important considerations in the coming decision on whether to build an isthmian sea-level canal. However, I hope you will bring to your readers' attention some factors that would tend to mitigate some of the alarms Briggs has cited.

Our engineers calculate that there will be no net flow from the Atlantic to the Pacific through a sea-level canal. The approximately one foot higher mean sea-level of the Pacific will make the net flow from the Pacific to the Atlantic. Briggs' article indicates that biota carried in this direction pose the lesser threat in comparison with movements in the opposite direction. It appears that only the creatures that can swim against the current will be able to make the transit from the Atlantic to the Pacific.

Briggs makes no mention of the transfer of marine life through the existing lock canal. In its 54 years of operation there have been and continue to be extensive transfers by three distinct means. First, swimming and drifting biota that thrive in both salt and fresh water readily pass through the locks and inevitably make their way across Gatun and Miraflores Lakes to the opposite oceans. Some have been specifically identified as having followed this path. Second, barnacles and similar clinging organisms pass in both directions every day on the hulls of ships. Third, and perhaps most important to the question of the biological impact of linking the oceans, is the daily transfer of fairly large amounts of salt water in ships' ballast tanks. This has gone on for more than a half century. Lightly loaded or empty ships approaching the canal are frequently required to take on ballast water before entering the locks. This is to deepen their drafts to make them easier to handle while in restricted canal channels. As a usual practice on leaving the canal a few hours later at the opposite ocean, this ballast water is discharged to lighten the ships to save fuel on the remainder of the trip. Thus, all the small swimming and drifting marine life that would be found in these thousands of samples of sea water taken year in and year out since 1914, have made the trip across the isthmus in salt water in both directions. While a sea-level, salt-water channel between the oceans would vastly augment the movements of marine creatures between the oceans, the new avenue would appear to offer previously denied passage for only that portion of ocean life that could not transit by one or more of the three existing means. Some segments of the total spectra of biota in the two oceans have surely crossed the isthmus to the opposite ocean during the past half century and continue to do so daily. It follows that a large portion of the small swimming, drifting, and clinging creatures on both sides of the isthmus have long been exposed to inoculations of the same category from the opposite ocean. To date, no discernible effects have resulted. It seems reasonable to conclude that a sea-level canal would create little or no new threat to the lower links of the ocean food chain. New exposures would be limited to the larger swimming and drifting biota. Thus the area of danger of harmful biological changes when the oceans are joined is much less broad than it first appears.

Under a contract with the Canal Study Commission the Battelle Memorial Institute is conducting an extensive evaluation of the potential biological impacts of a sea-level

canal. It is acknowledged that in the time available this study cannot reach final conclusions, but it can narrow the area of doubt. The Commission has arranged with the National Academy of Sciences to develop a program of bioenvironmental studies for the Commission to recommend in its report to the President, should construction of a sea-level canal be recommended. Such a canal would require 12 to 15 years to construct, and hence ample time for biological research would be available.

REPLY BY JOHN C. BRIGGS, UNIVERSITY OF SOUTH FLORIDA, TAMPA

Since John P. Sheffey kindly sent me a copy of his February 6th letter to you, I have the opportunity to respond to his comments. If you decide to publish this letter, I would appreciate it if you would also consider the following:

Mr. John P. Sheffey's main concern was that I made no mention of the transfer of marine life that takes place through the existing canal. Although many organisms have undoubtedly been transported by clinging to the hulls of ships or by living in the saltwater of ship's ballast tanks, the important point is that such transfers have not generally resulted in successful colonizations. For this reason, marine biologists have not been particularly interested in evaluating them.

It would be a tragic error for us to conclude that, because the present canal has not served as a successful migratory route, there is no danger of a new sea-level canal doing so. How can there be any doubt that an open canal, providing a continuous salt-water passage between the oceans, would present a far better opportunity for successful migration? Many Red Sea animals have succeeded in passing through the Suez Canal to colonize the Mediterranean despite having to overcome formidable temperature and salinity barriers. Since a sea-level Panama canal would contain no such barriers, one can only expect that a huge number of successful migrations would take place.

Considering that mean sea-level of the Pacific side is 0.77 feet higher than the Atlantic, a very small net flow toward the Atlantic would take place. However, the gradient would be so slight—about 0.2 inches per mile—that it would have little effect compared to the difference in tidal amplitude. The tidal currents would cause so much fluctuation and mixing that it seems reasonable to conclude that most marine animals would have ample opportunity to migrate in either direction. We must also bear in mind that many planktonic as well as large organisms have sufficient swimming ability to counteract the effect of a slow net flow in one direction. Finally, we should recognize that many of the benthis invertebrate species will be able to colonize the sides and bottom of the canal itself and, by this method, could slowly extend their populations from one ocean to the other.

I believe that the only dependable means by which large scale migrations and subsequent biological disaster in the tropical Eastern Pacific can be prevented is by the inclusion of an extensive freshwater barrier. The Atlantic-Pacific Interoceanic Canal Study Commission, with Mr. Sheffey as its Executive Director, has the responsibility of determining the feasibility of a new canal. It will make its final report to President Nixon in December, 1970. Biologists who wish to lend their support to the freshwater barrier concept should make their views known to the Commission and to their Congressmen.

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. HART. 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 ST. LAWRENCE SEAWAY

Mr. HART. Mr. President, approximately 10 years ago, a fourth seacoast was made available to the people of this country. We knew it then and we speak of it now as the St. Lawrence Seaway. The dramatic promise of 10 years ago has been realized only in part, and it is the failure of Congress, among others, that has thus far denied us a full realization of the enormous potential that opening the entire Great Lakes Basin would provide the people of America.

We sometimes forget that when we include the land to the north of the Great Lakes—our Canadian neighbors—in the Great Lakes Basin, we are talking about the population center of North America. The grain that could feed the peoples of the world, the imaginative mechanic skills that put the people of the world on wheels, combine in this center of industrial-population concentration to represent literally the heartland—economic as well as geographic—of our hemisphere.

I am delighted, Mr. President, that the Detroit News, a newspaper which over the years has raised an effective voice first in the matter of persuading Congress to undertake the seaway and since then in attempting to persuade Congress and the shippers of America to give the seaway full opportunity, on Monday featured, with magnificent photographs, a story by Stoddard White. Stoddard White is the marine writer for the Detroit News and is acknowledged by his peers as second to none in an understanding of the Great Lakes and, more recently, of the Great Lakes with the St. Lawrence Seaway.

Many exciting stories are told of the Great Lakes: the long ships that pass in the night, the devastating storms, the men who have gone down to the sea in ships in the Great Lakes. But the bolts and nuts story—the less exciting—clearly will have the greatest influence on the course of the economic history of our continent. Stoddard White, in this report, which he captions "A Billion Dollar Act of Faith," describes some of the bolts and nuts problems of the seaway, as well as citing some of the exciting achievements.

Because it is the responsibility of Congress to respond to some of these artificial and unwise restraints that limit the full effectiveness of the seaway, and because it is the responsibility of Congress to correct these, I ask unanimous consent to have printed at the conclusion of my remarks the Stoddard White article. I think it is interesting reading to all Americans and should be required reading to all my colleagues.

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

THE 10-YEAR-OLD SEAWAY NEEDS EXPANSION.—A BILLION-DOLLAR ACT OF FAITH

(By Stoddard White)[1]

Like that other fabled waterway, the St. Lawrence Seaway ignores birthdays and just keeps rollin' along—living up to expectations, confounding critics and already approaching the time when its facilities must be expanded.

The 10th birthday of this prodigious engineering and economic achievement was celebrated a month ago, with attendant fanfare involving at the top the President of the United States and the prime minister of Canada.

But the users of the Seaway—the ships of half a hundred nations—paid scant attention to the ceremonies ashore.

Their contribution to the celebration was their continued steady passage up and down the 2,342 miles between the Atlantic Ocean and the western extremities of the Great Lakes, obviously making money for their owners and those who send and receive their cargoes.

Ten years earlier the two nations opened the heartland of North America to the world's navigation. In an accompanying and even more costly project, New York and Ontario jointly built dams and plants on the world's greatest untapped source of hydroelectric power. It was a billion-dollar act of faith.

Last year the partners watched their various gauges and saw kilowatts pouring across several states and provinces—and 6,600 transits by ocean and lake vessels moving more than 48 million tons of cargo. It was a vindication of that earlier faith.

Technically, the seaway as opened in 1959 is essentially 182 miles of the St. Lawrence River between Lake Ontario and Montreal, canaled and dammed in places to surmount the rapids which had barred travel as far back as Indian days.

Canada paid about two-thirds of the bill and the United States about one-third, and we share the tolls accordingly.

Actually, Seaway trade extends from Duluth and Chicago to the Gulf of St. Lawrence. The 28-mile, eight-lock Welland Canal is operated by Canada's Seaway Authority. The Soo Locks form a Seaway channel for vessels carrying cargoes to and from Lake Superior. And the United States spent more (about $135 million) deepening and widening the connecting channels of the Great Lakes for both domestic and Seaway traffic than it spent on the St. Lawrence itself.

The Seaway benefits not only ocean shipping, but a specialized Great Lakes trade. The characteristic vessels nick-named "alers" sail both ways along with the "salties," carrying Lake Superior grain far down the St.

[1] Stoddard White, a Detroit News reporter and writer for 35 years, has been covering shipping on the Great Lakes and St. Lawrence Seaway since 1950 and writing the weekly "Port and Marine" column.

He made his first trip for The News down the St. Lawrence Valley before the first of the giant earth-moving machines arrived.

He and photographer Charles T. Martin later spent many days on the construction sites reporting on the building of locks, dams and bridges and removal of human and animal populations—and graveyards—from areas to be flooded out by the project.

By ship, auto and plane, White has made eight reporting tours of the Seaway before and since covering the 1959 dedication by President Eisenhower and Queen Elizabeth II.

Lawrence and returning with iron ore from Labrador for American and Canadian steel mills.

A typical schedule for one of these freshwater vessels takes it on a 5,000-mile round trip through all five of the Lakes.

More than 80 percent of the Seaway trade last year was in bulk cargoes such as iron ore and grain. But the number of general-cargo ships (those carrying high-value commodities usually packaged in one way or another) is on the increase.

The ship headed from the ocean to the Detroit River has not only a long voyage westward, but a climb of more than 570 feet from sea level to the middle of the Detroit River.

Lake Superior is 32 feet higher and, to reach it, a vessel climbs the equivalent of a 60-story building.

Just to go the 1,000 miles from the ocean to Montreal, the ship makes a climb of 20 feet without the aid of locks.

Then seven locks—five Canadian and two American—are filled with water to take her up to the level of Lake Ontario, easternmost and lowest of the Great Lakes.

Here, before the Seaway, was the most spectacular portion of the great river. In 44 miles, it fell 90 feet, and the famous Long Sault Rapids were a perpetual storm of waves several feet high.

This area now is a reservoir dammed by the Ontario-New York power complex and known as Lake St. Lawrence, a man-made lake covering 100 square miles beneath which are the sites of historic French and English villages and the now-stilled Long Sault.

The difference in elevation is overcome by the United States' Eisenhower and Snell locks near Massena, N.Y., and a Canadian control lock upstream at Iroquois, Ontario.

The ship meets no further obstacles until the place where the outflow of Lake Erie is channeled through Niagara Falls. Here Canada built the first Welland Canal, which opened in 1829, and has been enlarging it ever since.

This is the part of the Seaway that Norwegian seamen call "going over the mountain." Seven tightly grouped locks in an eight-mile section lift the ship some 326 feet to the Lake Erie level. An eighth lock has a shallow lift, controlling the water level at the Erie end.

Roads parallel the length of the canal and are well marked with signs directing the tourist to lookout sites almost within touching distance of ships.

Between Thorold and St. Catharines are the famous "flight locks," three of the seven. These three are twinned—two locks side by side so that one ship rises while the one beside it is lowered—and one connects directly with another so that the visitor can see three ships at a time, almost atop each other.

Already the great locks and expensively dredged 27-foot-deep channels are beginning to confine ships, and both countries are exploring deepening the channels and duplicating the canals.

Where there were 6,600 transits in and out last year, there were more than 7,000 a few years ago. This is not an indication of decreased business—the ships are getting larger, affording greater tonnage with less traffic.

Larger ships are one of the arguments for twinning existing locks and for other expansions of the Seaway. Canada talks of duplicating the Eisenhower and Snell locks for an all-Canadian Seaway, and U.S. engineers are studying an all-American canal across the west end of New York State to duplicate Canada's Welland.

Expansion of the direct water route between America's "Fourth Seacoast" and the rest of the world is considered inevitable by those who believe traffic will continue to grow as North American needs tax other modes of transportation.

It is easier to prove that the Seaway is—thus far, at least—"losing money."

The controversial toll system does not bring in enough money to pay for amortization, operating costs (higher than forecast) and interest.

Both the U.S. and Canadian operating authorities owe their government treasuries huge sums in back interest—$12 million on the U.S. side alone last year.

A large, loaded vessel pays as much as $15,000 in tolls for one trip into the Great Lakes The mere passage of paying ships on 6,600 occasions in a year attests to the light in which the Seaway is held by the world's shipping companies and their customers.

The latter have learned—albeit some of them slowly—that added to the normal economy of shipping by water is the advantage of direct shipment over a route demonstrably shorter than that from many East Coast ports without transshipment which may result in cargo delays, damage, pilferage and avoiding the added expense of more costly overland transportation.

By U.S. law, construction of the nation's toll-free waterways can be recommended to Congress by the Army Corps of Engineers (which is charged with evaluating such projects) only if the expense to the whole public is justified by foreseeable economic benefit to at least a large part of the people.

ORDER OF BUSINESS

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

DESIGNATION OF "NATIONAL ARCHERY WEEK"

Mr. KENNEDY. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on Senate Joint Resolution 85.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to 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," which was to strike out the preamble.

Mr. KENNEDY. Mr. President, I move that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 1373) to amend the Federal Aviation Act of 1958, as amended, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STAGGERS, Mr. FRIEDEL, Mr. DINGELL, Mr. PICKLE, Mr. SPRINGER, Mr. DEVINE, and Mr. CUNNINGHAM were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 10595) to amend the act of August 7, 1956 (70 Stat. 1115), as amended, providing for a Great Plains conservation program; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. POAGE, Mr. STUBBLEFIELD, Mr. PURCELL, Mr. BELCHER, and Mr. TEAGUE of California were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

S. 38. An act to consent to the upper Niobrara River Compact between the States of Wyoming and Nebraska; and

S. 1590. An act to amend the National Commission on Product Safety Act in order to extend the life of the Commission so that it may complete its assigned task.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PROPOSED LEGISLATION PROVIDING FOR THE ADJUSTMENT, BY THE ADMINISTRATOR OF VETERANS' AFFAIRS, OF THE LEGISLATIVE JURISDICTION OVER LANDS BELONGING TO THE UNITED STATES WHICH ARE UNDER HIS SUPERVISION AND CONTROL

A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to provide for the adjustment, by the Administrator of Veterans' Affairs of the legislative jurisdiction over lands belonging to the United States which are under his supervision and control (with an accompanying paper); to the Committee on Labor and Public Welfare.

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on selected automatic data processing activities, District of Columbia Government, dated July 31, 1969 (with an accompanying report); to the Committee on Government Operations.

REPORT OF THE ATTORNEY GENERAL

A letter from the Attorney General of the United States, transmitting, pursuant to law, a report on certain exemptions from the antitrust laws, as of July 1, 1969 (with an accompanying report); to the Committee on the Judiciary.

PROPOSED ADJUSTMENT OF MAXIMUM SALARIES FOR FULL- AND PART-TIME U.S. MAGISTRATES

A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to adjust the maximum salaries for full- and part-time U.S. Magistrates (with accompanying papers); to the Committee on the Judiciary.

PROPOSED LEGISLATION EXTENDING THE AUTHORITY FOR EXEMPTIONS FROM THE ANTITRUST LAWS TO ASSIST IN SAFEGUARDING THE BALANCE-OF-PAYMENTS POSITION OF THE UNITED STATES

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to extend the authority for exemptions from the antitrust laws to assist in safeguarding the balance-of-payments position of the United States (with accompanying papers); to the Committee on the Judiciary.

PROPOSED LEGISLATION PROVIDING THAT AGENCY HEADS BE PAID ON A BIWEEKLY BASIS

A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to provide that heads of Federal agencies shall be paid on a biweekly rather than monthly basis (with accompanying papers); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

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

By the ACTING PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Alabama; to the Committee on Commerce:

"HOUSE JOINT RESOLUTION 23

"A resolution to the Congress of the United States, the Alabama Congressional Delegation, the Committee on Interstate and Foreign Commerce of the United States Senate and the Committee on Interstate and Foreign Commerce of the United States House of Representatives requesting that an investigation be made into the manner in which the Interstate Commerce Commission is allowing passenger train service in the United States to be slaughtered through section 13a of the Transportation Act of 1958.

"Whereas, for many years the authority to discontinue passenger trains was left to the various state commissions having jurisdiction over same; and

"Whereas, it was necessary for rail carriers to prove that by rights of convenience and necessity that discontinuing passenger service would not adversely affect the public and was a burden on interstate commerce to continue same; and

"Whereas, with the passage of the amendment to the Transportation Act of 1958 gave the Interstate Commerce authority and jurisdiction over applications filed under Section 13a of the Transportation Act; and

"Whereas, many rail carriers have availed themselves of the opportunity, through Section 13a of the Transportation Act, to deprive the public of rail transportation by the removal of passenger trains and degrading their services and equipment so as to inconvenience the public.

"Now, therefore, be it resolved by the House of Representatives of the State of Alabama, the Senate concurring therein:

"That the Legislative Assembly of the State of Alabama request the Congress of the United States to initiate a Congressional investigation into the manner in which the Interstate Commerce Commission has allowed the mass slaughter of passenger trains; and

"Be it further resolved, that the Congress of the United States be requested to declare a moratorium on all passenger train discontinuances until the investigation is complete and Congress determines what manner of authority will be required from the Interstate Commerce Commission to discontinue inter-city passenger trains.

"Be it further resolved, that the Congress of the United States be informed that the authority granted the Interstate Commerce Commission under Section 13a of the Transportation Act of 1958 is not being used in the best interest of the citizens of the State of Alabama by approving the applications to discontinue 18 passenger trains over a period of 18 months.

"Be it further resolved, that the Secretary of State be instructed to send copies of this resolution to the President of the United States; the President of the Senate of the United States; the Speaker of the House of Representatives of the United States; to the members of the Alabama Delegation of Congress; to the Chairman of the Committee on Interstate and Foreign Commerce of the United States Senate and to the Chairman of the Committee on Interstate and Foreign Commerce of the United States House of Representatives.

"——— ———,

"Speaker of the House of Representatives.

"O. H. GOODWYN,

"President Pro Tem and Presiding Officer of the Senate.

"I hereby certify that the with House Joint Resolution originated in and was adopted by the House May 27, 1969.

"JOHN W. PEMBERTON,

"Clerk.

"Senate approved July 22, 1969."

A letter, in the nature of a petition, signed by the Chairman, Steering Committee for the Federal Employees of the Virgin Islands, St. Thomas, Virgin Islands, praying for the restoration of a cost-of-living allowance; to the Committee on Post Office and Civil Service.

BILLS INTRODUCED

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

By Mr. STEVENS:

S. 2739. A bill to expand the definition of deductible moving expenses incurred by an employee; to the Committee on Finance.

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

By Mr. HOLLINGS:

S. 2740. A bill to amend section 2 of the National Housing Act relative to mobile homes; to the Committee on Banking and Currency.

By Mr. GORE:

S. 2741. A bill to amend titles 10 and 37, United States Code, to provide equality of treatment for married female members of the uniformed services; to the Committee on Armed Services.

By Mr. MCCARTHY:

S. 2742. A bill to amend the Securities Exchange Act of 1934 by providing for expanded membership no national securities exchanges; to the Committee on Banking and Currency.

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

By Mr. WILLIAMS of New Jersey:

S. 2743. A bill for the relief of Rosa Luisa Giordano;

S. 2744. A bill for the relief of John Themistokleous;

S. 2745. A bill for the relief of Vita Schiralli; and

S. 2746. A bill for the relief of Andrea Giovanni Petta; to the Committee on the Judiciary.

By Mr. TYDINGS:

S. 2747. A bill to require the Secretary of Health, Education, and Welfare to conduct a study and investigation of the effects of the use of certain poisons on man's health and environment, and for other purposes; to the Committee on Agriculture and Forestry.

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

By Mr. HARTKE:

S. 2748. A bill to amend the Antidumping Act, 1921, as amended; to the Committee on Finance.

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

By Mr. MOSS:

S. 2749. A bill to authorize the payment of a special death gratuity to the widow, children, and parents of members of the Armed Forces who lost their lives on the U.S.S. *Scorpion;* to the Committee on Finance.

By Mr. HARTKE:

S. 2750. A bill to amend section 13a of the Interstate Commerce Act so as to provide for reimbursement to the carrier of the cost of operating uneconomic interstate railroad passenger train service performed under order of the Commission; to the Committee on Commerce.

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

By Mr. MOSS:

S. 2751. A bill to amend chapter 73 of title 38, United States Code, to authorize the payment of differential pay for evening and night work performed by nurses employed by the Veterans' Administration; to the Committee on Labor and Public Welfare.

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

By Mr. MUSKIE:

S. 2752. A bill to promote intergovernmental cooperation in the control of site selection and construction of bulk power facilities for environmental and coordination purposes; to the Committee on Government Operations, by unanimous consent; and, when reported from that committee to be referred to the Committee on Commerce.

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

By Mr. JAVITS (for himself and Mr. PROUTY):

S. 2753. A bill to amend the Public Health Service Act so as further to assist in meeting the Nation's needs for adequately trained personnel in the allied health professions, and for other purposes; to the Committee on Labor and Public Welfare.

(The remarks of Mr. JAVITS when he introduced the bill appear earlier in the RECORD under an appropriate heading.)

S. 2739—INTRODUCTION OF A BILL EXPANDING THE DEFINITION OF DEDUCTIBLE MOVING EXPENSES INCURRED BY AN EMPLOYEE

Mr. STEVENS. Mr. President, today I am introducing Senate bill 2739 which is designed to allow additional legitimate moving expenses to be deducted under existing Internal Revenue procedures. This is a companion bill to one recently introduced into the House of Representatives.

We are all aware of the rising costs of living facing us, but nowhere is this cost more apparent than my home State of Alaska. In the past only those costs such as travel and household moving have been allowable deductions. However these comprise only a portion of the actual costs involved. Reliable sources fix the cost to an average family for moving

at $3,300. In Alaska the average can go as high as $5,000. And yet under existing regulations only a portion of this amount may be deducted.

Certainly costs such as temporary housing, loss that might incur from a broken lease, costs in purchasing a new house, and in looking for a new home are all part of moving, and costs we have all borne in our previous moves.

My bill would recognize these costs; costs which have long been recognized by private industry, and allow reasonable and just deductions within the Internal Revenue Code.

Homeowners purchasing a home in their new place of residency would be allowed up to $2,500 in additional deductions. A renter would be granted up to $1,000 in new deductions.

With the enactment of this bill our highly mobile American society will no longer be penalized because they have found it necessary to move from one area to another.

Mr. President, it is my understanding that this amendment will not apply to Members of Congress because, technically if not otherwise, our principal place of residence remains in our State or district, notwithstanding our residence in the Washington area while Congress is in session.

Mr. President, I ask unanimous consent that the text of my bill be printed immediately following these remarks 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. 2739) to expand the definition of deductible moving expenses incurred by an employee, 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. 2739

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (1) of section 217(b) of the Internal Revenue Code of 1954 (relating to definition of moving expenses) is amended to read as follows:

"(1) IN GENERAL.—For purposes of this section, the term 'moving expenses' means only the reasonable expenses—

"(A) of moving household goods and personal effects (including temporary storage expenses) from the former residence to the new residence;

"(B) of traveling (including meals and lodging) from the former residence to the new place of residence;

"(C) of traveling (including meals and lodging) by the taxpayer, his spouse, or both for the purpose of searching for a new residence in the area of the new principal place of work when both the old and the new principal places of work are located within the United States.

"(D) of meals and lodging of the taxpayer and members of his household at the new place of residence while occupying temporary quarters for a period not exceeding 30 days;

"(E) incident to the sale or exchange of taxpayer's former residence (not including expenses of redecorating or other items to improve salability) or to the settlement of an unexpired lease covering property used by the taxpayer as his former residence, and

"(F) incident to the purchase of a residence in the area of the new principal place of work.

If the aggregate of the expenses described in subparagraphs (C), (D), (E), and (F) exceed $2,500 in the case of a taxpayer who was the owner of his principal place of abode at the former residence, subsection (a) shall apply only to the first $2,500 of such expenses, and if the aggregate of such expenses exceed $1,000 in the case of any other taxpayer, subsection (a) shall apply only to the first $1,000 of such expenses."

SEC. 2. The amendments made by this Act shall apply to expenses incurred after December 31, 1968.

S. 2742—INTRODUCTION OF A BILL PROVIDING FOR EXPANDED MEMBERSHIP ON NATIONAL SECURITIES EXCHANGES

Mr. McCARTHY. Mr. President, I am today introducing legislation which would open membership on registered stock exchanges to all broker-dealers who are registered with the Securities and Exchange Commission, pursuant to section 15 of the Securities Exchange Act of 1934.

Current restrictions imposed by stock exchanges on the number of seats available to broker-dealers would be abolished by this bill. However, it would require new exchange members to pay an appropriate share of the value of the exchange's physical facilities and property so as not to take from present members, without compensation, the value of their contributions to those facilities.

The bill also provides that an exchange could limit membership temporarily to meet such problems as inadequate trading floor facilities. Such temporary limits would become effective 60 days after being filed with the SEC if the SEC found them necessary.

There are approximately 4,530 broker-dealers registered with the Securities and Exchange Commission and only 1,366 seats on the New York Stock Exchange with the number of seats and who may become a member controlled by the New York Stock Exchange with only a limited check by the SEC.

At the present time, the SEC is not even sure whether it has the authority to require the New York Stock Exchange to increase the number of seats or change its membership requirements.

But there are financial institutions such as mutual funds, insurance companies, and pension plans which account for half of the volume on the New York Stock Exchange and one-fourth of its gross commissions. Although many of these institutions are registered as broker-dealers with the SEC, they are arbitrarily excluded by the New York Stock Exchange from membership on the grounds that they are not primarily engaged in the brokerage business.

These institutions represent many millions of shareholders who are thus unable to recoup their brokerage commissions. If exchange membership were available the institution could execute its own transactions and pass on the saving to its shareholders.

The artificial limitation on membership has increased the price of New York Stock Exchange seats to $515,000, thus excluding many small brokers from membership because of their lack of financial resources.

The New York Stock Exchange claims it is protected in its actions by an implied antitrust exemption in the Securities Exchange Act but the Department of Justice, in a brief filed with the SEC on January 17, 1969, says such immunity is implied "only to the extent necessary to make the exchange work and then only to the minimum extent necessary."

The Department of Justice goes on to declare that the SEC should take steps to require expansion of stock brokerage privileges to all qualified individuals up to the physical limit of exchange facilities. That is what my bill provides.

The effective date of the bill would be delayed for 2 years to provide time for readjustment and study of the problem.

I ask unanimous consent to have placed in the RECORD at this point a memorandum dealing with this proposed legislation.

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

The bill (S. 2742) to amend the Securities and Exchange Act of 1934 by providing for expanded membership on national securities exchanges, introduced by Mr. McCARTHY, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The memorandum presented by Mr. McCARTHY, is as follows:

MEMORANDUM

Subject: Proposed bill for expanded membership on registered and national securities exchanges:

Section 6 of the Securities Exchange Act of 1943 delineates the requirements for registration as a national securities exchange. The present Section 6(b) requires the continuing surveillance of member's conduct as a condition to granting or retaining registration. This provision will now be Section 6(b)(2) and the new membership provision will be Section 6(b)(1).

The first sentence of (b)(1) requires that membership on a registered exchange be open to all broker-dealers who are registered with the Commission pursuant to Section 15 of the Securities Exchange Act of 1934. This provision would eliminate the current restrictions imposed by exchanges on the number of seats available to broker-dealers. The Section also requires that new members would have to pay an appropriate share of the value of the exchange's physical facilities and property so as not to take from existing members, without compensation, the value of their contribution to the exchange facilities. An exchange may make rules limiting membership so as to meet such temporary problems as may exist respecting use of limited floor facilities by new members. Such rules would be restricted to this purpose and for a limited period of time. They would become effective 60 days after being filed with the Commission if the Commission finds that they are necessary or appropriate in the public interest or for the protection

of investors, and to carry out the purposes of free access to exchange membership for any registered broker or dealer.

BACKGROUND MEMORANDUM

There are approximately 4,530 broker-dealers registered with the Securities and Exchange Commission and only 1,366 seats (members) of the New York Stock Exchange. Of these 1,366 members approximately 600 deal with the public. The remainder work on the floor of the Exchange either for their own accounts, as specialists, or in various other non-public functions. The number of seats and who may become a member is controlled directly by the New York Stock Exchange with limited SEC oversight. The SEC is not even sure as to whether or not it can require the New York Stock Exchange to increase the number of seats or change its membership requirements.

Financial institutions such as mutual funds, insurance companies and pension plans account for 50% of the volume on the Exchange and for 25% of the gross commissions. Many of these institutions are registered as broker-dealers with the SEC. However, the Stock Exchange has arbitrarily excluded them from membership claiming that they are not primarily engaged in the brokerage business. Also excluded from membership are all publicly held companies. Thus, member brokerage houses are excluded from raising capital via equity financing.

Financial institutions have many millions of shareholders (there are 5 million mutual fund shareholders alone) and by barring them from New York Stock Exchange membership these shareholders are unable to recoup their brokerage commissions. On the other hand if Exchange membership was made available the institution could execute its own transactions and pass on the saving to its shareholders. For example, Investors Diversified Securities has a subsidiary which is a member of the Pacific Coast Stock Exchange (where no such limitation on membership exists). During 1967 I.D.S. was able to refund $4.1 million in commissions to its fund's shareholders.

The artificial limitation on membership has also increased the price of Stock Exchange seats to $515,000, excluding many small brokers from membership because of lack of financial resources.

In 1968 New York Stock Exchange commissions amounted to approximately $1,700,000,000. Since non-members are not allowed to share in these commissions (under New York Stock Exchange Rules a member is prohibited from splitting commissions with a non-member), small broker-dealers and financial institutions have been effectively barred from sharing in this income. As stated before, the cost to financial institutions such as mutual funds has been especially high since they have been unable to execute their own transactions and pass on the savings in commissions to their shareholders.

The New York Stock Exchange claims it is protected in its actions by an implied anti-trust exemption contained in Section 19 of the Securities Exchange Act. However, the Justice Department in a brief filed with the SEC on January 17, 1969, a copy of which is enclosed, states that antitrust immunity for Exchange activities is to be implied "only to the extent necessary to make the Exchange work and then only to the minimum extent necessary." The Department on Page 198 goes on to state that after adequate study (this subject has been studied ad nauseam), the SEC should take steps to require expansion of stock brokerage privileges (Stock Exchange membership) to all qualified individuals up to the physical limit of such facilities. The enclosed bill provides for such a result. Time for readjustment and study is provided by a two-year delay in its effective date.

S. 2747—INTRODUCTION OF A BILL TO REQUIRE THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE TO CONDUCT A STUDY OF THE EFFECTS OF THE USE OF CERTAIN POISONS ON MAN'S HEALTH AND ENVIRONMENT

Mr. TYDINGS. Mr. President, I introduce today legislation designed to protect our people and our ecological system from the growing accumulation of toxic residues in the environment, stemming from the widespread use of pesticides.

In the past few months increasing public awareness of this accumulation has led to alarm over the long-term impact which the systematic, yet often indiscriminate applications of pesticides have had on our environment. Pesticides, after all, are poisons. Their deliberate injection into the land must be viewed as cause for concern, regardless of the precautions taken.

Of particular concern are those pesticides which do not break down after application. Pesticides are synthetic organic chemicals. Many of them degrade and disappear shortly after use. Others do not, remaining in the land for months or even years. These are termed persistent or hard pesticides. They retain their toxic quality and are transported throughout the environment in the soil, water, or in the air.

It is the accumulation of these pesticides, these poisons, in increasing amounts and all over the globe which has alarmed both scientists and conservationists alike.

It is this poisoning of our environment about which Rachel Carson so eloquently warned in her bestselling book, "The Silent Spring."

The danger from persistent pesticides, such as DDT, dieldrin, and endrin is now recognized. In 1963, a report of the President's Science Advisory Committee recommended that "the accretion of residues in the environment be controlled by orderly reduction in the use of persistent pesticides." The report went on to say that "elimination of the use of persistent toxic pesticides should be the goal." In May of this year, the Commission on Persistent Pesticides of the National Research Council, National Academy of Sciences said that it was "convinced that there is an immediate need for worldwide attention to the problem of buildup of persistent pesticides in the total environment." Finally, in recent testimony before the Subcommittee on Energy, Natural Resources and the Environment, of which I am a member, Dr. Leslie L. Glasgow, Assistant Secretary for Fish and Wildlife, Parks, and Marine Resources, U.S. Department of the Interior, stated that because of their toxic impact, we should begin to phase out hard pesticides.

An alarming example of the danger posed by persistent pesticides was the seizure last month by the FDA of 28,150 pounds of Lake Michigan Coho salmon which was found to contain 13 to 19 parts per million of DDT. As five p.p.m. is considered safe, the salmon was declared unfit for human consumption.

A Swedish scientist, Dr. Goran Lofroth, stated in May that breast-fed infants throughout the world were ingesting approximately twice the amount of DDT compounds recommended as a maximum daily intake by the World Health Organization. Dr. Lofroth, who is a radiobiologist at Stockholm University, found that the babies received a daily average of 0.02 milligrams per kilogram of DDT from their mother's milk. WHO has set 0.01 milligrams per kilogram of DDT and its compounds as the maximum recommended daily intake.

DDT is also threatening wildlife. Alexander Sprunt, research director of the National Audubon Society, says that unless we ban DDT, the American bald eagle will soon become extinct. The pesticide inhibits the development of the eggshell. It disturbs the calcium metabolism of the bird, resulting in a shell that is too thin to protect adequately the developing embryo.

Through the process of biological magnification in the food chain, whereby minute quantities of pesticides accumulate in tiny marine organisms and are transferred in ever-increasing amounts to plankton-eating fish, carnivorous fish, and finally birds of prey, other types of birds have been threatened. Dr. Glasgow reported:

> Pesticide residues in fish are considered the most probable cause of the decline in hatching success in a colony of brown pelicans off the California coast this spring.

It is likely that the toxic residues of pesticides have also destroyed the peregrine falcon as a breeding bird in the Eastern United States.

Equally disturbing is the effect on marine life. Dr. Charles F. Wurster, Jr., of the State University of New York at Stony Brook is concerned by the effect of DDT on the growth and photosynthesis of basic marine plankton. Plankton is crucial to the production of oxygen and is the indispensable base of marine food chains. Interference with its growth and photosynthesis, warns Dr. Wurster, could have "profound worldwide biological implication." His warning is echoed by Dr. Charles M. Woodwell, an ecologist at Brookhaven National Laboratory who speaks of "the serious and subtle changes caused by continuous exposure to the low level of pesticides in the environment—that threaten to degrade the biota of the earth and especially the oceans in a very serious way."

The Department of the Interior recently released a 2-year study which showed that DDT residues were found in 584 of 590 samples of fish taken from 44 rivers and lakes across the country. In 12 of the 44, DDT levels were above five parts per million.

While there is not yet concrete evidence that the present level of toxic residues from persistent pesticides definitely harms man, many people are concerned. They should be, for pesticides are poisons. They are designed to kill

or metabolically upset some living target organism.

Their accumulation in the body cannot be healthy. Scientists are particularly worried over possible mutagenic effects of pesticide residues. Dr. Osny G. Falmy of the C. Beatty Research Institute in London warns that man is now absorbing enough pesticides to double the normal mutation rate. These pesticides are capable of disrupting the DNA molecule, their effect is cumulative, and the mutations may not show up for generations.

Prudence and commonsense require that we take steps to protect ourselves and our environment.

Some action has already been taken. Sweden and Hungary have forbidden the use of dieldrin and aldrin. The Soviet Union never permitted their use while Great Britain, France, and the Netherlands have prohibited dieldrin and aldrin at spring seeding.

Denmark, Sweden, and Hungary have banned the use of DDT. So have Arizona and Michigan. California, New York, and Wisconsin are considering such a move.

The response of our own Federal Government, however, has not been encouraging. On July 6, the Department of Agriculture announced it planned to spray National Airport with 1,086 pounds of dieldrin. Only the public uproar which this proposal created forced cancellation of the project. The Department then announced it was suspending for 30 days its own use of eight pesticides, pending a review of its control program.

Clearly this step is inadequate. At a time when other nations and three of our own States are moving forcefully to halt the pollution of our environment by persistent pesticides, our Government's response is a short-term, temporary suspension. Reports indicate that the likely result of the Department's review will be a prohibition on aerial spraying and the use of pesticides in marine areas. While this is desirable, it is by no means sufficient.

When a giant step was required, only a small stride was taken. The Agriculture Department has not properly responded to the pesticide problem. It has abdicated its leadership and ignored its responsibility.

The legislation I am introducing today is designed to correct this. The bill contains four major provisions. It directs the Secretary of Health, Education, and Welfare to make a comprehensive study of the use and effects of pesticides. It transfers the pesticide regulatory functions from the Department of Agriculture to the Department of Health, Education, and Welfare. It removes the exemption from registration and labeling of those pesticides intended solely for export. Finally, the bill places a 4-year moratorium on four of the more persistent and powerful pesticides.

One basic problem with the use of pesticides is the inadequacy of our knowledge on the impact of pesticides on our environment. We need additional information, particularly concerning possible long-term hazards and the effects on man's health. The national pesticides study will provide this. It will also evaluate the effectiveness of Federal regulation of pesticides and give special consideration to the question of persistence. The latter is important for our lack of knowledge regarding persistence is acute. This was recognized by the National Academy of Sciences' May 1969 report which stated:

> There is relatively little information about the ultimate fate of persistent pesticides in soil or in other parts of any ecosystem, or about the sequence in which the degradation processes take place.

Of particular significance, the study will advise on the desirability of permanently prohibiting the use of any or all pesticides.

By transferring the pesticide regulatory function to HEW the bill removes the conflict of interest inherent when an agency polices a program it promotes. The basic responsibility of the Department of Agriculture is to insure food production. It is oriented to the farmer, and understandably so. It is not attuned toward restricting a tool highly favored by the constituency it serves. It is not as sensitive as it should be to possible disturbances of our ecological system. The Director of the Pesticides Registration Division, the office responsible for pesticides within USDA, recently testified in Wisconsin that PRD relies heavily on the data supplied by the manufacturer for the registration of pesticides. Given all this the Department cannot help but be prejudicial toward the use of pesticides. My bill would transfer the functions of PRD to the Consumer Protection and Environmental Health Service of HEW. This office which contains the Environmental Control Administration is the proper location for PRD whose prime concern must be the health and well-being of man and his environment. The transfer is consistent with the mission of HEW as the principal office of Government responsible for the health and well-being of our citizens.

The basic Federal law governing pesticides provides for the dual requirement of registration and licensing. Before their introduction into the marketplace, pesticides must be registered with USDA and then properly labeled. Yet this requirement does not apply to those pesticides produced solely for export. Under section 3(b) of the basic law pesticides intended for shipment overseas are specifically exempted from the registration and labeling provisions of the act. The effect of this is to extend a measure of protection to our own citizens yet deny it to millions of people abroad. We are in effect saying that while we are unwilling to poison our own people we have no qualms about permitting the possibility of poisoning others. I do not think this is right. It may be economically profitable or administratively convenient, but it is not right. The issue is primarily a moral one. People everywhere, regardless of citizenship, deserve to be protected from environmental contamination by pesticides. My bill removes this special exemption and thus affords the people abroad to whom we ship over 400 million pounds of pesticides each year the same protection that we receive here in the United States.

Under certain circumstances, however, it may be desirable for certain pesticides to be used abroad that we may not wish to apply here. An example might be a persistent pesticide useful to combat a disease not normally found in the United States. On balance it may be wiser to use the pesticide and risk the pollution rather than let the disease go unchecked. The bill would not forbid this. It removes a special exemption from registration and labeling which now exists. It does not, nor does the Federal law, directly and absolutely, prohibit the shipment of particular pesticides by name. Rather, each rely essentially on prohibiting the shipment of pesticides that have been neither registered nor labeled or improperly registered and labeled. With these requirements fulfilled however the export of the pesticides involved could take place.

Recently 20 members of the Department of Biological Sciences at Stanford University condemned the continued use of DDT and other similar pesticides. They are concerned, as I am, by the danger these persistent substances pose to our ecological system. The bill I introduce today places a 4-year moratorium on the use of DDT, dieldrin, aldrin, and endrin. These are four of the most powerful and persistent pesticides.

Instead of continuing to poison our environment with toxic residues, we should call a halt to the application of these pesticides. In the face of mounting evidence that indicates a definite deterioration in the environment due to the pesticide residues, we should stop using these persistent products pending a careful exhaustive examination of their impact on the environment.

The moratorium on DDT, dieldrin, aldrin, and endrin would do this. It temporarily halts the deliberate injection of these four lingering poisons into our land, sea, and air.

Should the evidence of damage prove conclusive, a permanent ban of the four pesticides would be in order. Should it not, selected applications or even unlimited use could be permitted.

The point is to halt the present poisoning in the face of repeated and respected evidence that residues from persistent pesticides are harming our environment. Other nations have already acted, we should not delay further.

In any discussion of pesticides, it is only fair to point out the many benefits which the development of these chemical compounds have brought about. They are, to a real extent, in part responsible for our high standard of living. Pesticides have facilitated the protection and production of food, feed, and fiber. They have made a major contribution to the agricultural wealth of this country. Pesticides have also freed man from many communicable diseases. Malaria and yellow fever are but two diseases that are now rare in North America due to the development of pesticides.

To say now that we must limit their use is not to say however that we should stop using them altogether. What disturbs me is the extensive use of the persistent pesticides whose poisons linger long after their initial application. We must phase these out and replace them with safer, equally efficient alternatives. In most cases these alternatives are already available. Where they are not, they shall have to be developed.

No doubt the costs of using these nonpersistent alternatives will he higher than present costs. Pesticides may have to be sprayed twice or three times where before once would suffice. Yet, a quality environment does not come cheaply. Moreover, it simply does not make sense to continue to permit contamination. The small savings incurred by the present use of persistent pesticides are easily outweighed by their long-term costs, costs measured in terms of the health and well-being of man and other lifeforms in the environment.

Pesticides, of course, are big business. Total domestic sales this year are forecast at $1.7 billion. Most of this is spent for agriculture; although $255 million was spent both for household and garden use and industrial and institutional use. The United States produces an estimated two-thirds of the world's supply of pesticides. Of some 900 million pounds manufactured in 1967, more than 400 million were exported. These figures are rising. Secretary General U Thant has reported that present pesticide production now stands at 1.3 billion pounds per year.

In the United States many of these pesticides are manufactured or marketed in violation of the law. According to a September 1968 Government Accounting Office report, 2,751 samples of pesticide products were tested and reviewed by USDA in fiscal year 1966. Of these, 750 were found to violate the law. Of these, 750,562 were deemed major violations warranting either seizure or prosecution. This represents 20 percent of all the samples tested and reviewed in fiscal year 1966.

The GAO also found that the Department initiated 106 enforcement actions to remove misbranded, adulterated, and unregistered products from the market. Unfortunately, USDA rarely took action to secure quantity and shipping data in order to recall faulty or dangerous products. If action was taken against a specific product, no effort was made to find out where other shipments of the same product were sent. The public was still exposed to the danger even though the Department theoretically had acted to protect it.

Equally disturbing was the GAO finding that despite major and repeated violations of the law, USDA had taken no action in 13 years to report these violations to the Department of Justice for prosecution. This lax attitude toward improprieties is indicative of the close association which often develops between big business and the Government agencies which are supposed to regulate them. It is a good example of why the Pesticides Registration Division should be transferred to the Department of Health, Education, and Welfare.

The pesticides problem illustrates the lack of coordination and absence of policy we see so often in Federal activity relating to the environment. There is no one agency primarily concerned with the adverse impact that persistent pesticides have. Agriculture is in the driver's seat and cooperation with Interior and HEW is by no means optimal. The effort to protect our resources from these poisons is thus fragmented and hindered by the lack of a national policy binding on all the agencies of Government. The result, as understated by the National Academy of Sciences' report, is—

> In general, present regulations contain inadequate provisions for protecting the environment.

On April 15, I introduced legislation creating an Office of Environmental Quality. This would be a small, select Office located within the Executive Office of the President. Its main task is to advise the President in matters relating to environmental quality. Equally important, however, it is charged with devising policies, establishing priorities, and insuring coordination among the Federal Government in the field of conservation. Its absence is felt in the area of pesticides for here we have little coordination, uneven priorities, and no central policy. The pesticides problem is a classic illustration of the need for an agency such as I have proposed.

Mr. President, no long-term solution to the problems posed by persistent pesticides will be found by this Nation alone. The active participation of all nations is required if we are to secure an environment free from dangerous poisons. We are, as the pictures from Apollo so vividly remind us, one world and must work together both to increase our understanding of the pesticide danger and take united action against it when warranted.

As the world's largest producer of pesticides, the United States has a unique responsibility for insuring that pesticides do not endanger man and the other life forms in the environment. So far, I do not think we have lived up to this responsibility. I, therefore, call upon the administration to support the legislation I am introducing today and to initiate an international effort to take cooperative measures whereby the worldwide dangers from persistent pesticides will be reduced and an environment of quality and safety will be insured for all nations.

Mr. President, I ask unanimous consent that the text of the bill I introduce today now be printed 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. 2747) to require the Secretary of Health, Education, and Welfare to conduct a study and investigation of the effects of the use of certain poisons on man's health and environment, and for other purposes, introduced by Mr. TYDINGS, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

S. 2747

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 "Health and Environment Protection Act of 1969."

NATIONAL PESTICIDES STUDY

SEC. 2. (a) The Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the "Secretary") shall conduct a comprehensive study and investigation of the use and effects of pesticides on man and other animals, on other life forms, and on man's environment. In carrying out such study and investigation the Secretary shall, among other things, give special consideration to—

(1) the necessity and desirability of using pesticides;

(2) the advisability of permanently prohibiting the use of certain pesticides or classes of pesticides;

(3) the effectiveness of existing Federal regulation of pesticides;

(4) the length of time that pesticides continue to remain in effect in man's environment after application; and

(5) laws and regulations of other countries relating to the use of pesticides and the international consequences of such laws and regulations, or the absence thereof.

(b) In carrying out the study and investigation provided for in subsection (a) of this section, the Secretary shall seek the assistance and cooperation of the Secretary of Agriculture and the Secretary of the Interior. He shall also seek the advice and counsel of persons outside the Government who are eminently qualified to assist in carrying out such study and investigation by reason of their education, training, and knowledge in the various fields of science related to such study and investigation.

(c) The Secretary shall submit a report to the President and the Congress on the results of his study and investigation not later than thirty months after the date of enactment of this Act and shall include in such report such recommendations for administrative and legislative action as he deems appropriate.

TRANSFER OF ADMINISTRATION OF THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT

SEC. 3. (a) All powers, duties, and functions of the Secretary of Agriculture relating to the administration of the Federal Insecticide, Fungicide, and Rodenticide Act (61 Stat. 163; 7 U.S.C. 135–135k) are hereby transferred to and vested in the Secretary of Health, Education, and Welfare.

(b) So much of the assets, liabilities, contracts, commitments, property, records, personnel, and unexpended balances of appropriations, allocations, and other funds (including authorizations and allocations for administrative expenses), available or to be made available, of the Department of Agriculture as the Director of the Bureau of the Budget shall determine relates primarily to the administration of the Federal Insecticide, Fungicide, and Rodenticide Act (on the day before the effective date of this section) shall be transferred from the Department of Agriculture to the Department of Health, Education, and Welfare on the effective date of this section or as soon thereafter as practicable.

(c) Such further measures and dispositions as the Director of the Bureau of the Budget shall determine to be necessary in order to effectuate the transfers provided for in this section shall be carried out in such manner as the Director of the Bureau of the Budget shall prescribe.

(d) Any transfer of personnel pursuant to this section shall be without change in clas-

sification or compensation, except that this requirement shall not operate to prevent the adjustment of classification or compensation to conform to the duties to which such transferred personnel may be assigned. All orders, rules, regulations, permits, or other privileges, made, issued, or granted by any agency or in connection with any functions transferred by this section, and in effect at the time of transfer shall continue in effect to the same extent as if such transfer had not occurred, until modified, superseded, or repealed by the Secretary of Health, Education, and Welfare. No suit, action, or other proceeding lawfully commenced by or against the Department of Agriculture, or any officer or employee of the United States acting in his official capacity shall abate by reason of any transfer made pursuant to this section.

(e) The Federal Insecticide, Fungicide, and Rodenticide Act (61 Stat. 163; 7 U.S.C. 135–135k) is amended as follows:

(1) Sections 3.u., 6.b., and 10 are each amended by striking out "Secretary of Agriculture" wherever it appears therein, and inserting in lieu thereof "Secretary of Health, Education, and Welfare;" and

(2) Sections 3.c., 4.c., 5, and 6.c. are amended by striking out "United States Department of Agriculture" wherever it appears therein, and inserting in lieu thereof "Department of Health, Education, and Welfare."

(f) This section shall become effective 90 days after the date of enactment of this Act.

REQUIREMENTS FOR AND PROHIBITION OF THE EXPORT OF ECONOMIC POISONS TO CERTAIN FOREIGN COUNTRIES

SEC. 4. Section 3.b. of the Federal Insecticide, Fungicide, and Rodenticide Act (61 Stat. 163; 7 U.S.C. 135a) is amended to read as follows:

"b. Nothing in this act shall be construed as exempting any economic poison exported to a foreign country from complying with all the requirements of this act. Further, it shall be unlawful for any person to ship or deliver for shipment to any foreign country any economic poison if the Government of such foreign country has indicated in writing to the Secretary that such country prohibits the import of such economic poison and the Secretary has published a notice to that effect in the Federal Register."

MORATORIUM ON THE USE OF CERTAIN CHEMICAL COMPOUNDS

SEC. 5. (a) The Federal Insecticide, Fungicide, and Rodenticide Act (61 Stat. 163; 7 U.S.C. 135–135k) is amended by adding at the end thereof a new section as follows:

"SEC. 17. Notwithstanding any other provision of law, for a period of four years following the effective date of this section, it shall be unlawful for any person to distribute, sell, or offer for sale in any Territory, the District of Columbia, or the Commonwealth of Puerto Rico, or to ship or deliver for shipment from any State, Territory, the District of Columbia, or the Commonwealth of Puerto Rico to any other State, Territory, the District of Columbia, or the Commonwealth of Puerto Rico, or to receive in any State, Territory, the District of Columbia or the Commonwealth of Puerto Rico from any place outside thereof the economic poison dichlorodiphenyltrichloroethane, commonly known as DDT, dieldrin, aldrin, or endrin."

(b) This section shall become effective 150 days after the date of enactment of this Act.

S. 2748—INTRODUCTION OF A BILL TO AMEND THE ANTIDUMPING ACT, 1921, AS AMENDED

Mr. HARTKE. Mr. President, I introduce for appropriate reference a bill to amend and strengthen the Antidumping Act of 1921.

In May 1967, when I introduced a bill with the same objectives—S. 1726, 89th Congress—I explained that there was a need for a fair and effective antidumping act and quoted the following remarks of then Senator Hubert Humphrey which he had made when he introduced the 1963 antidumping bill:

> The amendment I introduce today does not alter the philosophy or purpose of the Antidumping Act in any way. Its only purpose is to make the act more effective in achieving its original purpose and to help insure that international trade will be conducted in a fair and equitable fashion.

The bill I introduce today has the same goals as the bills introduced in 1963, 1965, and again in 1967—to strengthen the Antidumping Act of 1921 and thereby provide an effective remedy to domestic industries injured by the unfair trade practice of dumping.

In passing Public Law 90–634, which was signed by the President on October 24, 1968, Congress adopted an amendment on the administration of the Antidumping Act of 1921. In the amendment, Congress specifically provided that—

> Nothing contained in the International Antidumping Code . . . shall be construed to restrict the discretion of the United States Tariff Commission from performing its duties and functions under the Antidumping Act of 1921. . . .

In addition, this statute specifically directed the Tariff Commission and the Secretary of the Treasury in administering their respective functions under the Antidumping Act to "resolve any conflict between the International Antidumping Code and the Antidumping Act, 1921, in favor of the act as applied by the agency administering the Act."

The 1968 amendment thus made clear that the Antidumping Act was unaffected by the international code. This continued the status quo—an act designed to eliminate unfair discrimination in international trade—which has not been substantively amended or updated since its enactment in 1921. The Antidumping Act has not provided meaningful relief to domestic industries injured by dumping. With the continuing increase in imports of all commodities, there is need for an effective Antidumping Act to insure that import competition remains fair, and subject to the same ground rules imposed on domestic producers under the antitrust and fair trade laws.

The bill which I introduce today would provide a standard for the Tariff Commission's guidance in determining whether an industry in the United States has been injured as a result of dumping. The bill would adopt the standard of whether dumping has caused more than de minimus or immaterial injury. The reasonableness of this standard is demonstrated by the fact that it has been used by the majority of the Tariff Commission in recent cases. The bill would also provide a definition of industry that insures that distinctive geographical or segmented markets be considered by the Commission. This would be accomplished by use of the well-established antitrust test of whether an industry has been injured "in any line of commerce in any section of the country." Here again, this concept has been used in numerous decisions by a majority of the Tariff Commission.

These provisions of the bill are consistent with the policy determinations of Congress in its adoption of the 1968 amendment to the Antidumping Act. Since that policy made it clear that the Tariff Commission should resolve any conflict between the act and the international code in favor of the act, and since the injury standard and the industry definition merely adopt principles which a majority of the Tariff Commission has already applied, the bill is clearly consistent with established congressional policy.

One of the provisions of the bill introduced today would adopt the antitrust concept of the reasonable likelihood of injury and would require an affirmative finding of injury where there is such a finding.

In 1968, when the Senate adopted amendments concerning the administration of the Antidumping Act and its relationship to the international code, provision was made to clarify what should already have been clear in the Antidumping Act—that the function of the Treasury Department is limited to mathematical computations of whether dumping has occurred, and it has no authority to dismiss cases on the basis of injury considerations or assurances that dumping will be discontinued. The bill would reinstate the proposals passed by the Senate in 1968 and provide that if there are any instances justifying dismissals when dumping prices have been charged, authority to grant such dismissals should rest with the Tariff Commission. This is entirely logical, since under the act the Tariff Commission, and the Commission alone, has the power to consider the injury aspects of a dumping complaint. The bill provides that when the Tariff Commission concludes that acceptance of an assurance of discontinuance of dumping is warranted, it shall follow a procedure used in antitrust consent decrees, whereby the Commission would maintain continuing jurisdiction and require compliance reports from the importers involved.

Similar to the provisions of the earlier antidumping bills, the bill introduced today would provide a 6-month time limitation on Treasury's determination of whether dumping has occurred. Treasury would be authorized to utilize an additional 90 days, on the condition it publish reasons therefor in the Federal Register. If the delay is caused by dilatory tactics by importers or foreign exporters, notice of withholding of appraisement must be issued at the termination of the 6-month period. The reasonableness of this provision is attested to by the requirement in the Antidumping Act that the Tariff Commission complete its investigation of

injury within 3 months from the date of the submission of the case to the Commission by Treasury. If the Commission is able to complete its investigations within 3 months, as it always has done, it is certainly reasonable to require Treasury to complete its investigation of dumping prices within 6 months. In unusual cases, moreover, Treasury would be allowed an additional 90 days after the 6-month period to conclude an investigation when there are valid reasons for requiring the additional period of time.

The 6-month limitation is necessary because Treasury has taken inordinate amounts of time to conclude dumping investigations. One investigation lasted 3 years, and it is not uncommon for such investigations to take over a year. Currently, for example, Treasury has a large number of complaints pending with respect to imports of electronic products from Japan and other imports, some of which have been pending over a year and some as long as 2 years.

The bill would provide for a limited form of judicial review. All interested parties—both importers and domestic industry—would have a right to review of questions of law. Under the Antidumping Act in its present form, judicial review is permitted only for importers, but on all issues, both factual and legal. This provision would grant a limited form of judicial review to all parties and would not differentiate between importers and domestic industry.

Finally, the bill would require Treasury to consolidate complaints directed at the same kind or class of merchandise imported from various foreign sources. The reasonableness of this position is also apparent. If a domestic industry is being injured by an article being dumped in this market from various sources, the effect of dumping of the same class or kind of article should be weighed collectively, and not on a country-by-country basis.

In brief, the bill introduced today is fair and reasonable and would accomplish the same basic objectives as those which were sought to be achieved in the 1963, 1965, and 1967 proposed amendments to the act.

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

The bill (S. 2748) to amend the Antidumping Act, 1921, as amended, introduced by Mr. HARTKE, was received, read twice by its title, and referred to the Committee on Finance.

S. 2750—INTRODUCTION OF A BILL TO IMPROVE RAILROAD PASSENGER SERVICE

Mr. HARTKE. Mr. President, I introduce, for appropriate reference, a bill to amend section 13(a) of the Interstate Commerce Act so as to provide for reimbursement to the carrier of the cost of operating uneconomic interstate railroad passenger train service performed under order of the Commission. The investigation of costs of intercity rail passenger service recently completed by the Interstate Commerce Commission establishes that although our railroads are not losing money to the extent that had often been claimed, they are nevertheless losing a substantial amount of money in the operation of passenger trains. If railroad passenger service is to be preserved it seems clear that some sort of governmental action or assistance is required. The precise form that that action or assistance should take is a matter the Senate Committee on Commerce and the Subcommittee on Surface Transportation will begin evaluating very soon.

The bill I introduce today represents one possible answer to the question of appropriate increased Government involvement in efforts to improve and preserve railroad passenger service. This measure would provide a direct Federal subsidy to a railroad if the Federal Government has ordered a passenger train to be continued in service where it has been established that that service operates at a loss.

Government financial assistance to assure an adequate transportation system has many precedents covering various modes of transportation in the United States. The Government has constructed highways, assisted air transportation by direct subsidy, continually seeks to improve navigation of our waterways, and has provided construction and operating subsidy for many of our merchant marine vessels.

The particular proposal I introduce today was suggested by the Association of American Railroads. In my opinion the association is to be commended for having developed a positive attitude toward Government assistance to assure adequate railroad passenger train service. The bill represents an approach which I believe deserves very serious consideration by the Congress and I intend to do what I can to insure that that consideration takes place at an early date.

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

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. 2750) to amend section 13a of the Interstate Commerce Act so as to provide for reimbursement to the carrier of the cost of operating uneconomic interstate railroad passenger train service performed under order of the Commission, introduced by Mr. HARTKE, was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

S. 2750

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 13a of part I of the Interstate Commerce Act (49 U.S.C. 13a) is amended to read as follows:

"DISCONTINUANCE OR CHANGE OF CERTAIN OPERATIONS OR SERVICE

"SEC. 13a(1) A carrier or carriers subject to this part, if their rights with respect to the discontinuance or change, in whole or in part, of the operation or service of any train or ferry operating from a point in one State to a point in any other State or in the District of Columbia, or from a point in the District of Columbia to a point in any State, are subject to any provision of the constitution or statutes of any State or any regulation or order of (or are the subject of any proceeding pending before) any court or an administrative or regulatory agency of any State, may, but shall not be required to, file with the Commission, and upon such filing shall mail to the Governor of each State in which such train or ferry is operated, and post in every station, depot or other facility served thereby, notice at least thirty days in advance of any such proposed discontinuance or change. The carrier or carriers filing such notice may discontinue or change any such operation or service pursuant to such notice except as otherwise ordered by the Commission pursuant to this paragraph, the laws or constitution of any State, or the decision or order of, or the pendency of any proceeding before, any court or State authority to the contrary notwithstanding. Upon the filing of such notice the Commission shall have authority during said thirty days' notice period, either upon complaint or upon its own initiative without complaint, to enter upon an investigation of the proposed discontinuance or change. Upon the institution of such investigation, the Commission, by order served upon the carrier or carriers affected thereby at least ten days prior to the day on which such discontinuance or change would otherwise become effective, may require such train or ferry to be continued in operation or service, in whole or in part, pending hearing and decision in such investigation, but not for a longer period than four months beyond the date when such discontinuance or change would otherwise have become effective. If, after hearing in such investigation, whether concluded before or after such discontinuance or change has become effective, the Commission finds that the operation or service of such train or ferry is required by public convenience and necessity, the Commission may by order require the continuance or restoration of operation or service of such train or ferry, in whole or in part, for a period not to exceed one year from the date of such order. The provisions of this paragraph shall not supersede the laws of any State or the orders or regulations of any administrative or regulatory body of any State applicable to such discontinuance or change unless notice as in this paragraph provided is filed with the Commission. On the expiration of an order by the Commission after such investigation requiring the continuance or restoration of operation or service, the jurisdiction of any State as to such discontinuance or change shall no longer be superseded unless the procedure provided by this paragraph shall again be invoked by the carrier or carriers.

"(2) Any order of the Commission entered pursuant to the provisions of paragraph (1) of this section requiring continued operation of a train or ferry shall provide that if, for the period subsequent to the discontinuance date in the notice filed under said paragraph and prior to the expiration of said order, the cost, as hereinafter defined, of operating the train or ferry shall exceed the direct revenues thereof, then upon request therefor, payment

shall be made to the carrier or carriers, in the manner hereinafter provided and within ninety days after expiration of such order, of a sum equal to the amount by which such cost has exceeded said revenues. The term "cost" shall mean those expenditures made or incurred in or attributable to the operation of such train or ferry, plus an appropriate allocation of common expenses and overheads. Such cost shall be then currently recorded by the carrier or carriers in such manner and on such forms as by general order may be prescribed by the Commission and shall be submitted to and subject to audit by the Commission. The Commission shall certify promptly to the Secretary of the Treasury the amount of payment to be made to said carrier or carriers under the provisions of this paragraph.

"(3) Payments required to be made to a carrier or carriers under the provisions of paragraph (2) of this section shall be made by the Secretary of the Treasury from funds hereby authorized to be appropriated in such amounts as may be necessary for the purpose of carrying out the provisions thereof.

"(4) (a) If at any time compliance by the carrier or carriers with the order of the Commission shall require the use of passenger train equipment not then owned by the carrier or carriers and reasonably available for such use, the Secretary of Transportation shall provide the carrier or carriers with the needed equipment on the basis of current railway rental charges for such equipment, and such rental charges shall constitute a cost to the carrier or carriers as that term is defined in paragraph (2) hereof.

"(b) The Secretary of Transportation is hereby authorized to purchase, lease, or otherwise acquire or obtain in the name of the Department of Transportation such passenger equipment as may be required to comply with the provisions of sub-paragraph (a) of this paragraph and to make payment therefor from funds hereby authorized to be appropriated in such amounts as may be necessary for the purpose of carrying out the provisions of this paragraph.

"(5) Where the discontinuance or change, in whole or in part, by a carrier or carriers subject to this part, of the operation or service of any train or ferry operated wholly within the boundaries of a single State is prohibited by the constitution or statutes of any State or where the State authority having jurisdiction thereof shall have denied an application or petition duly filed with it by said carrier or carriers for authority to discontinue or change, in whole or in part, the operation or service of any such train or ferry or shall not have acted finally on such an application or petition within one hundred and twenty days from the presentation thereof, such carrier or carriers may petition the Commission for authority to effect such discontinuance or change. The Commission may grant such authority only after full hearing and upon findings by it that (a) the present or future public convenience and necessity permit of such discontinuance or change, in whole or in part, of the operation or service of such train or ferry, and (b) the continued operation or service of such train or ferry without discontinuance or change, in whole or in part, will constitute an unjust burden upon the interstate operations of such carrier or carriers or upon interstate commerce. When any petition shall be filed with the Commission under the provisions of this paragraph, the Commission shall notify the Governor of the State in which such train or ferry is operated at least thirty days in advance of the hearing provided for in this paragraph, and such hearing shall be held by the Commission in the State in which such train or ferry is operated; and the Commission is authorized to avail itself of the cooperation, services, records and facilities of the authorities in such State in the performance of its functions under this paragraph."

S. 2751—INTRODUCTION OF A BILL RELATING TO DIFFERENTIAL PAY FOR VETERANS' ADMINISTRATION NURSES

Mr. MOSS. Mr. President, I introduce, for appropriate reference, a bill to authorize differential pay for evening and night work for nurses employed by the Veterans' Administration.

I understand that General Schedule nurses, that is, nurses who work in other Federal agencies, such as the Public Health Service, or for the Department of Defense, already receive such pay differentials, and I feel it is only fair that nurses on duty in our Veterans' Administration installations have the same treatment.

The Nation is critically short of people trained in the nursing field, and we need to provide every incentive to keep those who are already trained on active duty, and to encourage young people to enter the field. I would hope that enactment of the bill I am proposing would have some effect in both respects.

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

The bill (S. 2751) to amend chapter 73 of title 38, Unites States Code, to authorize the payment of differential pay for evening and night work performed by nurses employed by the Veterans' Administration, introduced by Mr. Moss, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

S. 2752—INTRODUCTION OF INTERGOVERNMENTAL COORDINATION OF POWER DEVELOPMENT AND ENVIRONMENTAL PROTECTION ACT

Mr. MUSKIE. Mr. President, I introduce the "Intergovernmental Power Coordination and Environmental Protection Act," a bill designed to coordinate the activities of local, State, and Federal agencies with respect to the impact of the location and construction of bulk power facilities on their responsibilities for protecting the Nation's environment.

One of the most significant intergovernmental developments in recent years has been the expansion of governmental activity at all levels in the planning, development, and management of water and related land resources. Federal, State and local government agencies have strengthened their planning and development efforts in order to meet the public demand for more carefully thought-out objectives and more precisely defined goals.

But at the same time, urban expansion, regional economic development, and other aspects of growth and change have placed extraordinary demands on the available supply of natural resources and the available supply of electric energy.

Official figures from the Federal Power Commission speak more persuasively than words as to the problem of the lack of electrical reliability in this country. The facts are clear that the problem has continued unabated since the Northeast blackout, affecting more and more customers, and resulting in an increasing loss of megawattage in our national electrical system.

From 1954 to the end of 1966, the Federal Power Commission reported that there were 148 power interruptions. This list included only major outages.

In 1966, the FPC required more definitive reporting of power failures by the electric companies. The Commission required the listing of interruptions which were caused by the failure of bulk power supply facilities, including: a failure of generating equipment operating at a level of 69,000 volts or more; a failure resulting in a loss of 25,000 kilowatts or more; or a failure of half of the system load for 15 minutes or longer.

During the years 1967, 1968, and for the first half of 1969, the FPC reports that there have been a total of 237 power blackouts, affecting a total of 18,600.000 customers.

More dramatically, for the first 6 months of 1969, there have already been 46 power failures affecting 1,336,000 customers, more than in any comparable 6-month period subsequent to June 30, 1967.

For the information of my colleagues and others interested in this important issue, I ask unanimous consent to have printed at this point in the RECORD the following exhibits taken from official reports by the Federal Power Commission relating to these power failures:

Exhibit I, a resume of power interruption, 1954–66.

Exhibit II, power service interruptions in accordance with FPC Order No. 331 through June 12, 1967.

Exhibit III, service interruptions, June 13 to December 31, 1967.

Exhibit IV, a description of electric power interruptions, June 13 to December 31, 1967.

Exhibit V, service interruptions, January 1 to June 30, 1968.

Exhibit VI, electrical interruptions between January 1 and June 30, 1968.

Exhibit VII, service interruptions, July 1 to September 30, 1968.

Exhibit VIII, electric interruptions between July 1 and September 30, 1968.

Exhibit IX, service interruptions, October 1 to December 31, 1968.

Exhibit X, electric interruptions between October 1 and December 31, 1968.

Exhibit XI, service interruptions, first quarter of 1969.

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

EXHIBIT I

TABLE E-1.—RÉSUMÉ OF POWER INTERRUPTIONS, 1954-66

Outage No.	Date	Approximate location	Probable cause
1	Jan. 30, 1954	Cleveland, Ohio	Major short circuit.
2	Aug. 30, 1954	Eastern Massachusetts	Hurricane Carol.
3	Sept., 1954	Northeast coast	Hurricane Edna.
4	Oct. 10, 1954	Chicago, Ill	Flood.
5	Oct. 15, 1954	East coast	Hurricane Hazel.
6	Oct. 30, 1954	Cleveland, Ohio	Snowstorm.
7	Dec. 19, 1954	Chicago, Ill	Turbine explosion.
8	March, 1955	Peoria, Ill	Transformer failure.
9	March, 1955	Indiana, Ohio, Pennsylvania.	Storm.
10	May 25, 1955	Summit, N.J	Lightning.
11	June, 1955	Olney, Tex	Weather balloon drifted onto line.
12	July 7, 1955	New York, N.Y	Overload of distribution feeders.
13	August 1955	East coast	Hurricane Connie.
14	do	New England coast	Hurricane Diane.
15	October 1955	Northeast United States.	Floods.
16	June 1956	Stephensville, Wis	Windstorm.
17	Sept. 20, 1956	Toledo, Ohio	Tieline breaker misoperation.
18	Oct. 10, 1956	New York, N.Y	Transformer tap changer failure.
19	Dec. 14, 1956	Connecticut, N.J	Ice storm.
20	Jan. 3, 1957	Plattsburg, N.Y	Distribution feeder and transformer failure.
21	Jan. 23, 1957	Peru, Ind	Flood.
22	Jan. 27, 1957	Little Rock, Ark	Ice storm.
23	January 1957	Tennessee, Kentucky, West Virginia.	Floods.
24	March 1957	Kansas, Colorado, Texas, Oklahoma, New Mexico.	Blizzard.
25	Apr. 9, 1957	Dallas, Tex	Tornado.
26	May 20, 1957	Kansas-Missouri	Do.
27	May 23, 1957	East Aurora, N.Y	Wind storm.
28	June 17, 1957	New York, N.Y	Curtailment.
29	June 27, 1957	Louisiana-Texas	Hurricane Audrey.
30	Aug. 2, 1957	Washington, D.C	Underground cable failure.
31	Oct. 31, 1957	Minneapolis, Minn	Lightning arrestor failure.
32	Mar. 20, 1958	Northeast coast	Blizzard.
33	June 4, 1958	St. Paul, Minn	Tornado.
34	June 10, 1958	Eldorado, Kans	Do.
35	June 17, 1958	Louisiana-Mississippi	Operating error.
36	July 2, 1958	Kearney, N.J	Distribution transformer failure.
37	Do	Charleston, S.C	Gasoline fire.
38	September 1958	North Carolina	Hurricane Helene.
39	December 1958	Albuquerque, N.Mex	Snowstorm.
40	Jan. 2, 1959	Seattle, Wash	Substation fire.
41	Jan. 7, 1959	San Antonio, Tex	Substation breaker failure.
42	Jan. 15, 1959	Bergen, N.J	Powerplant failure.
43	Jan. 29, 1959	St. Louis, Mo	Ice storm.
44	Aug. 17, 1959	New York, N.Y	Underground cable failures.
45	Dec. 28, 1959	Western New York	Sleet.
46	Jan. 7, 1960	Orange, N. J	Fire.
47	Mar. 1, 1960	Tennessee, Alabama, Georgia.	Ice storm.
48	Mar. 2, 1960	Texas, Louisiana	Do.
49	Apr. 28, 1960	Oklahoma City, Okla	Tornado.
50	May 5, 1960	Oklahoma	Tornadoes.
51	May 23, 1960	Hilo, Hawaii	Tidal wave.
52	June 29, 1960	Cleveland, Ohio	Underground cable failure.
53	Sept. 9, 1960	East coast	Hurricane Donna.
54	Sept. 11, 1960	Long Island, N.Y	Do.
55	Mar. 3, 1961	Norwalk, Conn	Substation equipment explosion.
56	June 13, 1961	San Francisco, Calif	Circuit breaker explosion.
57	June 21, 1961	Southern Idaho	Fire.
58	June 29, 1961	Southern Idaho	Powerplant failure.
59	July 3, 1961	do	Transmission line failure.
60	July 13, 1961	New York, N.Y	Bushing failures in adjacent distribution feeder breakers.
61	Aug. 4, 1961	Cleveland, Ohio	Transmission line flashover.
62	Aug. 29, 1961	Nassau, N.Y	Rain and lightning.
63	Sept. 11, 1961	Galveston, Tex	Hurricane Carla.
64	Sept. 21, 1961	Long Island, N.Y	Hurricane Esther.
65	Nov. 13, 1961	El Paso, Tex	Snowstorm.
66	Mar. 13, 1962	Glendale, Calif	Operating error.
67	March 1962	Atlantic City, N.J	Storm.
68	June 25, 1962	Iowa-Nebraska	Operating error.
69	Aug. 5, 1962	Staten Island, N.Y	Underground cable failure.
70	Aug. 13, 1962	Pasadena, Calif	Failure of 4 oil-filled cutouts.
71	Aug. 20, 1962	Brooklyn, N.Y	Underground cable failure.
72	do	Cleveland, Ohio	Tornado.
73	Oct. 12, 1962	Portland, Oreg	Storm.
74	Oct. 12, 1962	Washington-Oregon	Do.
75	Oct 12, 1962	Bellingham, Wash	Storm.
76	Dec. 30, 1962	Nassau, N.Y	Storm and wind.
77	Mar. 17, 1963	Tampa, Fla	Circuit breaker control circuit failure.
78	July 23, 1963	Blackwell, Okla	Failure of plant circulating water pump.
79	June 13, 1963	Kansas	Failure of transmission line splice.
80	June 19, 1963	Westchester, N.Y	Hot weather.
81	June 28, 1963	Staten Island, N.Y	Do.
82	December 1963	Los Angeles, Calif	Dam failure.
83	Feb. 24, 1964	Texas-Oklahoma	Exciter flashed over.
84	Mar. 4, 1964	Southwest Tennessee	Tornado.
85	Mar. 10, 1964	Kingston, N.Y	Rain and sleet.
86	Apr 3, 1964	Alaska	Earthquake.
87	do	California-Oregon	Tidal wave.
88	April 1964	Jacksonville, Fla	Frog in relay.
89	May 23, 1964	Long Island, N.Y	Transmission line fault.
90	Aug. 10, 1964	Sweetwater, Tex	Gas regulator closed on fuel supply line to large powerplant.
91	Aug. 27, 1964	Lordsburg, N. Mex	Emergency shutdown of a 13-megavolt unit.
92	Aug. 27, 1964	Miami, Fla	Hurricane Cleo.
93	Sept. 9, 1964	North Florida	Hurricane Dora.
94	Oct. 4, 1964	Lousiana	Hurricane Hilda.
95	Nov. 19, 1964	Northwest Washington	Submarine cable failure.
96	Nov. 30, 1964	Teaneck, N.J	Circuit breaker failed to operate.
97	Dec. 4, 1964	Eastern N.Y	Ice storm.
98	Dec. 5, 1964	Michigan City, Ind	Line short.
99	Dec. 22, 1964	Northern California	Floods.
100	Jan. 7, 1965	Western Pennsylvania	Boiler tube failure.
101	Jan. 23, 1965	Chicago, Ill	Ice storms.
102	Jan. 28, 1965	Iowa-Nebraska	Operating error.
103	Feb. 17, 1965	Lawrenceburg, Ind	Do.
104	Apr. 7, 1965	Minneapolis, Minn	Tornadoes.
105	Apr. 11, 1965	Iowa, Illinois, Indiana, Wisconsin, Michigan, Ohio.	Do.
106	Apr. 16, 1965	Chester, Pa	Bird nest fell on powerline.
107	Apr. 27, 1965	Arizona	Operating error.
108	Apr. 29, 1965	Tacoma, Wash	Earthquake.
109	May 18, 1965	Lower Baker, Wash	Mud slide on powerhouse.
110	June 16, 1965	Denver, Colo	Floods.
111	June 27, 1965	Des Moines, Iowa	Rain and winds.
112	Aug. 29, 1965	Des Moines, Iowa	Lightning.
113	Sept. 9, 1965	Louisiana	Hurricane Betsy.
114	Sept. 9, 1965	Florida	Do.
115	Nov. 9, 1965	Northeast United States.	Undesired relay operation.
116	Nov. 22, 1965	Elgin, Ill	Wind.
117	Dec. 2, 1965	Texas-New Mexico	Loss of fuel supply.
118	Dec. 6, 1965	Beaumont, Tex	Misoperation of supervisory (control).
119	Jan. 24, 1966	Los Angeles, Calif	Operating error.
120	Jan. 28, 1966	Dallas, Tex	Ice and wind.
121	Mar. 3, 1966	Jackson, Miss	Tornado.
122	Apr. 26, 1966	Western United States	Erroneous telemeter signal.
123	May 13, 1966	Anchorage, Alaska	Pranksters.
124	May 16, 1966	Columbus, Ga	Tornado.
125	June 7, 1966	Western United States	False relaying of 345-kilovolt circ t.
126	June 8, 1966	Clearwater, Fla	Hurricane Alma.
127	July 3, 1966	Fairfax, Va	Transformer failure.
128	July 7, 1966	Nashville, Tenn	Winds.
129	July 11, 1966	Nebraska	Faulty relay setting.
130	do	St. Louis, Mo	Curtailment.
131	July 19, 1966	Los Angeles, Calif	Breaker operations—Cause unknown.
132	July 12, 1966	Washington-Idaho	Lightning.
133	July 13, 1966	Tulsa, Okla	Car hit pole.
134	July 14, 1966	Houston, Tex	Transformer failure.
135	July 26, 1966	El Paso, Tex	Lightning and wind.
136	July 27, 1966	Oregon, Calif	Line failure and breaker operations.
137	July 26-27, 1966	Travis Air Base, Calif	Line flashover during maintenance. Breaker bushing failure.
138	Aug. 29, 1966	Farmington, N. Mex	Rain storm.
139	Nov. 3, 1966	Southern Virginia	Breaker failure.
140	Nov. 5, 1966	Atlanta, Ga	Vandalism during strike.
141	Nov. 10, 1966	Oakland, Calif	Breaker bushing failure.
142	Nov. 14, 1966	Las Vegas, Nev	Generator oil pressure failure.
143	Nov. 22, 1966	Chicago, Ill	Transformer relay operation—Cause unknown.
144	Nov. 24, 1966	Seattle, Wash	Fault on secondary system.
145	Dec. 2, 1966	Southeastern Missouri	Tree felled on line.
146	Dec. 14, 1966	Austin, Tex	Lines tripped out—Cause unknown.
147	Dec. 19, 1966	Sandy Spring, Ga	Sabotage of control circuits.
148	Dec. 23, 1966	Jonesboro, Ark	Galloping conductors.

Source: "Prevention of Power Failures," vol. 1—A report to the President by the Federal Power Commission, July 1967, pp. 194-196.

EXHIBIT II

TABLE 2.—POWER SERVICE INTERRUPTIONS REPORTED IN ACCORDANCE WITH FPC ORDER NO. 331 THROUGH JUNE 12, 1967

Date 1967	Utility	Location	Cause	Megawatts lost	Customers	Duration	
						Hours	Minutes
Jan. 15	Marias River Electric Cooperative	Shelby, Mont	115-kilovolt USBR line fault	7.0	2,900	3	03
Jan. 16	Moreau Grand Electric Cooperative	Timber Lake, S. Dak	High winds—galloping conductors	4.0	2,700	1	25
Jan. 24	Union Electric Co	St. Louis County	Tornado	75.0	75,000	16	30
Jan. 25	Provo Municipal	Provo, Utah	Line short—falling snow	15.0	12,000	1	20
Jan. 26	Grand River Dam Authority	Oklahoma	Lighting arrestor failure	30.0	2	0	30
Do	Illinois Power Co	Champaign-Urbana	Icing—high winds	30.0	17,000	8	15
Jan. 28	El Paso Electric Co	El Paso, Tex	Bird nest on substation bus	25.0	(1)	0	35
Feb. 2	Fulton, Ky., Municipal	Fulton, Ky	Lightning	1.0	1,640	0	20
Feb. 8	Tennessee Valley Authority	Bowling Green, Ky	Current transformer failure	64.0	(1)	1	04

Footnotes at end of table.

EXHIBIT II—Continued

TABLE 2.—POWER SERVICE INTERRUPTIONS REPORTED IN ACCORDANCE WITH FPC ORDER NO. 331 THROUGH JUNE 12 1967 —Continued

Date 1967	Utility	Location	Cause	Megawatts lost	Customers	Duration Hours	Duration Minutes
Feb. 9	Chugach Electric Association	Anchorage, Alaska	Arcing horn failure on switch	37.5	18,100	0	15
Do	Moreau Grand Electric Cooperative	Timber Lake, S. Dak	Line pin came out	2.0	2,500	1	20
Feb. 15	Ohio Edison Co	Massillon, Ohio	Construction material blew into substation	50.0	20,000	0	35
Feb. 17	Public Service Co. of Indiana	Batesville, Ind	Transformer tap changer failure	28.0	6,182	0	33
Feb. 20	Burbank Municipal	Burbank, Calif	Lost 55 megawatt unit due to Los Angeles fault.	10.0	3,000	0	22
Feb. 24	Carolina Power & Light Co	Asheville, N.C	Broken insulator	27.0	16,000	1	52
Feb. 25	Tennessee Valley Authority	Johnson City, Tenn	Transformer tripped, over temperature	37.6	(2)	0	36
Do	Arizona Public Service Co	Southwest Arizona	Plane hit 69-kilovolt line	25.0	4,500	0	29
Feb. 27	Georgia Power Co	Fulton-Cobb Counties	Ground wire fell on 115-kilovolt line	56.0	20,000	0	43
Feb. 28	Texas Power & Light Co	Grayson and adjacent counties	Disconnect switch insulator broke	30.0	18,000	0	30
Mar. 6	Duquesne Lighting Co	Pittsburgh, Pa	Flood—lost Elrama generating station	120.0	8	4	36
Mar. 10	Pacific Power & Light Co	Crescent City, Calif	Wet, heavy snow on 120-kilovolt line	28.0	6,000	3	16
Do	Tennessee Valley Authority	Bowling Green, Ky	Current transformer failure	50.0	2	0	18
Mar. 12	Moreau Grand Electric Cooperative	Timber Lake, S. Dak	Icing on 69-kilovolt line	2.0	2,200	1	13
Mar. 14	Western interconnection	Washington-Colorado	Overload due to switching	282	50,000	0	24
Mar. 16	Sacramento Municipal Utility District	Sacramento, Calif	High wind—jumper burned off	50.0	37,748	0	23
Mar. 19	Grand River Dam Authority	Oklahoma	X-arm failed—pole caught fire	30.0	2	9	25
Do	Sherrard Power System	Orion, Ill	Insulator contamination	10.3	5,000	1	53
Mar. 26	Marquette Bd of Light & Power	Marquette, Mich	Broken insulator	10.5	8,500	0	50
Mar. 27	Pacific Power & Light Co	Enterprise, Oreg	Insulators shattered by gunshots	5.0	2,500	6	32
Do	Tennessee Valley Authority	Mayfield, Ky	Bird shorted insulator	52.0	25,000	0	59
Do	Georgia Power Co	Marietta, Ga	115-kilovolt conductor burned at clamp	23.8	(1)	0	50
Mar. 28	Utah Power & Light Co	Southeast Utah	Water leak tripped 138-kilovolt circuit	35.0	8,400	0	20
Do	Puget Sound Power & Light Co	East Seattle, Wash	Cable or pothead failure	45.0	22,000	0	27
Apr. 12	Bangor Hydro Electric Co	Veazie and Vincent, Maine	Flash over on 46 kilovolt—loose connection	35.2	42,000	0	27
Apr. 13	Jefferson Davis Electric Cooperative, Inc	Cameron Parish, La	Salt spray contaminated insulators—69 kilovolt.	6	2,000	3	23
Apr. 16	Muscatine Iowa Municipal	Muscatine, Iowa	Tree fell on 69-kilovolt line—lost 56-megawatt plant.	27	8,000	2	30
Apr 19	Bailey County Electric Cooperative Association.	Muleshoe, Tex	Insulator failed—cross arm burned	9	(1)	1	00
Apr. 20	Western Interconnection	Washington and Idaho	Line tripped while BPA was installing relay	10, 11	(1)	1	----
May 1	Community Public Service Co	Princeton, Tex	Wind and lightning tripped 138-kilovolt line	9	3,140	1	02
Do	Carolina Power & Light Co	Rocky Mount, N.C	Not determined	25	1	0	59
May 8	South Carolina Electric & Gas Co	Charleston, S.C	Tree fell on 115-kilovolt line—lost substation.	38	15,000	0	16
May 11	Gulf States Utilities Co	Beaumont, Tex	Insulator failures	700	163,000	6	22
May 12	Virginia Electric & Power Co	Richmond, Va	Lightning arrestor failure	38	12,500	0	24
Do	Greenville Texas Municipal	Greenville, Tex	Generator exciter failure	23	9,100	3	20
May 17	Cleveland Electric Illuminating Co	Cleveland, Ohio	OCB's opened manually	80	66,000	0	28
May 19	South Texas Electric Cooperative, Inc	Corpus Christi, Tex	Unexplained differential relay operation	14.6	17,135	0	50
May 25	Bonneville Power Administration	Spokane, Wash	Crop dusting plane damaged line	31	(3)	1	16
May 26	Cincinnati Gas & Electric Co	Cincinnati, Ohio	13-kilovolt cable failure and fire in generating station.	48	40,000	6	00
June 2	Snohomish County PUD	Everett, Wash	Brush fire	60	15,000	0	29
June 5	PJM interconnection	Pennsylvania, New Jersey, Maryland, Delaware.	Operating error	9,300	13,000,000	9	30
June 9	Utah Power & Light Co	Salt Lake City, Utah	Not reported	105	(1)	0	15
June 12	Pennsylvania Power & Light Co	Frackville, Pa	Lightning arrestor failure	163	78,000	0	24

[1] Not reported.
[2] Johnson City.
[3] Several thousand.

Source: "Prevention of Poower Failures,"—vol. 1—A Report to the President by the Federal Power Commission, July 1967, pp. 28-29.

EXHIBIT III.—SERVICE INTERRUPTIONS, JUNE 13-DEC. 31, 1967

No.	Date	Utility	Location	Reported initiating event	Megawatts lost	Customers	Duration Hours	Duration Minutes
1	June 16	Connecticut Light & Power Co	Willimantic, Conn	Lightning	25.0	21,038	0	16
2	June 19	Pacific Power & Light Co	Cody, Wyo	Flood and lightning, 2 outages	30.0	2,300	0	59
3	June 20	Denton, Tex., municipal	Denton, Tex	Transformer failure	48.4	10,800	1	23
4	June 28	California Pacific Utilities	Needles, Calif	Ground relay trip, cause unknown	8.3	2,262	0	53
5	July 1	Florida Power Corp	St. Petersburg, Fla	69 kv jumper burned off	35.0	30,000	2	00
6	July 3	Cape & Vineyard Electric Co	Cape Cod, Mass	New Bedford C. & E.L. line splice failed	61.0	43,000	8	13
7	July 5	Public Service Co. of New Mexico	Albuquerque, N. Mex	Thermal relay operation	(1)	26,000	0	36
8	July 5	Navopache Electric Coop	Arizona-New Mexico	Arizona PS relay malfunction	8.0	7,000	0	46
9	July 12	Pacific Gas & Electric Co	Lodi, Calif	Undetermined relaying, 69 kv. lines	52.0	8,500	0	50
10	...do	Georgia Power Co	Atlanta, Ga	Lightning	26.5	10,000	1	03
11	...do	Puget Sound Power & Light Co	Mercer Island, Wash	115 kv. cable failure	15.0	22,000	0	51
12	July 14	Utah Power & Light Co	Utah	Telemeter error, potential transformer	290.0	100,000	0	42
13	July 15	Idaho Power Co	Boise, Idaho	Transformer relayed out	50.0	25,000	1	00
14	...do	Alabama Power Co	Tuscaloosa, Ala	44 kv. insulator failure	28.0	14,000	0	26
15	July 17	Pacific Gas & Electric Co	Contra Costa, Calif	230 kv. line dropped into 115 kv	46.0	62,200	1	08
16	Aug. 1	Cape & Vineyard Electric Co	Cape Cod, Mass	Lightning actuated relays	35.0	(1)	0	58
17	Aug. 2	Ohio Edison Co	Ashland, Ohio	Lightning, OCB bushing failure	39.0	30,000	1	04
18	Aug. 11	Washington Water Power Co	Washington-Idaho	Severe rain, lightinng	115.0	33,000	----	NR
19	...do	Utah Power & Light Co	Utah-Idaho	Lightning on Washington W. P. Co	140.0	30,000	0	22
20	...do	Bonneville Power Administration	Anaconda, Mont	Relaying on Washington W. P. Co	288.0	2	0	56
21	Aug. 13	California-Pacific Utilities Co	Needles, Calif	Wind and rain	9.0	2,100	4	00
22	Aug. 14	Golden Valley Electric Association	Fairbanks, Alaska	Flood	8.0	4,700	(2)	----
23	Aug. 15	Orange & Rockland Utilities Co	Rockland, N.Y.-N.J	69 kv. line tap burned off	48.0	24,139	1	17
24	Aug. 19	South Carolina P. S. Authority	Camden, S. C	Lightning	30.0	10,000	1	36
25	Aug. 24	Houston Lighting & Power Co	Houston, Tex	Low voltage metal clad bus failure	30.0	5,000	0	27
26	Aug. 27	Southern Maryland Electric Coop	Southern Maryland	Lightning burned 69 kv-line conductor	28.0	18,000	1	25
27	Sept. 1	El Paso Electric Co	Alamagordo, N. Mex	Gunfire damaged insulators	15.0	(1)	3	00
28	Sept. 20	Central Power & Light Co. et al	South Texas	Hurricane Beulah, cyclones	65.0	26,500	(3)	----
29	Sept. 27	Navopache Electric Coop	East-central Arizona	Scheduled OCB replacement	5.5	3,600	1	30
30	Oct. 5	Richland Center, Wis	Richland Center	Cooling water cut off by debris	5.0	2,900	2	20
31	Oct. 6	West Penn Power Co	State College, Pa	Interconnection transformers outage	70.0	26,420	1	01
32	Oct. 16	Hawaiian Electric Co	Honolulu, Hawaii	138 kv. line relayed, cause unknown	185.0	(1)	0	33
33	Nov. 5	Navopache Electric Cooperative	Lakeside, Ariz	Arizona P.S. Co. dropped load, unknown	9.2	6,500	1	29
34	Nov. 16	Tennessee Valley Authority	Elizabethtown, Tenn	Overheated disconnect, flashover	40.0	(1)	4	----
35	Nov. 20	Bonneville Power Administration	Clark County, Wash	Defective circuit breaker	347.0	25,002	1	----
36	Dec. 4	Maine Public Service Co	Aroostook County	Snow loading interrupted Canada tie	59.0	27,800	1	00
37	Dec. 7	Alabama Power Co	Southern Alabama	Tree felled on line	30.0	13,500	1	11
38	Dec. 13	Pacific Power & Light Co	Lincoln City, Oreg	Transformer differential relay	12.0	4,700	1	47
39	Dec. 19	St. Joseph Light & Power Co	St. Joseph, Mo	Temporary internal transformer fault	30.0	20,000	0	33
40	Dec. 20	City Water & Light Department	Springfield, Ill	Insulator failed on air break switch	80.0	30,000	1	50

Footnotes at end of table.

EXHIBIT III.—SERVICE INTERRUPTIONS, JUNE 13–DEC. 31, 1967—Continued

No.	Date	Utility	Location	Reported initiating event	Megawatts lost	Customers	Duration	
							Hours	Minutes
41	Dec. 20	Tennessee Valley Authority	Calvert City, Ky	Capacitor bank failure	250.0	3	0	46
42	Dec. 22	Western interconnection	Idaho-Oregon-Utah	Ice broke shield wire, shorted 230 kv	1,000.0	275,000	0	51
43	Dec. 22	Pacific Power & Light Co	Enterprise, Oreg	Ice broke a 69-kv. line pole	7.0	2,850	4	46
44	Dec. 26	Central Louisiana Electric Co	Landry, La	Accidental tripping of bus tie OCB	28.0	14,000	0	29
45	Dec. 30	Pacific Power & Light Co	Sand Point, Idaho	Car ran into substation control house	7.0	3,650	1	18

[1] Not reported.
[2] 6 days.
[3] 2 weeks.

Source: Federal Power Commission press release, July 2, 1968, No. 15608.

EXHIBIT IV

[From Federal Power Commission press release, No. 15108, July 2, 1968]

ELECTRIC POWER INTERRUPTIONS REPORTED TO FPC BETWEEN JUNE 13 AND DECEMBER 31, 1967

1. Connecticut Light & Power Company—June 16, 1967: A direct lightning stroke on a substation interrupted two circuits for 16 minutes. The circuits were supplying 25,000 kilowatts to over 21,000 customers.

2. Pacific Power & Light Company—June 19, 1967: Flood waters washed out line structures near Cody, Wyoming, interrupting 30,000 kilowatts of power to 2,300 customers, mostly oil field pumps, for 26 minutes. Two hours later the same load was again interrupted for 33 minutes by spurious switch trip signals, thought to be due to lightning.

3. Denton, Texas Municipal—June 20, 1967: The 48,400 kilowatt load of the City's 10,800 customers was interrupted by failure of a 28 mva transformer connecting the 13.2 kv and 69 kv station buses at the steam-electric station. Service was restored after periods ranging from 11 minutes to one hour and 23 minutes.

4. California Pacific Utilities Company—June 28, 1967: A ground relay tripped a breaker at Davis Dam for reasons not determined and interrupted the 8,300 kilowatt load of 2,262 customers in the Needles, California-Searchlight, Nevada, area for 53 minutes.

5. Florida Power Corporation—July 1, 1967: A 250 square block area of downtown St. Petersburg with a load of about 35,000 kilowatts and 30,000 customers was interrupted for two hours when a line jumper burned off, opening one end of a 69 kv transmission loop.

6. Cape & Vineyard Electric Company—June 3, 1967: Cape Cod from Hyannis to the tip of the Cape, with 43,000 customers and a load of 61,000 kilowatts was without power for periods up to eight hours and 13 minutes when a 115-kv line splice failed in an area with difficult access in foggy weather. (The Commission has issued a special report on this interruption.)

7. Public Service Company of New Mexico—July 5, 1967: Some 26,000 customers were without electric service for 36 minutes in Alameda, Bernalillo, Algodones, Santo Domingo, San Felipe and northeastern Albuquerque when a thermal relay interrupted the North Switching Station.

8. Navopache Electric Cooperative—July 5, 1967: A malfunction of a relay on a breaker at the Arizona Public Service Company substation near Snowflake, Arizona, interrupted the 8,000 kilowatt load of the 7,000 customers of Navopache for 21 minutes on July 5 and again for 46 minutes on July 6.

9. Pacific Gas & Electric Company—July 12, 1967: Relay action occurring for unknown reasons opened two 60 kv circuits for 50 minutes. The circuits were serving 8,500 customers with a load of 52,000 kilowatts in the Lodi, California area.

10. Georgia Power Company—July 12, 1967: Severe lightning caused relays to interrupt the Druid Hills substation in northeast Atlanta, affecting 10,000 customers with 26,460 kilowatts of load for one hour and three minutes.

11. Puget Sound Power & Light Company—July 12, 1967: Experimental 115 kv underground polyethylene cable failed, interrupting 15,000 kilowatts of load to 22,000 customers on Mercer Island (East Seattle) for 51 minutes.

12. Utah Power & Light Company—July 14, 1967: Loss of a potential transformer caused erroneous telemetering signals which increased generation on the Bonneville system. Resultant overgeneration overloaded lines in Utah which tripped out and interrupted service to 100,000 customers with a load of 290,000 kilowatts for periods of 2 to 42 minutes.

13. Idaho Power Company—July 15, 1967: Differential relay operation indicating an internal fault within a 138/69 kv transformer, interrupted 50,000 kilowatts of load for some 25,000 customers for one hour, at Boise and Meridian, Idaho.

14. Alabama Power Company—July 15, 1967: About 14,000 customers with a load of some 28,000 kilowatts in Tuscaloosa County, Alabama were without service for 26 minutes when a 46 kv breaker bushing insulator failed.

15. Pacific Gas & Electric Company—July 17, 1967: A 230 kv line conductor fell into several 115 kv circuits, interrupting service for one hour and eight minutes to 62,200 customers with a load of 46,000 kilowatts in eastern Contra Costa County, California.

16. Cape and Vineyard Electric Company—August 1, 1967: The Cape Cod area lost 35,000 kilowatts of load during a severe lightning storm when the entire breaker system at Tremont substation was opened by relays. No equipment was damaged.

17. Ohio Edison Company—August 2, 1967: The 39,000 kilowatt load of 30,000 customers in a 1,200 square mile area of northern Ohio around Ashland was interrupted for periods up to one hour and four minutes when lightning damaged a circuit breaker bushing at Brookside substation.

18. Washington Water Power Company—August 11, 1967: Lightning set fire to a 230 kv line structure during a storm causing interruption of 115,000 kilowatts of load to 33,000 customers in a 1,600 square mile area of northern Idaho and Washington. Redistribution of power flows due to the outage of this line caused surges which also tripped breakers and interrupted loads of Utah Power and Light Company.

19. Utah Power and Light Company— August 11, 1967: Surges caused by lightning on the Washington Water Power Company system opened lines, causing interruption periods of five to 22 minutes of 140,000 kilowatts of load to over 15,000 customers in Salt Lake City and rural areas of Utah and Idaho.

20. Bonneville Power Administration—August 11, 1967: A power surge on the Washington Water Power Company system, not related to the above two outages, Nos. 18 and 19, caused the underfrequency relays on the Bonneville system to drop two Montana industrial customers with a combined load of 288,000 kilowatts for periods ranging from eight to 56 minutes.

21. California-Pacific Utilities Company—August 13, 1967: The 9,000 kilowatt load of 2,100 customers at Needles was interrupted for four hours due to a severe wind and rain storm.

22. Golden Valley Electric Association—August 14 and 15, 1967: Flooding of the Fairbanks and Nenana, Alaska generating stations resulted in interruption of the 8,000 kilowatt load of 4,700 of the association's 5,000 customers for period of two to six days.

23. Orange & Rockland Utilities Company—August 15, 1967: Heavy load burned off a 69 kv line tap, interrupting the 48,000 kilowatt load of more than 24,000 customers for 25 minutes to one hour and 17 minutes. Possible previous damage to the tap by lightning was indicated.

24. South Carolina Public Service Authority—August 19, 1967: Redistribution of power flows when lightning opened the breaker on a 69 kv circuit resulted in cascading outages of several other circuits and interruption of 30,000 kilowatts for 10,000 customers in the Camden, Pinewood and Batesburg area, for one hour and 36 minutes.

25. Houston Lighting & Power Company—August 24, 1967: Failure of a section of 12 kv metalclad bus interrupted the 30,000 kilowatt load of 5,000 customers in northwestern Houston for 27 minutes.

26. Southern Maryland Electric Cooperative—August 27, 1967: Lightning burned off one conductor of a 69 kv line, interrupting 28,000 kilowatts load to 18,000 customers in southern Maryland for periods up to one hour and 25 minutes.

27. El Paso Electric Company—September 1, 1967: Flashover of 115 kv line insulators, apparently damaged by rifle fire, during a light rain resulted in an interruption of 15,000 kilowatts of load at White Sands, Alamagordo and Holloman Air Development Center in New Mexico for about three hours.

28. City of Brownsville, Texas, Central Power & Light Company, South Texas Electric Cooperative, City of Robstown, Lower Colorado River Authority, Medina Electric Cooperative, Magic Valley Electric Cooperative—September 20, 1967: Loads in excess of 65,000 kilowatts for more than 26,500 customers were interrupted by Hurricane Beulah as a result of debris being blown into distribution and transmission lines, poles being broken or leaning and lines and transformers blown down. Some customers were without service for as long as two weeks.

29. Navopache Electric Cooperative—September 27, 1967: A scheduled outage to install an oil circuit breaker interrupted 5,500 kilowatts of load for 3,600 customers in east-central Arizona for 90 minutes.

30. Richland Center, Wisconsin—October 5, 1967: The City's generating units were shut down when debris clogged the cooling water intakes, resulting in loss of power for 2,900 customers for two hours and 20 minutes. The City's peak load in 1966 was about 5,900 kilowatts.

31. West Penn Power Company—October 6, 1967: For reasons unknown, the transformers interconnecting West Penn and Pennsylvania Electric Company were interrupted, affecting service of 70,000 kilowatts to over 26,000 customers in the vicinity of State Collect and Bellefont, Pennsylvania for one hour and one minute.

32. Hawaiian Electric Company—October 16, 1967: Breakers on a 138 kv line opened from unknown causes, interrupting 185,000 kilowatts of load in eastern Honolulu and the the windward end of Oahu Island for 33 minutes.

33. Navopache Electric Cooperative—November 5, 1967: The cooperative's entire 6,500 customers in eastern Arizona and western New Mexico with a load of 9,200 kilowatts was discontinued from the Arizona Public Service Company from unknown causes for periods ranging from 41 minutes to one hour and 29 minutes.

34. Tennessee Valley Authority—November 16, 1967: The City of Elizabethtown and surrounding areas of Carter County with a load of about 40,000 kilowatts was without service for some four hours as a result of an overheated disconnect switch, an insulator of which flashed over, damaging a metering transformer. About 5,000 kilowatts was transferred to another substation but the balance was out of service while the transformer was replaced.

35. Bonneville Power Administration—November 20, 1967: A defective circuit breaker combined with relay trouble resulted in the loss of the 85,000 kilowatt load of the Clark County Public Utility District and 262,000 kilowatts of two industrial customers in the Vancouver, Washington area, for periods of 25 minutes to one hour.

36. Maine Public Service Company—December 4, 1967: The entire system in Aroostook County with a load of 59,000 kilowatts and 27,800 customers was interrupted when a 69 kv tie with New Brunswick opened because of snow loading. About half of the load was restored in 30 minutes and the balance in one hour.

37. Alabama Power Company—December 7, 1967: Some 13,500 customers in Escambia, Conecuh and Baldwin counties with a 30,000 kilowatt load were interrupted for periods of 56 to 71 minutes when a tree was felled into a transmission line. The relays operated to isolate the faulted section of line.

38. Pacific Power & Light Company—December 13, 1967: The Lincoln City, Oregon, system with 4,700 customers and 12,000 kilowatts of load was interrupted when relays disconnected the supplying transformer at Portland General Electric Company's Grand Ronde substation for one hour and 47 minutes.

39. St. Joseph Light & Power Company—December 19, 1967: Some 20,000 customers with 30,000 kilowatts of load at St. Joseph were without power for 33 minutes due to a temporary internal transformer fault.

40. City of Springfield, Illinois—December 20, 1967: Failure of insulators on an air break switch forced the generating station out of service and interrupted 80,000 kilowatts of power to 30,000 customers for one hour and 50 minutes.

41. Tennessee Valley Authority—December 20, 1967: Three industrial customers in Calvert City, Kentucky, with a total load of 250,000 kilowatts were interrupted for 46 minutes when failure of a capacitor bank resulted in removing from service all three transformer banks at the Calvert City 161/13 kv substation.

42. Western Interconnection—December 22, 1967: A sleeve connection on the overhead ground wire of Idaho Power Company's 230 kv Oxbow-Brownlee line failed and the wire fell into the 230 kv conductors. The resultant instability cascaded throughout the Idaho, Oregon, and Utah systems, interrupting 275,000 customers with a load of about 1,000,000 kilowatts for periods of 6 minutes to 51 minutes.

43. Pacific Power & Light Company—December 22, 1967: A broken pole caused by ice loading on the 69 kv La Grande Enterprise line interrupted the 7,000 kilowatt load of 2,850 customers on the Enterprise system for 4 hours and 46 minutes.

44. Central Louisiana Electric Company—December 26, 1967: Accidental tripping of a bus tie breaker at Coughlin generating station resulted in a 29-minute outage of 28,000 kilowatts for 14,000 customers in the Landry, Louisiana, vicinity.

45. Pacific Power & Light Company—December 30, 1967: An automobile ran into the Bronx substation control house, interrupting service to 3,650 customers with a 7,000-kilowatt load for one hour and 18 minutes at Sandpoint, Idaho.

EXHIBIT V

SERVICE INTERRUPTIONS, JAN. 1–JUNE 30, 1968

No.	Date	Utility	Location	Reported initiating event	Megawatts lost	Customers	Duration	
							Hours	Minutes
1	Jan. 3	Lebanon, Ohio, municipal	Lebanon, Ohio	Low battery voltage, switch failure	3.0	2,000	2	10
2	do	San Antonio Public Service Board	San Antonio, Tex.	Instability due to short on LCRA [1]	80.0	80,000	0	50
3	Jan. 9	Wisconsin Electric Power-Wisconsin Power & Light, Madison.	Eastern Wisconsin	Bullet damaged conductor	482.0	161,720	2	37
4	Jan. 14	Alabama Power Co	Mobile County, Ala	Bullet severed 115-kv. line conductor	38.0	19,000	1	5
5	Jan. 15	Carolina Power & Light Co	Goldsboro, N.C.	Icing caused 110-kv. line failure	30.0	13,300	2	12
6	Jan. 19	Idaho Power Co	Don substation	13-kv. cable failure	202.1	3	1	[2] 12
7	Jan. 31	Commonwealth Edison Co	Elk Grove Village, Ill.	Plane hit overhead ground wire	35.0	30,000	2	15
8	Feb. 3	Georgia Power Co	Gainesville, Ga.	Bus support insulator and relay failed	32.7	9,000	1	2
9	Feb. 8	Eugene, Oreg., municipal	Eugene, Oreg.	Arc-over upon opening a disconnect	130.0	37,000	0	15
10	Feb. 9	Richland Center Municipal	Richland Center, Wis.	Icing in intake to generator	6.0	3,000	4	46
11	Feb. 11	Tennessee Valley Authority	Johnson City, Tenn.	Current transformer exploded	28.5	6,000	5	17
12	do	Ohio Edison Co	Berlin Center, Ohio	False relay operation, Newton Falls	25.0	25,000	0	49
13	Feb. 15	Alabama Power Co	Jefferson County, Ala.	Broken 115-kv. line insulators	26.8	19,152	1	47
14	Feb. 16	Tennessee Valley Authority	Milan, Tenn.	Switch support insulator flashover	55.0	[3]	0	18
15	Feb. 20	New Bedford Gas & Edison Light Co	New Bedford, Mass.	Multiple flashover, 13-kv. insulators	55.0	30,493	9	16
16	Feb. 21	South Texas & Medina Electric Cooperatives	Uvalde, Tex.	69-kv. line pole; boiler explosion	22.0	27,000	2	54
17	Feb. 28	Georgia Power Co	Smyrna County, Ga.	Line on the ground	35.0	12,984	0	21
18	Feb. 29	do	Gainesville, Ga.	Ice and snow shorted lines	96.3	20,000	1	35
19	Mar. 1	Idaho Power Co	Nampa, Idaho	69-kv. transformer bushing failed	27.0	9,500	1	40
20	Mar. 12	Public Service Co. of Oklahoma	Tulsa, Okla.	Icing and galloping conductors	75.0	37,000	8	+
21	do	Ohio Edison Co	Mansfield, Ohio	Galloping conductors; lightning arrester failures	38.0	15,000	0	41
22	Mar. 14	Central Illinois Public Service Co	Harrisburg, Ill.	Ground switch closed, cause unknown	30.0	8,200	1	6
23	Mar. 20	Public Service Co. of New Mexico	Albuquerque, N. Mex.	High winds and ice storm	[3]	40,000	1	50
24	Mar. 21	Cleveland Electric Illuminating Co	Cleveland, Ohio	Bus insulator failure	92.0	30,000	0	17
25	Mar. 26	Tennessee Valley Authority	Oxford, Miss.	Plane cut 161-kv. line ground wires	33.0	20,000	1	8
26	Apr. 3	Moreau-Grand Electric Co-op	Timber Lake, S. Dak.	69-kv. line fault; wind and ice storm	3.8	2,700	1	
27	Apr. 15	Snohomish County PUD No. 1	Snohomish County, Wash.	Lightning, no breaker reclose power	62.0	23,000		38
28	do	Moreau-Grand Electric Co-op	Timber Lake, S. Dak.	Ice loading on 69-kv. line	5.0	2,500	7	
29	Apr. 8	Gulf States Utilities Co	Baton Rouge, La.	Transformer relayed, cause unknown	50.9	4		36
30	do	Georgia Power Co	Newton County, Ga.	Tree felled on 115-kv. line	32.5	5,000	1	21
31	Apr. 24	Alabama Power Co	Jefferson County, Ala.	Pole and insulators shattered 115-kv. line	27.9	10,138		43
32	May 6	Douglas County Public Utility District	Wenatchee, Wash.	Operator erroneously opened 230-kv. line	465.0	3	1	0
33	May 10	Pacific Gas & Electric Co	Marin County, Calif.	230/115-kv. transformer bushing failure	37.0	32,000		35
34	May 22	Newport Electric Co	Newport, R.I.	Clamp failed during severe storm	25.0	10,800	1	8
35	May 30	Mississippi Power Co	Laurel, Miss.	Lightning, faulty relay wiring	48.0	16,000		18
36	June 2	Sacramento Municipal Utility District	Sacramento County, Calif.	Transformer differential relay	90.0	29,500		20
37	June 3	Iowa Illinois Gas & Electric Co	Iowa City, Iowa	Obsolete relay connections	37.0	18,390	1	15
38	do	Tuscon Gas & Electric Co	Tuscon, Ariz.	Gunshot severed 46-kv. line	60.0	20,000		58
39	June 7	Pacific Power & Light Co	Libby, Mont.	Helicopter cut BPA 115-kv. line	11.5	3,700	14	3
40	June 17	Cincinnati Gas & Electric Co	Cincinnati, Ohio	Jumper failed, relay false operation	27.4	10,100	1	9
41	June 19	Glacier Electric Co-op., Inc	Cut Bank, Mont.	Faulty relay	12.3	4,000		36
42	June 22	Eastern Iowa Light & Power Co-op	Eastern Iowa	Transposed relay connections	13.5	8,500	1	15
43	June 24	Virginia Electric & Power Co	Chantilly, Va.	Lightning	36.0	15,000	1	13
44	do	Public Service Co. of New Mexico	Albuquerque, N. Mex.	Erroneous relay connections	[3]	42,000		52
45	June 25	Houston Lighting & Power Co	Houston, Tex.	Operating error during tests	30.0	1,000		18
46	do	Community Public Service Co	Fort Stockton, Tex.	Gunshot, 69-kv. line conductor	8.1	3,700		35
47	June 26	Virginia Electric & Power Co	Hampton, Va.	Bushing failure on regulator	60.0	40,000		39

[1] Lower Colorado River Authority.
[2] One 47.5-mva furnace out indefinitely pending cable repairs.
[3] Not reported.

Source: Federal Power Commission press release, Aug. 15, 1968, No. 15670.

EXHIBIT VI

[From Federal Power Commission press release, No. 15670, Aug. 15, 1968]

BRIEF DESCRIPTIONS OF ELECTRIC POWER INTERRUPTIONS REPORTED BETWEEN JANUARY 1 AND JUNE 30, 1968

1. Lebanon Municipal Electric System—Ohio—January 3, 1968: A blown fuse on a battery charger at the Lebanon generating station resulted in low battery voltage and failure of two generator breakers to close, causing an interruption to all 2000 customers of the municipal system with a load of 3,000 kilowatts for periods of 40 minutes to two hours and 10 minutes. The trip coils on the two breakers were damaged.

2. San Antonio Public Service Board—Texas—January 3, 1968: A racoon shorted a transformer at the Comal power plant, creating a 12-kv arc. The arc spread to the adjacent 69-kv bus which relayed out and interrupted about 15,000 kilowatts of load on the Lower Colorado River Authority system. This set up oscillations on the San Antonio system and the dispatcher opened all of San Antonio's interconections. Instability developed before the generation was balanced to the loads and the 80,000 kilowatt load of 80,000 customers in northern Bexar county was interrupted for periods up to 50 minutes.

3. Madison Gas & Electric Company, Wisconsin Electric Power Company, Wisconsin Power & Light Company—January 9, 1968: At a time when two 138-kv lines were out of service for maintenance, a gunshot severed a third heavily loaded 138-kv line. This overloaded and trapped out the remaining interconnection between Wisconsin Electric Power Company and Wisconsin Power & Light Company. The resulting unbalance of generation and load initiated the shedding of 482,000 kilowatts of load to about 162,000 customers in eastern Wisconsin for periods of 23 minutes, to one hour and 19 minutes except for one 4-kv circuit of Madison Gas and Electric Company which was out for two hours and 37 minutes.

4. Alabama Power Company—January 14, 1968: A 115-kv line conductor apparently was severed by gunshot resulting in a 38,000 kilowatt interruption to 19,000 customers in a portion of Mobile County, Alabama for periods of 40 minutes to one hour and 5 minutes.

5. Carolina Power and Light Company—January 15, 1968: Icing conditions caused a 110-kv line to fail, interrupting 13,300 customers with a load of 30,000 kilowatts in the Goldsboro, Kinston and La Grange area of North Carolina for one hour and 2 minutes to two hours and 12 minutes.

6. Idaho Power Company—January 19, 1968: A 13-kv cable fault at Don Substation near Pocatello, Idaho interrupted the 202,100 kilowatt load of three customers, including the Pocatello Airport. Service was restored to all but about 47,500 kilowatts of industrial electric furnace load in 26 minutes. After temporary repair and testing, the balance of the load was restored but the cable failed again later in the day. Service was restored within one hour and 12 minutes to all except the 47, 500 kilowatt furnace load which had to await permanent cable repairs.

7. Commonwealth Edison Company—January 31, 1968: Some 30,000 customers with a load of 35,000 kilowatts in the Glendale Heights and Elk Grove Village, suburbs of Chicago, Illinois, were without power for periods of 50 minutes to two hours and 15 minutes when a passenger plane struck and severed the overhead ground wires on four transmission circuits. The plane landed safely at Indianapolis, Indiana trailing a piece of the ground wire.

8. Georgia Power Company—February 3, 1968: A pedestal type bus insulator at Gainesville, Georgia substation cracked, allowing the bus to fall to the steel support, causing a phase to ground fault. Relaying failed to clear the fault, resulting in interruption of 32,736 kilowatts to 9,000 customers in Gainesville and rural sections of Hall County for periods up to one hour and 2 minutes. The 41/110 kv transformer was damaged.

9. Eugene Water & Electric Board—Oregon—February 8, 1968: An operator at Bonneville Power Administration's Alvey substation opened a 230 kv disconnect switch which arced over to ground. Relays tripped out the 230 kv bus interrupting 100,000 kilowatts of power to Eugene, Oregon. Underfrequency load shedding on the Eugene system was not sufficient to permit the City's hydro plants to serve the remaining load and the city lost the remaining 30,000 kilowatts of load. The full 130,000 kilowatt service was restored to Eugene's 27,000 customers in 15 minutes.

10. Richland Center Municipal—Wisconsin—February 9, 1968: Ice obstructed the condenser cooling water intake, shutting down the generator and interrupting the 6,000 kilowatt load of the City's 3,000 customers for four hours and 46 minutes. Service restoration was aided by a temporary interconnection to the Richland Cooperative Electric Association for start-up power.

11. Tennessee Valley Authority—February 11, 1968: About 28,500 kilowatts of electric service to 6,000 customers in Johnson City, Tennessee and surrounding Washington County was interrupted when a current transformer exploded at Northeast substation breaking insulators and breaker bushings. Because of very low temperatures and high electric heating loads, which resulted in little load diversity, there were problems in restoration of service. All load was restored within five hours and 17 minutes.

12. Ohio Edison Company—February 11, 1968: The 25,000 kilowatt load of 25,000 customers in a 350 square mile area west and northwest of Warren, Ohio was interrupted for 49 minutes when an apparently spurious control signal opened a 138 kv air break switch at the unattended Newton Falls substation. The resultant arc flashed to ground and opened other circuits feeding the substation. Operators sent to the station found no damage and service was restored without difficulty.

13. Alabama Power Company—February 15, 1968: More than 19,000 customers in Jefferson County, Alabama with a total load of 26,750 kilowatts were without power for periods of 23 minutes to one hour and 47 minutes, when the protective relays opened the Leeds to Ketona 115 kv transmission line. A string of insulators on a tap line were found to be shattered, apparently from a flashover.

14. Tennessee Valley Authority—February 16, 1968: Service was interrupted to customers with a load of 55,000 kilowatts in three western Tennessee counties for 18 minutes when a switch support insulator flashed over from an unknown cause. Service was restored by bypassing the affected insulator in the Milan substation.

15. New Bedford Gas & Edison Light Company—February 20, 1968: Multiple flashovers on 13 kv insulators at the Cannon Street generating station at New Bedford, Massachusetts damaged two oil circuit breakers, seven disconnect switches and 30 insulators. Operators opened the 115 kv connections, isolating the station and its 25 feeders, interrupting 55,000 kilowatts of load affecting 30,500 customers in New Bedford and Dartmouth. Service was restored to about 60 percent of the customers in one hour and 51 minutes but some of these customers were again interrupted when segments of the network became overloaded. All customers were restored to service in 9 hours and 16 minutes.

16. South Texas Electric Cooperative, Medina Electric Cooperative—February 21, 1968: These two cooperatives operate as a pool. A broken pole on a South Texas 69-kv line precipitated an interruption to the 22,000 kilowatt load of 27,000 customers in the area of Uvalde, Texas on the South Texas system and 6,000 customers on the Medina system. Loss of the South Texas line and its load caused Medina's two 22,000 kilowatt steam-electric units to try to pick up load. The units could not pick up the load fast enough and both units along with those of South Texas tripped off. This was followed by an explosion in one of Medina's boilers which would require 60 to 70 days to repair. Service to all customers was restored in two hours and 54 minutes after the initial disturbance.

17. Georgia Power Company—February 28, 1968: A 115 kv line failed and fell to the ground interrupting service to about 13,000 customers with a load of 35,000 kilowatts in Smyrna and Cobb Counties, Georgia for 21 minutes.

18. Georgia Power Company—February 29, 1968: A heavy snow storm was responsible for transmission line outages which interrupted the 96,300 kilowatt load of 20,000 customers in Gainesville, Georgia and surrounding areas for periods up to one hour and 35 minutes.

19. Idaho Power Company—March 1, 1968: A 69 kv bushing failure on a transformer at Nampa, Idaho substation initiated a one hour and 40 minute interruption of service to 9,500 customers with 27,000 kilowatts of load.

20. Public Service Company of Oklahoma—March 12, 1968: Icing conditions coupled with wind caused galloping conductors and resulted in interruptions to six 138 kv lines, three 69 kv lines and a number of distribution circuits in the area of Tulsa, Vinita, Bartlesville and Okmulgee, Oklahoma. Service affecting 37,000 customers with a load of 75,000 kilowatts was interrupted. Line repairs were made and services restored to all but about 2,000 customers with 5,000 kilowatts of load in about 7½ hours. Most of the remaining 2,000 were restored by the next morning.

21. Ohio Edison Company—March 12, 1968: A severe sleet and rain storm caused numerous line outages because of galloping conductors and a lightning arrestor failure at Longview substation, interrupting 15,000 customers with a load of 38,000 kilowatts in the Mansfield, Ohio area for 41 minutes.

22. Central Illinois Public Service Company—March 14, 1968: Approximately 30,000 kilowatts of load affecting 8,200 customers in ten communities in the Harrisburg, Illinois area was interrupted when a high speed grounding switch closed on a 138 kv line for unknown cause and relaying at both ends of the line failed to clear. More remote relays cleared the faulted line and service was restored in one hour and 6 minutes.

23. Public Service Company of New Mexico—March 20, 1968: Ice storms accompanied by high winds resulted in the loss of Sandia substation and interruption of 40,000 customers in the Albuquerque, Tijeras and San Antonio, New Mexico areas for periods of one hour and 1 minute to one hour and 50 minutes.

24. Cleveland Electric Illuminating Company—March 21, 1968: Failure of a 33 kv bus support insulator at the Lloyd substation interrupted the 92,000 kilowatt load of 30,-000 customers in Lake and Geauga Counties, Ohio for 17 minutes.

25. Tennessee Valley Authority—March 26, 1968: A light plane spreading fertilizer cut both ground wires on a 161 kv line, shorting out the circuit and interrupting service to some 20,000 customers with a load of 33,000 kilowatts in the four communities and the rural area around Oxford, Mississippi for one hour and 8 minutes. The plane was not seriously damaged and the pilot flew it from the site.

26. Moreau-Grand Electric Coop., Inc.—April 3, 1968: A temporary fault on a 69 kv line of the U.S. Bureau of Reclamation during icing conditions and high wind interrupted the entire 2,700 customers of the Cooperative in the Timber Lake, S.D. area with a load of 3,800 kilowatts for a period of one

hour. Difficulty in radio communications delayed getting an operator to the unattended Eagle Butte substation and extended the length of the outage. No facilities were damaged.

27. Snohomish County PUD No. 1—April 16, 1968: A lightning stroke on the 115 kv line supplying Bonneville Power Administration's Sno-King substation interrupted the 62,000 kilowatt load of 23,000 customers of the PUD in South Snohomish County, Washington. Auxiliary power needed for remote reclosure of the Sno-King breaker depended upon the substation being energized and the 38 minute delay resulted from necessity of sending an operator to the unattended substation. A motor generator has now been installed to supply emergency auxiliary power.

28. Moreau-Grand Electric Coop., Inc.—April 15, 1968: Ice loading on the 69 kv line of the U.S. Bureau of Reclamation concurrently with the breaking of poles and conductors on the 7.2 kv lines of the Cooperative resulted in the loss of electric service to all of the Cooperative's 2,500 customers in and around Timber Lake, South Dakota with a load of about 5,000 kilowatts. Service from the USBR was restored in seven hours. The outage was not reported for 8 days because telephone and telegraph facilities were also out of service. At the time of the report about 100 customers on twenty 7.2 kv lines were still without electric service.

29. Gulf States Utilities Company—April 18, 1968: Transformer differential relays interrupted service for unknown cause to four industrial customers in Baton Rouge, Louisiana, for 36 minutes. The load totalled 50,900 kilowatts.

30. Georgia Power Company—April 18, 1968: A tree felled into a 115 kv line interrupted the 32,500 kilowatt load of 5,000 customers in portions of Newton and Rockdale Counties, Georgia for 28 minutes, some 2,000 kilowatts of which remained out for one hour and 21 minutes.

31. Alabama Power Company—April 24, 1968: A portion of Jefferson County, Alabama, experienced a power interruption for 43 minutes when a 115 kv line pole and all three insulator strings were found shattered. The load of the 10,138 customers were first reported to be 27,900 kilowatts but was later revised to about 23,000 kilowatts.

32. Douglas County PUD—Washington—May 6, 1968: Three industrial customers with a load of 465,000 kilowatts were without power for 60 minutes when an operator at Rocky Reach hydroelectric station erroneously opened the PUD's 230 kv line.

33. Pacific Gas & Electric Company—May 10, 1968: Failure of a bushing on a 230/115 kv transformer interrupted 37,000 kilowatts of load for 32,000 customers in Marin and Sonoma Counties, California, for periods of 13 to 35 minutes.

34. Newport Electric Corporation—May 22, 1968: A flashover during a severe electrical storm caused failure of a terminating clamp on a 69 kv interconnection with Montaup Electric Company, interrupting the 25,000 kilowatt load of some 10,800 customers in the Newport, Middletown and Portsmouth, Rhode Island area for periods of 15 minutes to one hour and 8 minutes. The interruption was prolonged due to a parallel line being out of service for reconductoring.

35. Mississippi Power Company—May 30, 1968: Lightning severed overhead ground wires which faulted the conductors on a 115 kv line. The breaker at the Laurel end of the line stuck, which caused all of the breakers on the backup protection to open interrupting the 48,000 kilowatt load of 16,000 customers in the Laurel and Meridian, Mississippi division of the company for 18 minutes. Failure of the Laurel breaker was later found to be due to improper relay wiring.

36. Sacramento Municipal Utility District—June 2, 1968: Differential and fault pressure relays, because of a fault within a transformer at Hedge substation, interrupted the 90,000 kilowatt load of 29,500 customers in the Carmichael, California area and the southern part of Sacramento County for 20 minutes.

37. Iowa Illinois Gas & Electric Company—June 3, 1968: While one of the two lines supplying Iowa City, Iowa and vicinity was out of service for maintenance, transformer differential relay action removed the second circuit because of obsolete relay connections interrupting the 37,000 kilowatt load of 18,390 customers for one hour and 15 minutes.

38. Tuscon Gas & Electric Company—June 3, 1968: Rifle fire severed a 46 kv circuit near Tuscon, Arizona's eastern city limits. The 46 kv breaker did not operate to isolate this circuit and the 138 kv breaker supplying this and three other 46 kv circuits relayed out interrupting 20,000 customers in a 60 square mile area of the city with a load of 60,000 kilowatts. The supervisory control for reclosing the unattended 138 kv breaker was blocked out for unexplained reasons resulting in a 58 minute outage while an operator was sent to close the breaker. The manufacturer of the supervisory equipment was called in to inspect the equipment to determine the reasons for the abnormalties.

39. Pacific Power & Light Company—June 7, 1968: A helicopter severed a 115 kv Bonneville Power Administration line supplying Pacific's isolated Libby, Montana service area consisting of 3,700 customers and 11,500 kilowatts of load. The J. Niels Mill generating station picked up about 1,500 kilowatts over a 33 kv line but the balance of the Libby area was without power for 14 hours and 3 minutes.

40. Cincinnati Gas & Electric Company—June 17, 1968: Failure of a jumper on the terminal pole of a 69 kv line near Hamilton, Ohio, faulted the line which relayed out as designed. However, this initiated the tripout of another circuit on a pilot wire relay for causes that have not been determined. This interrupted the 27,400 kilowatt load of 10,100 customers in a 26 square mile area between Cincinnati and Hamilton for periods up to one hour and 9 minutes.

41. Glacier Electric Cooperative, Inc.—June 19, 1968: A faulty relay at the Bureau of Reclamation's Shelby, Montana substation tripped the radial 115 kv line supplying the entire 12,300 kilowatt load of the 4,000 customers of the Cooperative in Cut Bank and surrounding Glacier County, Montana. The Cooperative was without power for 36 minutes.

42. Eastern Iowa Light and Power Cooperative—June 22, 1968: A differential relay at Montpelier generating station tripped, apparently because of transposed connections on a new installation, interrupting 13,500 kilowatts of power supply to 8,500 customers in seven eastern Iowa counties between the cities of Davenport, Iowa City and Burlington for one hour and 15 minutes.

43. Virginia Electric & Power Company—June 24, 1968: A lightning surge tripped a differential relay on the 115/34 kv transformer at Dulles substation interrupting electric service to Reston, Chantilly and Herndon, Virginia, affecting the 36,000 kilowatt load of 15,000 customers for one hour and 13 minutes. The transformer was not damaged.

44. Public Service Company of New Mexico—June 24, 1968: An erroneous differential relay connection combined with a fault on an adjacent line tripped a 230/115 kv transformer interrupting 42,000 electric customers in northern Albuquerque, New Mexico for periods ranging from 16 minutes to 52 minutes.

45. Houston Lighting & Power Company—June 25, 1968: An inadvertent breaker operation during a period of relay testing interrupted 1,000 customers with a load of 30,000 kilowatts in a one mile square area of downtown Houston, Texas for 18 minutes.

46. Community Public Service Company—June 25, 1968: A 69 kv line was disrupted by gunshot interrupting the 8,100 kilowatt load of 3,700 customers in the Fort Stockton-Sanderson, Texas area for 35 minutes.

47. Virginia Electric & Power Company—June 26, 1968: Failure of a regulator bushing interrupted electric service to 40,000 customers with a 60,000 kilowatt load in northern Hampton, Virginia, for 39 minutes.

EXHIBIT VII.—SERVICE INTERRUPTIONS, JULY 1-SEPT. 30, 1968

No.	Date	Utility	Location	Reported initiating event	Megawatts lost	Customers	Duration	
							Hours	Minutes
1	July 3	Louisiana Power & Light Co.	Houma, La.	Lightning, reversed relay leads	55.0	25,000	1	20
2	July 9	Carolina Power & Light Co.	Delco, N.C.	Cross arm broke in high wind	42.0	925		53
3	July 13	do	Wake Forest, N.C.	Lightning	25.0	5,500		44
4	July 16	Iowa Public Service Co.	Waterloo, Iowa	Lightning, fire in switching equipment	50.0	25,000	4	17
5	July 17	Pennsylvania Power & Light Co.	Pottsville, Pa.	Lightning	65.0	25,000	1	56
6	July 18	Duke Power Co.	Greensboro, N.C.	Potential transformer-cascading 100 kilovolts	500.0	128,000		49
7	July 19	Carolina Power & Light Co.	Bennettsville, N.C.	Lightning, 115-kilovolts conductor down	26.0	3,800		58
8	July 23	Washington, Ind., municipal	Washington, Ind.	Stat on service transformer bushing	14.0	6,100	51	30
9	July 25	Navopache Electric Coop., Inc.	Arizona-New Mexico	Trouble on Arizona Public Service 69-kilovolt line	10.0	6,900	1	55
10	do	Garkane Power Association	Kanab, Utah	Lightning blew 69-kilovolt transformer fuse	3.2	700		30
11	July 27	South Carolina Public Service Authority	Myrtle Beach, S.C.	115-kilovolt line connector failed	80.0	16,000	1	51
12	do	Savannah Electric & Power Co.	Savannah, Ga.	Overload-low voltage tripped generators	140.0	25,000	7	30
13	Aug. 1	Duke Power Co.	Rock Hill, S.C.	Operating error, disconnect flashover	40.0	7		17
14	Aug. 7	Tennessee Valley Authority	Newport, Tenn.	Lightning	33.0	[1] 2		30
15	do	Gulf States Utilities Co.	Huntsville, Tex.	Lightning arrestor failed	43.0	7,380		53
16	do	U.S. Bureau of Reclamation	Nebraska and Dakota	Wind and tornado	1,400.0	(2)	1	54
17	Aug. 8	Utah Power & Light Co. et al.	Utah, Idaho, Wyoming, Montana	Tree fell on 230-kilovolt line in Canada	[3] 731.0	285,000	1	30
18	Aug. 10	Pacific Power & Light Co.	Enterprise, Oreg.	Lightning, bus insulators failed	6.6	2,800	2	
19	Aug. 13	Idaho Power Co.	Southeastern Idaho	Lightning, transformer damaged	100.0	30,000		31
20	Aug. 16	Commonwealth Edison Co.	Chicago, Ill.	Lightning struck 138-kilovolt line	70.2	100,000	1	25

Footnotes at end of table.

EXHIBIT VII.—SERVICE INTERRUPTIONS, JULY 1-SEPT. 30, 1968—Continued

No.	Date	Utility	Location	Reported initiating event	Megawatts lost	Customers	Duration	
							Hours	Minutes
21	Aug. 21	Gulf States Utilities Co	East Baton Rouge, La	Lightning tripped 69-kilovolt line	36.0	3,000		40
22	do	Alabama Power Co	Foley, Ala	Tree on 115-kilovolt line in severe weather	28.0	7,000	2	33
23	Aug. 23	Georgia Power Co	Cobb-Fulton Counties, Ga	Lightning damaged 115-kilovolt line insulators	40.0	10,140		39
24	Aug. 28	Sacramento Municipal Utility District	Sacramento, Calif	Transformer bushing failure	65.0	40,000		53
25	Sept. 4	Alabama Power Co	Southwestern Alabama	Tree felled into 115-kilovolt line	42.2	19,240	1	29
26	do	Tallahassee Municipal	Tallahassee, Fla	Lost boiler fires, reason unknown	50.0	28,400	5	45
27	Sept. 21	Kansas City Municipal	Kansas City, Kans	Lightning damaged a switch insulator	60.0	10,000	1	20
28	Sept. 29	Orange & Rockland Utilities, Inc	New York-New Jersey boundary.	Generator relayed out-bearing vibration	151.0	136,484	2	24

[1] The 2 municipal customers of Newport and Sevierville with a total of 19,300 meters.
[2] Not reported.
[3] An additional 300.0 megawatts was interrupted on Vancouver Island in Canada.

Source: Federal Power Commission Press Release, Oct. 25, 1968, No. 15791.

EXHIBIT VIII

[From Federal Power Commission Press Release No. 15791, Oct. 25, 1968]

BRIEF DESCRIPTIONS OF ELECTRIC POWER INTERRUPTIONS REPORTED BETWEEN JULY 1 AND SEPTEMBER 30, 1968

1. Louisiana Power & Light Company—July 3, 1968: A line to ground fault on a 138 kilovolt line caused by lightning interrupted the 55,000 kilowatt load of 25,000 customers in the Houma-Amelia, La., area for 23 minutes. Some delay in restoring service resulted from reversed relay leads which opened the breaker on another line.

2. Carolina Power & Light Company—July 9, 1968: A 110 kilovolt line cross-arm broke during a high wind, interrupting electric service to 925 customers in the Delco, N.C., vicinity for 57 minutes. About 42,000 kilowatts of load was lost.

3. Carolina Power & Light Company—July 13, 1968: Lightning initiated the interruption of 110 and 66 kilovolt lines supplying Franklinton, Louisburg, Springhope and Wake Forest, N.C., affecting 5,500 customers with a load of 25,000 kilowatts for periods of 27 to 44 minutes.

4. Iowa Public Service Company—July 16, 1968: Lightning started a fire in the 4 kilovolt switchgear and control cables of Maynard station, interrupting the 50,000 kilowatt load of 25,000 customers in Waterloo, Iowa, for as much as four hours and 17 minutes.

5. Pennsylvania Power & Light Company—July 17, 1968: A severe electrical storm caused relaying on the 66 kilovolt bus of Fishback substation at Pottsville, Pa., interrupting 25,000 customers with a load of 65,000 kilowatts. About one-fifth of the customers in the Cressona, Pine Grove and Schuylkill Haven area were restored in 58 minutes. About four-fifths had been restored at the time of the outage report, one hour and 56 minutes after the interruption began.

6. Duke Power Company—July 18, 1968: The failure of a potential transformer relayed out a 100 kilovolt line in north-central North Carolina. A parallel circuit relayed out due to overload. An almost simultaneous fault opened another 100 kilovolt line 40 miles away, followed by several other 100 kilovolt circuits which tripped from the resulting overload. The Dan River steam-electric generating station was manually separated from the system to save it from being shut down. Some 128,000 customers with 500,000 kilowatts of load in the Greensboro-High Point-Burlington area were without electric service for 49 minutes.

7. Carolina Power & Light Company—July 18, 1968: A 115 kilovolt line conductor failed during a lightning storm, interrupting the 26,000 kilowatt load of 3,800 customers in the Bennettsville, McCalls and Society Hill area of North Carolina for periods of 16 minutes to 58 minutes.

8. Washington, Indiana, Municipal—July 23, 1968: The entire city system, with about 6,100 customers and 14,000 kilowatts of load, was interrupted when a generating station service transformer failed and tubes in two of the four boilers were damaged. Partial restoration began 13 hours after start-up power was received through distribution lines of a cooperative. Available power was rotated to various circuits on a four-hour schedule. Full restoration was made in 51 hours and 30 minutes, when emergency connection was made to a nearby utility line through a portable substation.

9. Navopache Electric cooperative, Inc.—July 25, 1968: the entire 10,000 kilowatt load of the 6,900 customers was without service for one hour and 55 minutes due to trouble on the Arizona Public Service Company system which supplies the Cooperative over a 69 kilovolt line.

10. Garkane Power Association—July 25, 1968: Lightning knocked out the fuse on the 69 kilovolt transformer at the Fredonia substation interrupting the 3,200 kilowatt load of 700 customers for 30 minutes in the Fredonia and Colorado City, Ariz., and Knab and Orderville, Utah areas. Garkane's peak load in 1967 was 4,466 kilowatts.

11. South Carolina Public Service Authority—July 27, 1968: A T-connector on a 115 kilovolt line failed interrupting the 80,000 kilowatt load of 16,000 customers in the Conway, Myrtle Beach, Georgetown, S.C. area for periods up to one hour and 51 minutes.

12. Savannah Electric Company—July 27, 1968: low voltage, resulting from lack of generating capacity when high atmospheric temperatures caused the load to exceed expectations, tripped boiler auxiliaries on one generating unit, followed by loss of fuel to another unit due to high gas pressure, and loss of a third unit due to overload. Load was manually shed, interrupting 140,000 kilowatts of load to 25,000 customers for periods up to seven and one-half hours.

13. Duke Power Company—August 1, 1968: An operating error which resulted in a flashover that damaged a disconnect switch interrupted the 40,000 kilowatt load of seven industrial customers at Rock Hill, S.C., for 17 minutes.

14. Tennessee Valley Authority—August 7, 1968: Lightning struck a 115 kilovolt line interrupting the 33,000 kilowatt load of the Newport and Sevierville, Tenn., municipal systems which are supplied by TVA. The lightning welded the contacts closed on the relay, resulting in a 30-minute outage while the relay was removed so that the line could be reenergized.

15. Gulf States Utility Company—August 7, 1968: Failure of a 13 kilovolt lightning arrestor during a storm tripped the 69 kilovolt bus at Huntsville, Texas substation interrupting 7,380 customers with a load of about 43,000 kilowatts for periods of 40 to 53 minutes in the Huntsville, Conroe, Willis, and Richards sections of the Company's Navasota Texas Division.

16. U.S. Bureau of Reclamation, Black Hills Power & Light Company, Otter Tail Power Company, Cherry-Todd Electric Cooperative, Nebraska Public Power System—August 7, 1968: Winds of more than 100 miles per hour that damaged towers on a 230 kilovolt line were followed two hours later by a tornado which felled towers on other 230 and 115 kilovolt lines in South Dakota, precipitating a cascading power failure that interrupted 1,000,000 kilowatts of load on the Bureau's Missouri River Basin System. The Black Hills Power & Light Company in South Dakota and Wyoming, Otter Tail Power Company in North Dakota and Minnesota, Cherry-Todd Electric Cooperative in South Dakota and Nebraska and the Nebraska Public Power System were affected. The entire state of South Dakota was without power and the Nebraska system dropped 400,000 kilowatts by automatic load-shedding. Interruptions lasted for periods of 2 minutes to one hour and 54 minutes.

17. Utah Power & Light Company, Idaho Power Company, Montana Power Company, Bonneville Power Administration—August 8, 1968: A tree fell on a 230 kilovolt line interrupting a 300,000 kilowatt load of the British Columbia Hydroelectric system on Vancouver Island. This set up oscillations causing the Western Interconnection to break up into nine to eleven islands. A total of 731,000 kilowatts of load was lost in Idaho, Utah, Montana and Wyoming, through automatic load-shedding on low frequency relays. Much of this was interruptible industrial load, but at least 285,000 customers, mostly in Utah, were without power for periods ranging from momentary interruptions to one hour and 30 minutes. A new generating unit running on tests at Utah's Naughton station tripped out on overspeed and its auxiliaries failed, damaging its bearings.

18. Pacific Power & Light Company—August 10, 1968: Lightning damaged bus support insulators at the Enterprise, Oreg., substation interrupting the 6,600 kilowatt load of 2,800 customers on the Enterprise system for two hours. The Enterprise system is served by a radial 69 kilovolt line from La Grande.

19. Idaho Power Company—August 13, 1968: Lightning damaged a transformer in the Pleasant Valley substation interrupting the 100,000 kilowatt load of 30,000 customers in southeastern Idaho for 31 minutes. The outage was prolonged by the loss of all communications due to the severity of the lightning.

20. Commonwealth Edison Company—August 16, 1968: Lightning struck 138 kilovolt line interrupting 100,000 customers with a load of 70,200 kilowatts in the north central part of Chicago, Ill., for periods ranging from 41 minutes to one hour and 25 minutes.

21. Gulf States Utilities Company—August 21, 1968: Lightning which tripped out a 69 kilovolt line and flashed over to an underbuilt 13 kilovolt circuit interrupted several distribution substations supplying 36,000 kilowatts to 3,000 customers in a section of East Baton Rouge, La., for 40 minutes. The 13 kilovolt circuit has been lowered to give greater clearance from the 69 kilovolt line.

22. Alabama Power Company—August 21, 1968: A tree is believed to have contacted the radial 115 kilovolt line from Silver Hill to Foley during severe weather tripping the line out of service and interrupting the 28,000 kilowatt load of 7,000 customers in and

around Foley, Ala., for two hours and 33 minutes.

23. Georgia Power Company—August 23, 1968: Lightning caused an insulator failure on a 115 kilovolt line interrupting the 40,000 kilowatt load of 10,140 customers in portions of Cobb and Fulton Counties, Ga., for periods up to 39 minutes.

24. Sacramento Municipal Utility District—August 28, 1968: Failure of a transformer bushing at Elverta substation resulted in a 53-minute interruption of electric service to 40,000 customers in northern Sacramento County, Calif., with a load of 65,000 kilowatts.

25. Alabama Power Company—September 4, 1968: A contractor felled a tree into a 115 kilovolt line in southwestern Alabama interrupting the 42,180 kilowatt load of 19,240 customers in parts of Wilcox, Clarke, Choctaw and Washington Counties for one hour and 29 minutes.

26. Tallahassee, Florida Municipal Electric System—September 4, 1968: Electric service to the entire 28,400 customers of the isolated Tallahassee Municipal electric system was interrupted when fire was lost under two of the power plant boilers. System load at the time of the interruption was between 45,000 and 50,000 kilowatts. Some customers were without service for periods up to five and three-quarters hours.

27. Kansas City, Kansas Municipal Electric System—September 21, 1968: Lightning damaged an insulator on a 69 kilovolt disconnect switch at the Quindaro steam-electric generating station's substation resulting in the loss of the 69 kilovolt circuit and disconnecting both of the city's generating stations from their load, but the city's interconnection with the adjacent utility held. A total of 60,000 kilowatts of load, 17,000 of which was a single industrial customer, was interrupted for periods of 15 minutes to one hour and 20 minutes. The city has about 45,000 customers with a system peak load of about 275,000 kilowatts, indicating that some 10,000 customers may have been affected by the outage.

28. Orange & Rockland Utilities, Incorporated—September 28, 1968: The 180,000 kilowatt unit No. 4 at Lovett generating station tripped out due to an erroneous indication of bearing vibration at a time when Orange & Rockland's 138 kilovolt tie line with Consolidated Edison Company was out of service for line work. The resulting deficiency of power supply relayed out the remaining 115 kilovolt tie line to Central Hudson Gas & Electric Corporation and the system collapsed. Some of Orange & Rockland's 136,484 customers in southern New York and northern New Jersey, with a Sunday afternoon load of 151,000 kilowatts were interrupted for periods of 36 minutes to two hours and 24 minutes. The generator, apparently undamaged, was returned to service.

EXHIBIT IX

SERVICE INTERRUPTIONS—OCT. 1-DEC. 31, 1968

Number	Date	Utility and location	Reported initiating event	Megawatts lost	Customers	Duration— Hours	Duration— Minutes
1	Oct. 3	City of Tacoma, Tacoma, Wash	Flashover on 115-kv. insulator	80.0	2		30
2	do	Alabama Power Co., Auburn, Ala	Relay probably shorted by wireman	58.0	22,881	1	24
3	do	Salt River Project, Phoenix, Ariz	Tornado broke 69-kv. line poles	75.0	20,000	1	27
4	Nov. 7	Georgia Power Co., Gainesville, Ga	Squirrel shorted bus at Gainesville substation	73.0	19,000		21
5	Nov. 8	New York State Electric & Gas Corp., Niagara Mohawk Power Corp., Lockport, N.Y.	Gunshot 115-kv. insulator—relay failed	36.0	10,700		33
6	Nov. 9	Pacific Power & Light Co., Enterprise, Oreg	Pole broke on 69-kv. line	5.0	2,800	3	10
7	do	Southern California Edison Co., Victorville, Calif	Vehicle hit tower, 2, 115-kv. lines out	43.0	14,500		29
8	Nov. 12	Virginia Electric & Power Co. (2 outages), Northern Virginia	Snow, ice, and wind on 115-kv. system	67.0	11,875	1	23
9	Nov. 15	Austin Electric Department, city of, Austin, Tex	Derailed train faulted 69-kv. loop	135.0	72,000	1	30
10	Nov. 19	Alabama Power Co., Sylacauga, Ala	Bushing failed—relayed 115/46-kv. substation	37.1	3,525		32
11	Dec. 3	Sacramento Municipal Utilities, District, Sacramento, Calif	69-kv. cable failed, Hurley substation out	70.0	65,000		36
12	Dec. 9	Tennessee Valley Authority, Milan, Tenn	69-kv. bus insulator failed	47.0	[1] 4		28
13	Dec. 11	Public Service Co. of Indiana, Lafayette, Ind	138-kv. breaker failed to open	80.0	15,000	1	35
14	Dec. 12	Northeast Missouri Electric Power Cooperative, Northeast Missouri-Southeast Iowa.	69-kv. switch insulator failed	16.0	25,000	3	
15	Dec. 14	Marquette Department of Light & Power, Marquette, Mich	Water pump failed—lost generators	12.0	7,000		50
16	Dec. 15	Greenville Municipal, Greenville, Tex	Lost generator—boiler draft fan failed	8.9	9,272	2	30
17	Dec. 22	Iowa Power and Light Co., Des Moines, Iowa	69-kv. oil breaker failed to clear fault	65.0	100,000	1	25
18	Dec. 29	Lower Valley Power & Light, Jackson, Wyo	69-kv. air break switch connector failed	10.0	2,600	2	17
19	Dec. 31	Public Utility District No. 1, Grays Harbor County, Wash., Aberdeen, Wash.	Ice laden tree fell into 69-kv. line	50.0	7,800		40

[1] 3 municipal and 1 cooperative wholesale customers with about 34,000 consumers.

Source: Federal Power Commission Press Release Jan. 21, 1969, No. 15913.

EXHIBIT X

[From the Federal Power Commission press release, No. 15913, Jan. 21, 1969]

BRIEF DESCRIPTIONS OF ELECTRIC POWER INTERRUPTIONS REPORTED BETWEEN OCTOBER 1 AND DECEMBER 31, 1968

1. Tacoma, Washington, Municipal—October 3, 1968: A flashover on a 115 kilovolt substation bus insulator during a heavy fog interrupted the 80,000 kilowatt load of two industrial customers for 30 minutes.

2. Alabama Power Company—October 3, 1968: A wireman working on the switchboard at North Auburn, Alabama, substation apparently inadvertently tripped a relay removing the substation from service and interrupting 22,881 customers surrounding the substation with a load of 58,000 kilowatts for periods of one hour and 13 minutes to one hour and 24 minutes.

3. Salt River Project—October 3, 1968: Service was interrupted for periods ranging from 42 minutes to one hour and 27 minutes for 20,000 customers with a load of 75,000 kilowatts in northwest Phoenix, Arizona, when a tornado broke poles on two of the Project's 69 kilovolt lines and another utility's line fell on a third 69 kilovolt line.

4. Georgia Power Company—November 7, 1968: A squirrel caused a short on the bus at the Gainesville 115/12 kilovolt substation interrupting 19,000 customers with a 73,000 kilowatt load in Gainesville and surrounding Hall County, Georgia for periods up to 21 minutes.

5. New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation—November 8, 1968: A flashover on an insulator that had been damaged by rifle fire on a 115 kilovolt line of Niagara Mohawk Power Corporation, which suplies the Lockport District of the New York State Electric & Gas Corporation, interrupted electric service to 10,700 customers with a load of about 36,000 kilowatts for 33 minutes when local relaying failed. The fault was cleared by back-up relaying but no provision was available to automatically transfer New York State's load to Niagara's parallel undamaged line.

6. Pacific Power & Light Company—November 9, 1968: A broken pole on a 69 kilovolt line of California Pacific Utilities Company which supplies the Enterprise, Oregon system of Pacific Power and Light Company interrupted the entire 2,800 customers of the Enterprise system with a load of 5,000 kilowatts for three hours and 10 minutes. The cause of the broken pole is unknown.

7. Southern California Edison Company—November 9, 1968: A vehicle knocked down a steel tower carrying two 115 kilovolt lines interrupting for 29 minutes the 43,000 kilowatt load of 14,500 customers fed from the Victor Substation in the Victorville-Apple Valley area of California.

8. Virginia Electric & Power Company—November 12, 1968: Snow, icing and high winds resulted in two interruptions during the morning due to trouble on the 115 kilovolt system. Some 5,825 customers with a 42,000 kilowatt load in the Gordonsville, Orange and Culpeper areas were without power for periods of 58 minutes to one hour and 23 minutes and 6,050 customers on the west of Charlottesville and in Crozet with a total load of 25,000 kilowatts were interrupted for periods of 37 minutes to one hour and 17 minutes.

9. City of Austin, Texas, Electric Department—November 15, 1968: Derailed moving railroad freight cars knocked down a 69 kilovolt line segment of a loop circuit around the City of Austin. The resulting line-to-line and line-to-ground faults tripped the breakers at the ends of the line section but additional back-up relays apparently operated improperly, resulting in a cascading failure that interrupted about 130,000 to 135,000 kilowatts of the City's 145,000 kilowatt load, leaving some 72,000 of the City's 80,000 customers without power for periods of 3 minutes to one hour and 30 minutes. The City's two steam-electric stations were forced to shut down but were undamaged. The City's major interconnection with other systems was out of service for maintenance at the time of the interruption.

10. Alabama Power Company—November 19, 1968: A 46 kilovolt regulating transformer bushing failure tripped out the 115/46 kilovolt Sylacauga substation interrupting the 37,100 kilowatt load of 3,525 customers in portions of Tallapoosa, Clay, Coosa and Talladega counties for 32 minutes.

11. Sacramento Municipal Utilities District—December 3, 1968: A 69 kilovolt cable failed and tripped out of service. Upon test reclosing, the main 230/69 kilovolt transformer, at Hurley substation tripped on pressure relay, indicating damage to the transformer. Some 65,000 customers with a load of 70,000 kilowatts served from Hurley substation in northeastern Sacramento, Cal-

ifornia were without electricity for 36 minutes.

12. Tennessee Valley Authority—December 9, 1968: Failure of a 69 kilovolt bus insulator at the Milan Tennessee substation tripped the 69 kilovolt bus and interrupted about 47,000 kilowatts of load on the Humboldt, Trenton and Milan municipal systems and the Gibson County Cooperative. The four wholesale customers of TVA have about 34,000 customers. Service was restored in 16 to 28 minutes.

13. Public Service Company of Indiana—December 11, 1968: A 138 kilovolt circuit breaker failed to open and the substation was relayed out of service interrupting about three quarters of the City of Lafayette, Indiana. About 15,000 customers with a load of 80,000 kilowatts were without service for periods of 50 minutes to one hour and 35 minutes.

14. Northeast Missouri Electric Power Cooperative—December 12, 1968: Failure of an insulator on a 69 kilovolt switch, followed by failure of protective devices to isolate the resulting ground fault caused the interruption of the 16,000 kilowatt load of the entire 25,000 customers of seven member cooperatives in northeast Missouri and southeast Iowa. Service was restored at intervals ranging from 3 minutes to 3 hours.

15. Marquette (Michigan) Department of Light & Power—December 14, 1968: A bearing failure on the circulating water pump at the City's steam-electric plant followed by failure of the back-up pump to start automatically forced the shut-down of one generating unit interrupting service to 7,000 customers with a load of 12,000 kilowatts. Diesel units were started and service restoration begun in 10 minutes. Full service was restored in 50 minutes after the steam-electric unit was restarted.

16. Greenville (Texas) Municipal Utilities—December 15, 1968: While the City's system was operating isolated from the Texas Municipal Power Pool because of transmission construction the forced draft fan safety switch tripped out of service the 19,000 kilowatt steam-electric generating unit interrupting the 8,920 kilowatt load of the city's entire 9,300 customers. Diesel units were started and began picking up load in 15 minutes. Diesel units could not carry the entire load but full service was restored in about 2 hours and 30 minutes.

17. Iowa Power and Light Company—December 22, 1968: Failure of a 69 kilovolt oil circuit breaker to clear a line fault resulted in a cascading situation which interrupted the 65,000 kilowatt load of 100,000 customers in the Des Moines area for periods of 35 minutes to one hour and 25 minutes.

18. Lower Valley Power & Light, Inc.—December 29, 1968: A faulty connection to a 69 kilovolt switch between Lower Valley system and Palisades hydroelectric project of the Bureau of Reclamation interrupted 10,000 kilowatts of load in and around Jackson, Wyoming. Some 2,600 of the system's 4,700 customers were without service for two hours and 17 minutes.

19. Grays Harbor County Public Utility District No. 1—December 31, 1968: An ice laden tree fell into a 69 kilovolt line and the resultant power surge opened a 115 kilovolt breaker interrupting the 50,000 kilowatt load of 7,800 customers south and east of Aberdeen, Washington for 40 minutes.

EXHIBIT XI.—SERVICE INTERRUPTIONS, 1969

1ST QUARTER

No.	Date	Utility	Location	Cause	Megawatts lost	Customers	Duration Hours	Duration Minutes
1	Jan. 6	Jacksonville Department of Electricity and Water.	Jacksonville, Fla	69-kilovolt breaker bushing failed	40.0	8,000		26
2	Jan. 8	Wisconsin Power & Light Co	Beaver Dam, Wis	Operating error during maintenance	35.0	10,000		27
3	Jan. 9	Interstate Power Co	Albert Lea, Minn	Ice and wind caused 69-kilovolt line faults	25.0	12,800	2	15+
4	Jan. 15	Iowa Southern Utilities Co	Burlington, Iowa	Ice on 69-kilovolt line, breaker failed	32.0	15,000		35
5	Jan. 26	Pacific Power & Light Co	Enterprise, Oreg	Blizzard broke 69-kilovolt insulator pin	7.0	2,800	2	18
6	do	Lower Valley Power & Light, Inc	Jackson, Wyo	Blizzard caused 69-kilovolt line fault	7.5	2,500		49
7	Jan. 28	Florida Power & Light Co	Eastern Florida	138 kilovolt line fault caused incorrect tripping of Port Everglades plant. Loss of generation resulted in automatic loadshedding on 5 systems.	310.0	[1]		37+
		Tampa Electric Co	Tampa, Fla		70.0	[1]		20
		Florida Power Corp	North central Florida		50.0	[1]		34
		City of Orlando	Orlando, Fla		42.0	[1]		24
		City of Jacksonville	Jacksonville, Fla		20.0	[1]		11
8	Jan. 30	Bonneville Power Administration	Northeast Washington	Blizzard; 115 kilovolt fault; breaker failed	34.0	8,000		55
9	do	Alabama Power Co	Chambers County, Ala	Regulator defect; 115/12-kilovolt transformer out	37.0	5,000		21
10	Feb. 16	Carolina Power & Light Co	Lake City, S.C	Icing caused 110-kilovolt line failure	30.0	12,500	2	0
11	do	do	Laurinburg, N.C	Icing caused 2 110-kilovolt line failures	37.0	36,000	6+	
12	do	do	Bennettsville, S.C	Icing caused 4 110-kilovolt line failures	47.0	14,000	2+	
13	Feb. 17	do	Lumberton, N.C	Icing caused 3 110-kilovolt line failures	80.0	11,000	1+	
14	do	do	Sanford, N.C	Icing caused 110-kilovolt line failure	40.0	11,500	[1]	
15	Feb. 20	Hawaiian Electric Co	Honolulu, Hawaii	138-kilovolt bus failure; generator separation	92.0	35,000		22
16	Feb. 24	Moreau-Grand Electric Coop., Inc	Timber Lake, S. Dak	Blizzard broke 69-kilovolt pole crossarms	4.5	3,000	66	20
17	Feb. 26	New England Power Co	Warren, R.I	Storm caused 115-kilovolt line fault	41.0	23,400	1	9
18	do	Newport Electric Corp	Newport, R.I	2 outages; ice on 69-kilovolt lines	60.0	30,000	1	10
19	Mar. 6	Tennessee Valley Authority	Southeastern Tennessee	Faulty transformer temperature detector	34.0	[2]		34
20	Mar. 11	Sacramento Municipal Utility District	Sacramento, Calif	Capacitor switch failed at 115-kilovolt substation	64.0	50,000		47
21	Mar. 14	Georgia Power Co	Atlanta, Ga	Crane boom fell into 115-kilovolt line	62.0	10,019		[3]33
22	Mar. 20	Dairyland Power Cooperative	Genoa, Wis	161-kilovolt line fault; breaker failed	40.0	18,500	1	5
23	Mar. 21	Baltimore Gas & Electric Co	North Baltimore, Md	Faulty microwave tripped 115-kilovolt line	40.0	[1]		34
24	Mar. 24	Pacific Gas & Electric Co	Marin County, Calif	Malfunction of 230-kilovolt bus relay	375.0	250,000	1	3

2D QAURTER

No.	Date	Utility	Location	Cause	Megawatts lost	Customers	Duration Hours	Duration Minutes
25	Apr. 4	Montana Power Co	Great Falls, Mont	100-kilovolt line cut by bullet—faulty relay ckt. caused breaker failure.	175.0	47,500	1	14
26	Apr. 6	Navopache Electric Coop., Inc	McNary, Ariz	Tree limb broke 69-kilovolt conductor	11.0	7,100	1	43
27	Apr. 13	Northeast Utilities System	Connecticut	Failure of 115-kilovolt disconnect switch	352.0	227,000	2	00
28	Apr. 18	Georgia Power Co	South central Georgia	Tornado damaged 115-kilovolt lines	33.9	5,300	1	20
29	Apr. 20	Moreau-Grand Electric Coop., Inc	Timber Lake, S. Dak	Wind and broken 69-kilovolt insulation strand	4.0	2,700	1	30
30	do	Puget Sound Power & Light Co	Auburn, Wash	Car knocked down 115-kilovolt line pole	40.0	18,000		22
31	Apr. 27	Greenville Municipal Lighting and Power	Greenville, Tex	Tieline opened during a storm	10.5	7,800		30
32	May 8	Cleveland Electric Illuminating Co	Cleveland, Ohio	Lightning caused 138-kilovolt bus faults	350.0	103,000		42
33	May 12	Seattle Department of Lighting	Seattle, Wash	Faulty operation of bus relay	60.0	32,490		17
34	May 19	Pacific Gas & Electric Co	Bakersfield, Calif	Operator error caused relay trip	90.0	38,000		26
35	May 23	Snohomish County PUD No. 1	Snohomish, Wash	115-kilovolt insulation flashover—breaker failed	37.5	8,000	1	25
36	May 31	Dayton Power & Light Co	Dayton, Ohio	Lightning	35.0	12,000		19
37	June 1	Pacific Power & Light Co	Yakima, Wash	Crop dusting plane hit 115-kilovolt line	36.0	17,000	1	4
38	June 13	Tennessee Valley Authority	Columbia, Tenn	161-kilovolt transformer lead burned off	100.0	[4]6	1	53
39	June 21	Alabama Power Co	Auburn, Ala	Snake shorted out 44/115-kilovolt substation	60.0	23,000	1	18
40	June 26	Kentucky Utilities Co	Lexington, Ky	Bulldozer cuased 69-kilovolt line fault	59.0	22,500		15

3D QUARTER

No.	Date	Utility	Location	Cause	Megawatts lost	Customers	Duration Hours	Duration Minutes
41	July 1	Gulf States Utilities Co	Navisota, Tex	Wire down on 138-kilovolt line	70.0	18,000		35
42	July 3	Carolina Power & Light Co	Fair Bluff, N.C	Broken crossarm on 115-kilovolt line	38.0	14,600		43
43	July 4	Toledo Edison Co	Toledo, Ohio	Tornado blew metal into 138-kilovolt bus	260.0	[5]95,491	13	24
44	July 6	Carolina Power & Light Co	Fair Bluff, N.C	Undetermined—115-kilovolt line out	40.0	14,600		19
45	July 10	Texas Electric Service Co. and Texas Power & Light Co.	Mineral Wells, Tex	Lost 2 generating units, underfrequency relaying	151.0	40,000		36
46	July 11	Public Service Co. of New Mexico	Albuquerque, N. Mex	Potential transformer failure on 345 kilovolts	[1]	75,000		48

[1] Not reported.
[2] 1 cooperative and 1 industrial customer.
[3] Revised.
[4] 1 industrial, 2 cooperatives, and 3 municipal customers.
[5] Includes 73,629 distribution customers out for periods up to 3 days.

Source: Office of Public Information.

Mr. MUSKIE. Mr. President, this month, while disputes were continuing over the location of nuclear powerplants in Vermont, New York, and the Chesapeake Bay, the eastern part of the Nation suffered another blackout.

This time it was called selective load-shedding, and a complete blackout was narrowly averted because the utilities were able to reduce their voltage and convince their customers to sharply reduce their energy consumption. Nevertheless, many sections of the Northeast were without electric power at a time when it was sorely needed.

There is little doubt why this near-disaster occurred. There was no mechanical mishap this time. The utilities expected more of their new plants to be on the line during this period of peak summer use, so they had more plants off the line for repair and maintenance than an adequate margin of safety would allow. There were not enough new plants in operation to take up the slack.

In effect, the insufficient planning of the power industry, our efforts to protect the environment, and the summer heat had combined to put an intolerable strain on our current electric power system. These circumstances should teach us the importance of better planning and development of our electric power systems.

To produce a "clean" form of energy, an electric generating plant pollutes the environment in one way or another. A thermal plant which uses oil or coal deposits sulfur oxides and other pollutants in the atmosphere, while a nuclear thermal facility takes in water at a normal temperature to cool its reactors and returns it at a temperature which has increased by as much as 30 degrees.

However, the effects of electric generating facilities on our environment are not limited to pollution. Poor site selection for a hydroelectric facility may needlessly ruin a unique canyon or stretch of wilderness. If a powerplant is built in the wrong place, valuable recreational opportunities may be lost for people whose needs were not even considered. And a powerplant may alter the ecology of an entire area without obviously polluting the environment.

No one wants to abandon the high energy production which supports the society most of us enjoy. The only acceptable answer to our dilemma is to coordinate the resources of government at all levels to reduce the dangers of this environmental threat.

Some basic steps have been taken. Regional river basin commissions and regional economic development commissions have been established. Various environmental control agencies have begun to work together. Many of these are intergovernmental organizations committed to bringing together our human and physical resources to improve the quality of life for all Americans. They have demonstrated the proper concern of Federal, State, and local governments for resource development and conservation, and they are promising institutions of intergovernmental planning and decisionmaking.

Nevertheless, many problems remain unsolved, and many questions remain unanswered in regard to the location and coordination of bulk power supply facilities and their effect on the physical environment.

The unsolved problems and unanswered questions cannot be satisfactorily met on one level of government or the other. The traditional jurisdictional boundaries of municipalities and States have become blurred in the face of metropolitan growth, and the jurisdictional boundaries of many State and local agencies have become lost in the complexity of environmental and technological problems. Furthermore, the States and cities often find themselves without the expertise or the funds necessary to deal with the site selection or power coordination problems of growing electric generating systems.

Regulation of these activities and achievement of the environmental quality desired should be left to the public in the communities and the areas which will be affected. No set of national standards will ever take into account the many unique and local considerations which should be part of the basis for these decisions. On the other hand, the reliability and adequacy of electric power supply—questions which cannot really be considered apart from environmental quality issues—are the legitimate subject for national performance standards, since so much of our generating capacity is interconnected and interdependent.

The legislation which I introduce today recognizes the unique intergovernmental issues posed by the necessity of insuring adequacy, reliability, and environmental protection on the one hand, and a dependable supply of efficient electric energy for all Americans on the other.

Briefly, the President or his designated agency is authorized to establish regional districts for the purposes of this act, for which regional boards will be appointed by the Governors of the States included in the district. Each board shall appoint an advisory intergovernmental council for its district.

The Federal agency is then authorized to distribute to the regional boards criteria for the development of procedures for the siting and construction of bulk power facilities. On the basis of the criteria and after public participation, each regional board shall prescribe procedures for the application of the criteria within its district and procedures for the application for and the issuance of licenses. If approved by the agency, these procedures shall become the approved procedures for the region.

I ask unanimous consent that a complete summary of the provisions of this bill and its text be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 12.)

Mr. MUSKIE. Mr. President, we have become accustomed to the recitation that the electric power industry doubles every 10 years, but we have not realized the grave threat to the environment inherent in this amazing rate of growth.

While the power industry doubles, the available air, water, and land resources remain constant or shrink. Our rivers and airsheds have become so contaminated from the pollution that is a by-product of each new powerplant, that the environmental costs of new additions outweigh the power benefits.

The need for more and more electric powerplants and high-voltage lines can no longer be accommodated simply by allowing power companies to build the lowest cost facilities in the most economical locations.

We cannot continue to treat the destruction of our environment as a cost of the utility business which the public must bear. We cannot continue to foul our air and heat our streams in the name of electric power. And we cannot continue to exclude the public from the decisions concerning the site selection of our generating facilities in return for the use of the public environment.

We are only now becoming aware of the costs of a desecrated environment. Recent legislation has provided substantive guidance and financial assistance in the fields of air and water pollution, but still missing with respect to the problems of electric power, is a coordinating mechanism among concerned Government agencies which will assure that sites are selected and that plants are built to comply with these and other standards.

The public must be heard before land is cleared and concrete is poured. After a plant is built it is too late to pick the best site from the public point of view or even to incorporate the necessary protective features.

A recent report by the President's Office of Science and Technology notes that we will need some 250 more mammoth powerplants in the next 2 decades—each site requiring hundreds of acres of land and representing investments of $300 to $400 million. The transmission lines that will connect them require rights-of-way 250 feet wide. These facilities will constitute an industry much larger than all the electric power facilities built to date.

These new plants are essential to our Nation's welfare, but no more essential than our environment. It is for this reason that Congress should enact the legislation which I now introduce.

This bill will create intergovernmental processes to assure that the public interest is represented in the planning process before the plants are built; but it will also enable plants to be constructed to meet the power needs of the Nation.

The threat to our environment and to the reliability and adequacy of our supply of electic energy is too great to leave these decisions to the electric utilities. We cannot afford to wait until the plant capacity doubles; it will be too late. We continue to gamble with our resources with each passing year.

The Intergovernmental Power Coordination and Environmental Protection Act is based on my belief that the utility industry—public and private—has more than a limited responsibility to the public welfare and less than an absolute right to do what it pleases.

It is based on the idea that all segments of the power industry must be included in the plans for a region if reliability is to be more than a pipedream, and that the public on the local and regional levels should make the decisions that affect their welfare and their environment.

And it is based on the idea that intergovernmental cooperation and coordination can help us achieve these ideals and make technology work for us instead of against us.

Mr. President, I ask unanimous consent that this bill be referred to the Government Operations Committee and when reported by the Government Operations Committee be referred to the Committee on Commerce.

The PRESIDING OFFICER. The bill will be received and referred, as requested by the Senator from Maine.

The bill (S. 2752) to promote intergovernmental cooperation in the control of site selection and construction of bulk power facilities for environmental and coordination purposes; introduced by Mr. MUSKIE, was received, read twice by its title, referred to the Committee on Government Operations, by unanimous consent, and when reported by that committee, to be referred to the Committee on Commerce.

EXHIBIT 12

SUMMARY OF PROVISIONS OF THE INTERGOVERNMENTAL COORDINATION OF POWER DEVELOPMENT AND ENVIRONMENTAL PROTECTION ACT

Section 1.—Short title.

Section 2.—Statement of findings and purposes.

Section 3.—Definitions.

Section 4.—Specifies procedures for the establishment of regional districts for the purposes of the Act; specifies the membership and the functions of the regional boards in each district; authorizes necessary funds for the operation of the regional boards; authorizes an intergovernmental advisory council for each regional board and specifies the membership and functions of the regional councils.

Section 5.—Authorizes the agency administering this Act to promulgate and distribute criteria for the development of procedures for the siting and construction of bulk power facilities; specifies those items to be considered in the promulgation of such criteria; authorizes each regional board to establish procedures for the application of such criteria within its region and procedures for applying for and issuing licenses pursuant to Section 7 of the Act; provides for amendment of such procedures.

Section 6.—Directs the electric utilities within each regional district to propose reliability and adequacy standards; directs each regional board to forward such standards and dissenting views to the agency; directs the agency to review and act on approval of the proposed standards.

Section 7.—Authorizes the President to appoint representatives to the regional boards in cases where the Governor of a State fails to act; authorizes the agency to promulgate standards and procedures for regions where the regional board fails to act.

Section 8.—Provides that no person shall undertake the construction or modification of any bulk power facility after six months after the agency has approved standards of procedures for regional districts without notice by the regional board of compliance with the standards and procedures approved for the region; provides for issuance of licenses for construction or modification by the agency upon receipt of such notification.

Section 9.—Provides for eminent domain proceedings.

ADDITIONAL COSPONSORS OF BILLS

S. 740

Mr. JAVITS. Mr. President, I ask unanimous consent that my name be added as a cosponsor at the next printing of S. 740, now entitled "A bill to establish the Cabinet Committee on Opportunities for Spanish-Speaking People, and for other purposes."

Mr. President, even in its great concern for those Americans mired in poverty, the Nation has yet to deal properly with the unique problems of our Spanish-speaking minorities. It is incumbent upon us as Senators to insure that existing Federal programs do reach the grass roots of these Spanish-speaking communities and that these programs are not merely presented as legislative achievements.

In my own State of New York, there resides the highest concentration of Americans of Puerto Rican extraction on the mainland United States—about 1,020,000, or about 85 percent of the 1.2 million Puerto Ricans on the mainland. We are proud of the achievements of our citizens of Puerto Rican origin and grateful for their many cultural, political, and economic contributions to our common State. Yet for these Americans there still exist many severe obstacles to full participation in the mainstream of American society. It is my hope that the proposed Committee on Opportunities for Spanish-speaking People will help assure that the benefits of Federal programs reach the communities of our Spanish-speaking citizens and will assist these communities in surmounting the difficulties they face.

Much of the Puerto Rican community of New York State, especially in New York City, is acutely poverty impacted, suffering from low income, widespread unemployment, inferior education, dilapidated housing, and inadequate health facilities. Additional burdens of discrimination, immigrant status, and a foreign native tongue merely add to their plight.

In 1960, 18.7 percent of all those living in poverty in New York City were Puerto Rican, while only 7.9 percent of the total population of the city were Puerto Rican. According to a 1969 report of the New York State Division of Human Rights entitled "Puerto Ricans in New York State," in 1966 the estimated median family income for all families in New York City was $6,684, but for Puerto Rican families it was only $3,839. In 1960, Puerto Rican unemployment in New York City was 9.7 percent, while the general unemployment rate was 4.4 percent, and the rate among nonwhites in the city was 6.8 percent. A more recent U.S. Department of Labor study indicates similar unemployment ratios.

Puerto Rican, as well as other Spanish-speaking minorities in other parts of the country, are handicapped in the competition for white collar and professional employment by their poverty status, their predominantly rural backgrounds, the language barrier, their unfamiliarity with mainland ways, the scarcity of training opportunities, and ethnic discrimination. In 1966, 33 percent of Puerto Rican workers in New York City were classified in the Labor Department survey as underemployed, indicating that for the Puerto Rican it is difficult even for those with the necessary skills to advance to higher employment. The proposed committee will be in a position to insure that Federal employment and manpower programs are properly directed toward these problems.

Mr. President, it is my further expectation that this new Committee on Opportunities for Spanish-speaking People will be able to encourage and direct Federal education benefits to the Spanish-speaking communities. My experience with and knowledge of the Puerto Rican community has lead me to believe that the inferior education afforded Puerto Rican children is probably the major obstacle to their advancement, and this view has been supported by experts dealing with the Spanish-speaking minorities.

The Coleman Report on Equality of Educational Opportunity, published by HEW's U.S. Office of Education in 1966, found that Puerto Rican children in the New York City public schools lagged considerably behind both urban white and urban black children in verbal ability, reading comprehension, and mathematics. According to 1960 Department of Commerce figures, 53 percent of Puerto Rican adults in New York City, 25 years and older, have less than an 8th grade education, while the same is true for only 29.5 percent of the black and 19 percent of the white adults. In 1961, according to Bureau of the Census figures, only 3 percent of Puerto Ricans finishing high school were sufficiently prepared to go on to higher education.

The language barrier and the resulting handicaps faced by the Spanish-speaking child in an English-speaking classroom and society are the most significant factors contributing to the low level of achievement in education. It is my hope that a committee such as this bill would establish, would lead the way in breaking down this barrier, in particular by promoting the extension of bilingual educational opportunities in the schools of Spanish-speaking Americans.

Poverty, immigrant status, and prejudice have forced Puerto Ricans to live in some of the most deteriorated, crowded housing in New York City. Health problems, including a disproportionately high infant mortality rate, are also severe, and health services are generally inadequate. All these problems are compounded by significant difficulties in communication, arising from the language barrier, between Puerto Rican Americans and the public officials in their own communities, including school authorities and government agencies, which attempt to provide basic services to their neighborhoods.

A growing number of Puerto Rican community self-help organizations have been increasing their efforts and have been experiencing encouraging successes in their attempts to overcome these problems. From my own personal experience,

I can attest to the determined efforts of groups like ASPIRA, an organization dedicated to promoting higher education for Puerto Ricans, and the Puerto Rican community development project, a manpower training and community organization group, working on behalf of the Puerto Rican communities of New York City. These groups are to be highly commended. By providing programs in public health and health information, language training, youth leadership and education, and manpower training and job assistance, they have sought—and with great success—to assist these communities to meet their own problems.

The Spanish-speaking citizens of the United States are resourceful and energetic peoples, who are working determinedly and effectively within their own communities to overcome the many difficulties they face. The proposed Committee on Opportunities for Spanish-Speaking People can serve the crucial function of linking Federal programs with the programs of community organizations like ASPIRA and thereby provide much-needed assistance to their efforts. This Cabinet-level Committee can be an excellent mechanism through which the problems of Puerto Rican and other Spanish-speaking Americans can be overcome. I am sure that my colleagues join me in the hope that passage of S. 740 will hasten the day when such legislation becomes unnecessary and when equal opportunity for a secure and fulfilling life for each citizen, regardless of his ethnic background, becomes a living reality in our country.

Mr. President, I am pleased to note that this bill would expand the purview of the existing Interagency Committee on Mexican-American Affairs, established by President Johnson in June 1967 to specifically include Puerto Rican and other Spanish-speaking Americans. I endorse the change in the name of the Committee, which would aptly reflect its broadened concerns. It is for these reasons that I have asked that my name be added as a cosponsor. I urge my colleagues to give this important bill their most favorable consideration.

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

S. 2315

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Washington (Mr. JACKSON) I ask unanimous consent that, at the next printing of S. 2315, to restore the Golden Eagle program to the Land and Water Conservation Fund Act, the name of the senior Senator from Pennsylvania (Mr. SCOTT) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it so ordered.

S. 2375

Mr. CASE. Mr. President, I ask unanimous consent that, at the next printing the name of the Senaotr from Washington (Mr. MAGNUSON) be added as a cosponsor of S. 2375, to amend the Civil Rights Act of 1964 to authorize the Attorney General to initiate school desegregation suits based on his finding that discrimination exists in a school district.

The PRESIDING OFFICER. Without objection, it so ordered.

S. 2604

Mr. SPARKMAN. Mr. President, I ask unanimous consent that, at the next printing, the name of my colleague from Alabama (Mr. ALLEN) be added as a cosponsor of S. 2604, for the relief of Aaron Bailey.

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

S. 2674

Mr. KENNEDY. Mr. President, I ask unanimous consent that, at the next printing, the name of the Senator from Washington (Mr. JACKSON) be added as a cosponsor of S. 2674, to provide for the procurement and retention of judge advocates and law specialist officers for the Armed Services.

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

S. 2721

Mr. JAVITS. Mr. President, I ask unanimous consent that, at the next printing, the names of the Senator from Arizona (Mr. GOLDWATER) and the Senator from South Carolina (Mr. THURMOND) be added as cosponsors of S. 2721 to amend the Higher Education Act of 1965 to authorize Federal incentive payments to lenders with respect to insured student loans when necessary, in the light of economic conditions, in order to assure that students will have reasonable access to such loans for financing their education.

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

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—AMENDMENTS

AMENDMENT NO. 110

Mr. FULBRIGHT submitted amendments, intended to be proposed by him, to the 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, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 111

Mr. FULBRIGHT (for himself, Mr. CASE, and Mr. JAVITS) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 2546, supra, which was ordered to lie on the table and to be printed.

(The remarks of Mr. FULBRIGHT when he submitted the amendments appear earlier in the RECORD under the appropriate heading.)

NOTICE OF HEARING ON NOMINATION

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, August 7, 1969, at 10:30 a.m., in room 2228, New Senate Office Building, on the following nomination:

Frank H. McFadden, of Alabama, to be U.S. district judge for the northern district of Alabama, vice Harlan H. Grooms, retired.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Nebraska (Mr. HRUSKA), and myself as chairman.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Donald M. Horn, of Ohio, to be U.S. marshal for the southern district of Ohio for the term of 4 years, vice Arthur C. Elliott.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Thursday, August 7, 1969, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

A TRIBUTE TO SENATOR MAGNUSON

Mr. MCGEE. Mr. President, the Washington State Association of Letter Carriers, assembled in convention at Longview earlier this year, passed a resolution commending the senior Senator from Washington (Mr. MAGNUSON).

The resolution speaks for itself. It is eloquent in its praise of the record Senator MAGNUSON has achieved as a champion of working people and consumers. This commendation from the letter carriers of his State should not go unnoticed.

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

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

COMMENDATION OF U.S. SENATOR WARREN G. MAGNUSON

Whereas, the Honorable Warren G. Magnuson, senior Senator from the State of Washington, has over the years been one of those who has demonstrated a constant concern for the continued betterment of working men and women and the protection of the consumer, and

Whereas, his record of action and voting is the real measure of this great Senator, and none has a better one, in spite of many adverse pressures he has consistently cast

his vote for the working man and woman, therefore be it

Resolved, that the Washington State Association of Letter Carriers in convention assembled in Longview, Washington, this May 23, 24 and 25, 1969, extend our thanks in grateful appreciation to Senator Warren G. Magnuson for his long record of service to the working men and women of this Nation, and be it further

Resolved, that a copy of this resolution be sent from this convention to the office of Senator Warren G. Magnuson in Washington, D.C.

JAMES SULLIVAN,
President.
FORDYCE RHODES,
Secretary.

DRAFT REFORM

Mr. CASE. Mr. President, for more than 2 years now, a number of proposals designed to correct serious inequities in our Selective Service System have been awaiting action by Congress. They range from modest interim changes to the broad reforms recommended in 1967 by the National Advisory Commission on Selective Service.

Among the more recent proposals are several bills introduced earlier this year in the House and Senate and the recommendations outlined 3 months ago by President Nixon in a special message to Congress.

But the sad fact remains that neither Congress nor the administration can claim any real progress toward draft reform.

There have been no hearings in either House this year on a single reform bill, despite assurances 2 years ago that hearings would be held, nor has the administration sent to Congress any legislation embodying the President's recommendations.

In short, there has been no sign that either the congressional leadership or the administration is giving Selective Service reform the high priority it demands.

At a time when the unfairness of the draft affects the lives of so many millions of young Americans, there is no excuse for this inaction. Lately, we have heard many speeches about what is wrong with the younger generation—they have had it too easy, they have no respect for authority, they need self-discipline. These are familiar arguments in nearly every generation. But they do not meet the widespread disaffection of the concerned and responsible young men and women of today.

High on the list of their priorities is the injustice of the present draft system.

Nothing today is so disruptive of student, family or community life than a system which, in order to draft 300,000 men annually, keeps 5 million men in a state of uncertainty and insecurity for 7 of the most critical years of their lives.

The continuous state of not knowing whether one will be able to finish school or embark on a new job occurs during a period when momentous decisions must be made about career, marriage, and family. It would be strange indeed if our young men—and their families—did not question such a system.

Nor is the uncertainty confined to when an individual will be called for service. Just as unclear are the rules and guidelines determining who shall be called. Why are some teachers drafted and others not? Why is one graduate student deferred while his roommate is not?

Recently two young men, both single and both teachers in the same overcrowded elementary school in Newark, N.J., visited my office. One had received a deferment from his Newark draft board because of the teacher shortage in that city. The other young man, registered with another draft board just over the city line, had not. Surely we must have more uniform standards than those which permit such disparate treatment.

There is the need, too, for a thorough overhaul of the arbitrary and inefficient workings of the selective service law. I am appalled at the frustrations endured by many young men merely in seeking information.

Why, for example, should it be necessary for a registrant to engage the services of an attorney to find out what his rights of appeal are? Why should we tolerate a system that drafts a young father with four children, because he does not understand all the redtape and fails to file a report form? And is there any good reason to compound the inequities of the draft law through varying interpretations of more than 4,000 local boards?

We need not look only at the glaring injustices in the system to know that something is wrong. It is beginning to take its toll in other, less obvious ways.

There are now more than 5,000 young men who have exiled themselves, presumably for life, to evade the draft. Desertion and AWOL rates are increasing and a growing number are simply refusing service, choosing instead to go to jail. These actions are not to be condoned. On the other hand, one cannot overlook the fact that they indicate deep discontent with the drfat.

The selective service law does not expire for 2 more years, but there is no reason to wait until then to act. Indeed, there is every reason to bring about now a measure of justice and fairness to a system which each month requires some 28,000 boys to leave their careers and families to prepare for war.

Several months remain in this session of Congress—time enough for both the House and Senate Armed Services Committees to hold hearings. And time enough for the administration to follow up on its commitment to make the selective service system reasonable and equitable.

The administration and Congress must do far more than either has done to make draft reform a reality.

JUDGE CONRAD M. FOWLER, OF ALABAMA, ELECTED PRESIDENT OF NATIONAL ASSOCIATION OF COUNTIES

Mr. ALLEN. Mr. President, almost 3,000 elected county officials, their wives, and guests assembled in Portland, Oreg., for the 34th annual conference of the National Association of Counties held during the period of July 27 through July 30, 1969. The conference culminated in the installation of national officers on Wednesday evening, July 30.

I call this conference to the attention of the Senate for two reasons. First, it is always an important occasion when a national organization composed of elected county officials from throughout the United States get together to discuss mutual problems; second, because an outstanding Alabamian, Judge Conrad M. Fowler, probate judge of Shelby County, Ala., was installed as president of the association for the coming year.

Mr. President, the National Association of Counties plays an important role in providing more efficient and meaningful county government throughout the Nation. In this connection, I need not remind Senators that problems of county governments are problems also of the Federal Government. Therefore it is instructive to know the problems of immediate concern to county governments. These are reflected in the 1969 conference theme: "Counties in the 70's." This general theme embraces eight separate priority subject areas chosen for study and evaluation at the conference. The subjects are: modernization of county government, environmental problems, fiscal resources, regionalism, welfare, crime and public safety, transportation, and finally, urban-rural balance.

These, then, are the problem areas of great concern to county governments and to those who must cope with them. We can appreciate the magnitude and complexity of these problems since they are also problems of immediate concern of Congress. We can, therefore, appreciate the importance of outstanding leadership in the efforts of the national organization to find constructive solutions to these problems.

On this score, the National Association of Counties is indeed fortunate in enlisting the broad experience and extraordinary qualities of leadership of Judge Conrad M. Fowler in the capacity of president for the coming year. We are confident that Judge Fowler will fulfill the highest expectations of the members of the organization and that the cause of more effective county government will be significantly advanced under his guidance and competent leadership.

Our confidence in this regard is founded on personal knowledge of Judge Fowler's exemplary qualifications for leadership and his outstanding accomplishments as a public official in Alabama. Judge Fowler's broad background of experience includes service as past president of the Alabama Association of Probate Judges, first vice president of the Association of County Commissioners of Alabama, and past president of the National Alumni Association of the University of Alabama; and last year he served in the post of first vice president of the National Association of Counties, from which position he has now been elevated to the office of president.

Judge Fowler graduated from the University of Alabama with a B.S. degree in business administration and an LL.D. degree from the University Law School. He served in World War II and was awarded the Silver Star with Gold Star and the Purple Heart with Gold Star, and received the Presidential Unit

Citation and the Asiatic-Pacific Campaign Ribbon with four battle stars. He currently holds the rank of colonel in the U.S. Marine Corps Reserve and has served as judge advocate of the American Legion, Department of Alabama.

His public career as a county official began with his taking office as probate judge of Shelby County, Ala., in January 1959, in which position he has served also as chairman of the Shelby County board of revenue. His career in public service has been marked by outstanding achievements reflected in part by the honors and positions of high responsibility which mark his career.

In assuming the responsibilities of the office of president of the National Association of Counties, Judge Fowler is following in the footsteps of three former outstanding Alabamians who likewise served in that capacity with great distinction at various times during the 34-year period of the association's history. These distinguished Alabamians are Honorable Dan Gray, chairman of the County Commission of Calhoun County, Judge Ward Forman, former probate judge of St. Clair County, and Judge Claiborne Blanton, former probate judge of Dallas County, Ala.

We in Alabama are extremely proud of these public officials and the contributions made by them to the impressive record of accomplishments of the National Association of Counties. We confidently predict continued progress of the association under the leadership of Judge Fowler. We commend the association for the wisdom of its choice for the office of president for the current year, and we salute Judge Fowler for the honor he has received and for the credit it reflects on him, upon Shelby County, and upon the State of Alabama.

DRUG ABUSE: A REAL PROBLEM

Mr. HANSEN. Mr. President, with each day bringing a new expansion to a previous limitation of man, it is easy to forget that some areas on earth still need concrete boundaries. Drug abuse is one such area.

There can no longer be any doubt that there has been a sharp increase in drug taking among young persons. As was stated in the President's message to Congress on July 14, 1969:

> It is doubtful that an American parent can send a son or daughter to college today without exposing the young man or woman to drug abuse.

It becomes obvious, therefore, that we must utilize the avenue of education toward the goal of prevention rather than an induction into the "drug scene."

Most of those caught are first-time users or "experimenters." Thrill seeking and the pursuit of new or novel "intellectual experiences," together with reputed creative insights and new understandings of one's self, have served as the magical appeal that has led this generation into drug use. According to the American Medical Association's guide for physicians, Drug Dependence:

> Experimenters make up at least 75% of drug statistics, and drug use is a self-limited problem for most of them. . . . However, use is inevitably linked with a proportion of significant abuse, and this brings cases for treatment after serious social or psychiatric decompensations. For them, moderate use of any intoxicating substance has become an impossibility.

The problem then must be attacked concurrently on three levels, with special emphasis on the first:

Education: The common misconceptions among the young that creativity and insight are sharpened through the use of drugs must be dispelled. Films, speakers, and research evidence should be made available to campuses for this purpose.

Suppression of drug traffic: We need to attack the transmission of drugs from host to host, thereby also undercutting the international crime syndicate. By reducing the availability of drugs, hopefully we can also reduce their temptation.

Rehabilitation: We need coordinated efforts by men of the medical and psychological professions in performing experiments and then placing their results at the disposal of society. Through improved treatment and rehabilitation, we can more effectively disseminate this information, thereby reducing the demand for and the social rewards associated with drug use.

I am delighted to see the White House being the impetus toward these ends.

A WISE DECISION

Mr. CHURCH. Mr. President, I was highly gratified to learn yesterday that the distinguished Senator from Massachusetts (Mr. KENNEDY) has decided to remain in the Senate following an outpouring of public sentiment in overwhelming support of such a decision, which came in the wake of the tragic automobile accident in which he was involved.

Following Senator KENNEDY's address to the people of Massachusetts, delivered last Friday evening, I issued a statement to the press, expressing my confidence in, and support for, the Senator.

I ask unanimous consent that my press release be printed in the RECORD.

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

> WASHINGTON, July 26.—Senator Frank Church today issued the following statement concerning Senator Edward M. Kennedy:
>
> "I have known Ted Kenendy for many years. He is a thoroughly decent and honorable man whose young life has been plagued by more tragedy and sorrow than any man should have to bear. His explanation of the latest awful accident is typical of the man—candid and forthright. I am confident that the people of Massachusetts will rally behind him and I hope he decides to remain in the Senate where he can continue his career as one of the most promising political leaders of our time."

TRADE AND AID

Mr. PERCY. Mr. President, I would invite the attention of Senators to a significant speech on our foreign aid and trade policies, given on July 22 by the junior Senator from Maryland (Mr. MATHIAS). The Senator points out that these policies are in direct conflict in relation to the underdeveloped countries. He further states that we have given aid to these countries in the past to help them diversify and industrialize their economies. But our tariff structure is sharply biased against their manufactured goods and against processed forms of raw materials as opposed to raw materials themselves which we admit without significant tariffs. Thus, in our trade policy, we offer strong incentives not to industrialize or diversify. Mr. MATHIAS urges the adoption of a system of generalized tariff preferences for the underdeveloped countries.

I ask unanimous consent that the speech and an editorial in response, published in the Baltimore Evening Sun, be printed in the RECORD.

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

> REMARKS OF SENATOR CHARLES MCC. MATHIAS, JR., UNIVERSITY OF MARYLAND SUMMER SCHOOL, JULY 22, 1969
>
> Ten days ago on a plane to Atlantic City, where I introduced Astronaut Thomas Stafford to a convention of Maryland lawyers, I wrote a letter to the President. I hope it is not inappropriate to read it to you now:
>
> "DEAR MR. PRESIDENT: The spirit of America will be committed on July 21, as our resources have been for 10 years, to the concept of liberating man from a single planet. On that day we shall abolish horizons as the limit of vision and open the opportunity for a future that is literally without limits.
>
> I suggest therefore that July 21 be proclaimed by you as a national day of prayer and thanksgiving. It should be a day to celebrate the personal achievement of the two men who walk the moon that day, and of their brother Astronauts and two hundred million fellow Americans who walk with them in spirit. It should be a day of prayer that this achievement, which draws upon the knowledge and wisdom and experience of all men everywhere, will bring peace by showing the fruits of man's peaceful labors.
>
> On July 21 we can pray that as man is released from earth's bonds, we may be relieved of earth's ancient scourge of war; that as man turns his eyes to the stars, he shall no longer live in the shadow of Cain, who was his brother's killer—that through peace the marvels of God's universe should be unfolded before us."
>
> Ten days later as this epochal triumph of man and machine is unfurled before us and before the world, we—like Balboa first gazing at the Pacific—look on in wild surmise. But it is sobering to remember that the men who named the vast reaches of ocean also dreamed of peace. As the waters were domesticated, however, they paradoxically became an arena for the barbarities of war. The Pacific Ocean betrayed its name and became the Pacific Theater.
>
> The spaces now in our ken vastly exceed the Balboan panorama. Once again we name them peaceful. But whether the Sea of Tranquility becomes part of a new lunar theater, or whether man has discovered at last a true pacific beyond the horizon, will be decided not in space but here on earth. Though we walk in spirit with the astronauts, we still walk in fact in the valley of the shadow of Cain. And we walk in fear.
>
> The astronauts now hurtle back toward a planet embroiled in conflict, barbarism, and poverty. As we marvel at their prodigies, we remain mired in our paradox: as man masters nature through technology, he seems to be losing control of himself. In fear he turns to government, demanding law and order. But as governments grow in power and as their

military and police forces gain in size, their effectiveness seems to diminish. Social problems become more severe. Disorder expands and so does contempt of law. Government performs prodigies in facing technical problems, if men do not get in the way. But human problems seem still to confound it.

This paradox of growing power and decreasing effectiveness offers an important lesson to American government: namely, that federal power—even in a democratic society like the United States—cannot coerce social peace and progress. The federal programs, from the New Deal through the Great Society, became a petrified forest of federal agencies, no longer effective but nearly impossible to prune or cut down.

For years, Presidents, imitating the rhetoric of FDR, have assumed heroic postures and urged dynamic programs for change. But when an aggrieved individual looked to government, he all too often found only the great stone face of bureaucracy. And as greater numbers became alienated and frustrated, disorder and contempt for law became more pervasive. More government programs—and more police—were grandiloquently mobilized. But police could not bear the responsibility for problems ineffectively managed for years by others. The long failures of government could not be redeemed by curt applications of force.

And so the federal bureaucracies administer a community of incongruities. We have more spending on defense and less sense of security—more spending on welfare and less well-being—more roads and more congestion—more open jobs and more unemployment—more empty housing and more homeless—more civil rights and more uncivil protest. All in all, we can't seem to get together—jobs and job seekers, houses and home seekers, political petitioners and legal processes. It is a government of misconnections as well as misconceptions. Our leaders have been well intentioned. But their good intentions have paved a road to hell for many of our citizens.

In foreign policy, our government has encountered similar frustrations and paradoxes. The greatest military power in the world, we cannot subdue the Viet Cong. We have spent a total of 120 billion dollars of foreign aid—financing the Marshall Plan, Point Four, and annual programs to help feed and modernize the underdeveloped countries. Yet we find not gratitude but resentment among many of the recipients. The United States is one of the few countries of the world to peacefully emancipate an empire. We do not consciously seek domination today. Yet we are denounced around the world as imperialists.

America's earthly frustrations are symbolized by another trip, taken by a leading American during the same period we prepared for our lunar landing. In dramatic contrast to the smooth journey to the moon, Governor Rockefeller's travels in Latin America were fraught with bitterness and difficulty. His way was strewn with riot and protest. Although Rockefeller has been a leading proponent of closer and more friendly relations with these countries—and a persistent advocate of increased foreign aid for them—he was greeted like an enemy of their aspirations.

Why, we ask, are we so misunderstood? The reason, in part, is that we misunderstand ourselves. As today we are beginning to appreciate the plight of the impoverished in the United States—how the society looks to those who benefit least—we now must seek to understand how American policy looks to citizens of underdeveloped countries.

One of the key facets of the American impact in these areas—and a key item in the Latin American protest against Rockefeller—is our trade policy. Ultimately perhaps the most important realm of our foreign relations, our trade policy, in fact, is statistically more important to a great many foreign countries than it is to us. Though world trade accounts for a total of only 4 percent of the U.S. GNP, trade with the United States alone accounts for well over that proportion of the GNPs of a host of underdeveloped countries whose hopes for the future largely depend on exports to the United States. In view of the intense controversy caused here by relatively minor changes in our trade policy, one can understand the intense concern of foreign nations with a far greater dependence on international commerce.

In the underdeveloped countries, access to foreign markets is crucial to private economic growth. Without exports, these countries cannot finance the imports they need to industrialize and diversify their economies, as the United States advises. They are forced to adopt high tariffs and seek to force growth by totalitarian means, in accord with communist prescriptions.

If the totalitarian approach finally prevails in these countries, it would represent a major victory for the communists in the cold war. Economic intercourse between the affluent free nations and the less developed countries would halt, thus limiting the potential growth of both. The less developed countries would become more desperate and militant and the United States more fearful and isolationist, and perhaps more militaristic. Our seeming hostility toward the aspirations of the poor countries, dominantly colored, would heighten racial tensions in this country. Although it is impossible to predict the outcome, world tensions would inevitably increase, along with the horrible possibility of a war with direct racial overtones.

It is thus urgently important that the underdeveloped world be given a stake in the wealth of the free world. Yet, in Washington, this imperative has been all but ignored. Not only has our aid and private investment in these countries been diminishing rapidly as a percentage of our GNP but the United States has been a leading opponent of measures to improve their terms of trade. Although it is often said that the time has come for other countries to share the foreign aid burden, the U.S. is already tenth among the countries of the free world in the proportion of its GNP devoted to aid. As far as trade is concerned, we have entirely failed to recognize that commerce between the impoverished nations of the sotuhern hemisphere and the affluent north represents perhaps the single most formidable barrier faced by the communists in their attempt to reorder the world economy.

Our tariff structure positively discriminates against the private enterprise of the less developed countries, thus impelling them toward socialism and protectionism. For instance, the most protected American industries—except for oil—tend to be the simple manufactures and food products in which the less developed countries specialize. Also damaging to their private enterprise is the escalation of tariffs according to the degree of processing. This practice, often doubling or tripling the effective duty, poses a major obstacle to the creation of those industries in which the less developed countries are likely to have a comparative advantage: namely, the refining or processing of their own raw produce. For examples, the tariff on cocoa powder is higher than on unprocessed cocoa, on plywood higher than on sawn logs, on aluminum pipes higher than on unwrought aluminum. Thus the less developed countries are penalized for industrializing. These practices constitute a program of American aid to the international communist goal of separating the underdeveloped economies from those of the west and persuading these countries to adopt communist economic organization. This U.S. policy also directly conflicts with our professed goal, to which we devote our diminishing foreign aid, of encouraging private initiative in the poorer countries.

Latin America provides some of the best examples of the short-sightedness that belies our proclaimed desire to help these states fulfill their economic aspirations. The United States has joined with our neighbors to the south in repeated agreements to cooperate in promoting their trade. In the Charter of the Organization of American States, the Charter of Punta Del Este and the Economic and Social Act of Rio de Janeiro, in the Buenos Aires Protocol and the Declaration of the Presidents of America—and on a global level, at the U.N. Conference on Trade and Development—we have pledged our aid, and in most cases, have resolved to reduce obstacles to the trade of Latin American and other underdeveloped countries. The results are hard to believe. There has been a relative *worsening* of their access to American markets and a decline in aid and investment. Capital flows *from* Latin America and *into* the United States are now over four times as great as the flow south. The countries of Latin America, in a way are actually giving foreign aid to the United States, the wealthiest country in the world.

It should not be imagined, however, that the United States really benefits from this process. In the protectionist game, nearly everyone loses, regardless of the immediate balance sheets, because world economic growth is ultimately retarded. Moreover, the instability and stagnation of the underdeveloped countries reduces future markets for our produce and the resulting political turmoil hurts other foreign policy goals.

Good examples are Argentina and Uruguay. Uruguay is one of the few remaining democracies in Latin America; Argentina is potentially a bulwark of stability in the region. U.S. policy, however, has importantly contributed to turmoil in both countries and has thrown Uruguayan democracy into jeopardy.

The chief instruments are beef quotas and food processing tariffs. These U.S. policies help a handful of wealthy U.S. ranchers and food processors and raise the price of beef for everyone. The poor are hurt most, of course, since they spend a higher proportion of their incomes on food. Economically, these policies are virtually indefensible. In foreign policy terms, they are a tragedy. Yet they continue without protest in the U.S.

The beef quota affair is only one example of the disastrous effects of trade restrictions on the region. Although we encourage these countries to industrialize and actually aided in the construction of leather processing and textile industries in the two states, we impose quotas as soon as such industries start to emerge.

The Latin American countries have a perfect right to ask, on the basis of their experience, why they should build private industries, when the U.S. greets their successes with new quotas and tariffs. On the one hand we give foreign aid to develop their industry; on the other hand, we penalize their industry if it appears.

This situation is not in general the result of deliberate policy. In part, it merely reflects the balance of economic power. The less developed countries are unable to bargain effectively in GATT under terms of reciprocity which require them to give concessions for every gain they receive. So with every negotiation they lose ground. The exceptions list in the Kennedy Round negotiations—that is, the list of products on which the conferees agreed not to negotiate tariff cuts—was in essence a list of less developed country manufactures. The results of the Kennedy Round, benefiting rich countries and impairing the relative position of the less developed countries, symbolizes this position of weakness.

Nonetheless, the less developed countries have by no means given up on the west. Since the 1964 meeting of the United Nations Conference on Trade and Develop-

ment, these countries have been united in a demand for generalized preferences—that is, special tariff advantages—for their exports in northern markets. The United States, alone among the affluent countries, was adamantly opposed. Yet the proposal is both reasonable and desirable. It indicates that the less developed countries are turning away from the futile pursuit of economic self-sufficiency protected by high tariffs, financed in part by foreign aid, and organized by totalitarian governments. Increased export earnings, moreover, would help the less developed countries to finance the increased imports that would be required by the increased private investment the U.S. purports to encourage.

Under pressure, the Johnson Administration finally endorsed the concept of preferences and the Nixon Administration has reasserted more strongly their desirability. It is likely that we will ultimately adopt some kind of system simply because the political costs of denying such a unanimous demand from the less developed countries will seem far greater than the net economic costs. These are estimated by Rand Corporation economist John Pincus at $200 million total for all the developed countries together.

But the United States should not wait until world pressures force us to accept preferences. We should promote them as a matter of high national priority, not succumb to them, as if they were a form of extortion. For they are in our interest at least as much as they are in the interest of the poor countries. For if the poor countries turn toward the communists we will permanently lose access to their resources and markets.

Americans should recognize that the free world economy has now reached a new stage. The west has completed postwar reconstruction, turned back the threat of communism in Western Europe and dismantled most of the barriers imposed during the Depression against commerce among the rich countries. The time has now come for world private enterprise, as organized in systems like GATT, to face the new challenge: underdevelopment and communism in the poorer countries. It is urgent for the United States to take the lead today just as we took the lead with the Marshall Plan in 1945 to face the earlier challenges.

Such reforms will not allow Governor Rockefeller to travel through Latin America in the blaze of glory of a returning astronaut. But they will begin, in this one area, to bring American practice closer to our ideals and professions. Such measures would help convince those leaders who are committed to democratic institutions and free economic policies that the United States is on their side. A first step has already been taken by the Nixon Administration in ending the requirement of additionality, obligating recipients of our foreign aid to buy specified products in the U.S. It is urgent that this initiative be followed by trade policy reform.

In domestic policy, too, our greatest need is to put our declared principles into practice. Our failures do not come because our ideals are faulty but because we have too often betrayed them. Our intentions have not been bad, but we have been negligent in putting them into effect.

Perhaps our moon voyage will serve our nation best not in its immediate effects—which divert money and energy from more pressing needs—but in its demonstration that our ideals cannot be fulfilled without the most dedicated and scrupulous application. It is not enough to proclaim high purposes—or shout slogan—or take moral postures, as Americans, particularly American liberals, have done too long, while special interests often have dominated our real policies. We must subject our activities and programs to the most exhaustive analysis. We cannot assume that because our intentions are good that our policies are justifiable. For good intentions in politics—as in other spheres of life—can lead to catastrophe.

The greatest tribute to our triumph in space would be the devotion of comparable skills—and far greater resources—to making it symbolize not just our aspirations but also our attainments as a nation.

[From the Baltimore Evening Sun, July 22, 1969]

UNFREE TRADE

Watch Senator Mathias. He's trying to become the liberal conscience of the Nixon Administration. He has a schoolmasterish aspect. See how he praised the President for untying some of the strings on our foreign aid to underdeveloped countries. That's good. The requirement that recipients of our aid had to buy what they needed in this country (instead of getting it where it's cheaper) was burdensome. It was even too illiberal for President Nixon.

Now, like a good teacher, Mr. Mathias wants the administration to take one further step, and grant trade preferences to underdeveloped countries, particularly to Latin America. The Latins have been complaining recently that Washington speaks out of two sides of its mouth. They say there is a contradiction between our trade and aid policies. Senator Mathias agrees with this and cites the cases of Argentina and Uruguay as examples: "Although we encourage these countries to industrialize and actually aided in the construction of leather processing and textile industries in the two states, we impose quotas as soon as such industries start to emerge."

The Brazilians had a similar complaint last spring. They had developed a small instant coffee industry and had begun selling the stuff in this country. The larger United States coffee processors didn't like the competition so they lobbied feverishly to limit the Brazilian import. They were successful. Now the Brazilians are convinced that our commitment to free trade is not all that strong.

Completely free access to United States markets by all underdeveloped countries may not be practicable just yet. But certainly the Latins should be on top of our priority list. The Commonwealth countries enjoy access to Britain's markets, and goods from the French zone countries in Africa move freely into the European Common Market. The Latins enjoy preferences nowhere. Still, they look to the north, hoping.

There are a lot of special interest groups in the United States (coffee, textiles, etc.) trying to raise the trade barriers even higher. It is difficult for a President to resist them, and even more difficult for a congressman. But there is an essential truth in Senator Mathias's assertion that protectionism pays off poorly in the long run. That's the lesson he wants the administration to learn.

A MONTH OF HOPE FOR BIAFRA

Mr. DODD. Mr. President, the war in Biafra continues. The tragedy deepens.

Thousands of women and children have been dying of starvation and the plague of famine is widespread.

This war has aroused the concern and compassion of people all over the United States, and a great relief effort has occurred.

In my own State of Connecticut, the Food for Biafra Committee, with headquarters in Westport, has been an essential source of relief for the starving Biafrans.

During the month of August, the U.S. Junior Chamber of Commerce, in association with the Americans for Biafran Relief, will conduct a special relief drive to supplement the work of the Food for Biafra Committee.

To call attention to the drive, Gov. John Dempsey has issued a proclamation designating August 1969, as "A Month of Hope for Biafra."

I commend the Governor for his effort in enlisting public support for Biafra, and I ask unanimous consent that his proclamation be printed in the RECORD.

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

A MONTH OF HOPE FOR BIAFRA—AUGUST 1969

The Food For Biafra Committee, whose headquarters are in Westport, Connecticut, points out that three million Biafran women, children and elderly people are totally dependent for their existence upon the mercy airlifts run by churches and the International Red Cross. Deaths from famine and associated causes already total more than one million.

The critical need for food and medical supplies in this African nation has aroused compassion and humanitarian concern throughout the United States. There has been generous response to the request for relief funds.

However, the Committee, in emphasizing the continuing need for Biafran Aid, states that if the mercy airlifts were interrupted for even one week, the entire Biafran population would face the threat of imminent starvation.

It is vital, therefore, that relief efforts for the victims of the war in Nigeria and Biafra be continued. To encourage renewed participation in this life-saving project, the U.S. Junior Chamber of Commerce, in association with the Americans for Biafran Relief, conducts a special relief drive during August, 1969.

To call the attention of the people of Connecticut to the urgency of the situation and to aid in enlisting public support of this appeal, I designate August, 1969, as "A Month of Hope for Biafra." I urge wholehearted cooperation in this worthy and essential work.

JOHN DEMPSEY,
Governor.

MORE GUN CONTROL NONSENSE

Mr. HANSEN. Mr. President, a task force of the President's Violence Commission, which was appointed by former President Johnson, recently proposed a strict system of handgun licensing that would outlaw the use of pistols to protect private homes. As I understand the proposal, only persons who can prove a special need of handguns for self-protection would be licensed to own one.

The Washington Evening Star, in an editorial published on July 30, made an excellent response to this proposal and termed the recommendations of the Commission "blithering nonsense." I ask unanimous consent that the editorial be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1.)

Mr. HANSEN. Mr. President, my remarks will be brief because, in my opinion, few Members of the Senate will consider the Commission proposal feasible.

Apparently, there was failure on the part of the task force to consider that most of the estimated 24 million handguns in the United States are used for

neither crime nor home protection, but for recreation. This is the case in Wyoming, and I feel, in most other States.

The people of Wyoming do not believe in the unnecessary burdens that the registration and licensing of firearms would put upon them and other law-abiding citizens of the United States. They believe, as I do, that the solution can be found in a policy of getting tough with criminals who use weapons in the commission of crime.

EXHIBIT 1

MORE GUN CONTROL NONSENSE

As an introductory note to this editorial comment, an item in the crime news is worthy of attention. On Monday there were 22 armed robberies in Washington. This brought the July total as of that date to 450, compared to 332 armed robberies in all of July of 1968.

In the face of this a task force of the President's Violence Commission (appointed by President Johnson) comes forward with a wacky recommendation. Its proposal is, except in a very small number of cases, that all Americans should be required to surrender any hand guns they own to the government.

Here is the task force's reasoning: This is the only way in which the United States can break "the vicious circle of Americans arming to protect themselves from other armed Americans." Now what does this really come down to? Even the task force, we suppose, would concede that criminals are not going to surrender their hand guns. So what they are saying is that no homeowner, to cite one example, should be permitted to keep a hand gun in his own house to protect himself, his wife, and his children against the night when some armed criminal might break into his home. Their argument is that home owners "may" seriously overrate firearms as a method of self-defense against crime. The "loaded gun in the home creates more danger than security."

This strikes us as blithering nonsense. How many members of this task force have been awakened in the middle of the night by a scream for help by some member of his family? Probably not one. But thousands of Americans are exposed to this dreadful experience every year. And in such a situation what is an unarmed householder supposed to do against an armed intruder? Hide under his bed, and never mind what happens to his family?

The major thrust of this soft-in-the-head report is that the requirement to surrender your hand gun, of which there are an estimated 24 million in the country, would reduce crime. This is absurd, for the criminals are not going to surrender their guns. A better and much more realistic way to deal with this problem will be found in legislation now being considered in Congress.

The intent of this legislation is to provide tough, really tough, mandatory penalties for criminals who use guns in the commission of a felony, such as rape, robbery or burglary. For a first offense the penalty generally favored would be a mandatory jail sentence in a federal jurisdiction, which includes Washington, of from one to 10 years. A judge would be forbidden to suspend this sentence or to make it run concurrently with the sentence for the primary offense. In case of a second offense, much stiffer jail sentences are proposed, and they should be written into law.

A similar bill passed the House last year, but was watered down in the Senate before becoming law. The argument then was that mandatory sentences deprive judges of discretion in imposing penalties. And so they would. But in one week at the time the watered-down bill was passed 27 criminals in this city were found guilty of crimes in which guns were used. In six of these cases, more than one-third, the judge imposed suspended sentences, which means that no jail terms were served for using a gun.

So we say let's make the sentences mandatory. And let's not deprive the law-abiding citizen of hand guns in his own home while the criminal element will remain armed to the teeth.

THE VANISHING PASSENGER TRAIN

Mr. MOSS. Mr. President, the State of Utah is currently faced with requests by two railroads to discontinue the operation of two important passenger trains which link us with the west coast. Another railroad is proposing a cutback in service. If all these requests should be approved, Utah would be virtually without meaningful passenger train service.

It was this situation which prompted the Deseret News to publish an excellent article written by Elmo Roper which originally appeared in the Saturday Review.

Mr. Roper sums up the main theme of his article in the title, which is "How Not To Run a Railroad."

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 Salt Lake City (Utah) Deseret News, July 26, 1969]

HOW NOT TO RUN A RAILROAD

(EDITOR'S NOTE.—Public hearings on discontinuance of the California Zephyr passenger train were held this week in Salt Lake City and Provo.)

(By Elmo Roper)

I might as well begin by admitting that I am a man of peculiar tastes in transportation. In the first place, I like to relax when I am going somewhere, which immediately puts me in the oddball corner. I also like to be able to get up and walk around in transit, without interrupting the transit. I like to eat at my leisure, at a time of my choice, and I prefer to sit at a table when I do so. I even enjoy looking at scenery! And I like at least a relative degree of safety while I travel. In short, I like to ride the railroads. I realize that all this puts me seriously out of step with most of my contemporaries, who seem to prefer to be jammed in somewhere and hustled to their destinations with their eyes either on the road or on the clouds. In fact, the other day I read an ad which described me as "the vanishing American."

This description was interesting, but even more interesting was the source—a railroad! It seemed a little odd that a railroad was spending its hard-earned (or hard-lost?) money to convince me that I am obsolete, and, in effect, was saying "Get lost, brother." I had heard, as has everyone else, that railroads have come upon hard times and I decided to find out just what railroads were up against and how good the chances were of their survival. Some of the things I discovered I had suspected, but others came as a surprise; together they made up a picture of the railroads that differed considerably from the image that is currently popular.

The current characterization of the plight of railroads vis-a-vis passengers runs something like this: Railroad passenger service is a hopelessly uneconomic operation for three principal reasons: (1) people don't want to ride railroads any more; (2) competitive forms of transportation such as airlines and highways benefit from subsidies and tax advantages which railroads do not have; and (3) unions have forced on the railroads inefficient and expensive labor practices and regulations. The inevitable conclusion: Railroad passenger service is obsolete, and most of it will eventually have to disappear.

This is the picture, and it contains some elements of truth. But if one goes a little further, a very different picture emerges. To put it bluntly, it is a picture of railroad management actively engaged in the process of digging its own grave—or at least the grave of passenger service. To begin with, one of the reasons people don't want to ride the railroads any more is that railroads are actively discouraging them from doing so. Trains are dirty, stations are poorly maintained, and the number of ticket windows is often reduced so that one has to stand endlessly in line to buy a ticket, or they are closed down completely when one arrives. The quality of food has gone down, while prices for it have gone up. There is virtually no promotion or advertising of passenger service; in fact, it is not uncommon to read ads like the one I ran across suggesting that those who persist on riding the rails are curious relics of a bygone era. Under such circumstances, it is a wonder, not that there aren't more of us, but that there are any railroad passengers left at all.

It is true that railroads are at a competitive disadvantage with highways and airlines, because they own and are taxed on their facilities, while highway and air facilities are paid for by public agencies, which are not fully reimbursed by "user charges." Railroads have made efforts to get their taxes reduced—which, in view of the pressures on localities to produce more tax revenue, have little chance of succeeding—but they have shown a marked resistance to more imaginative approaches to the problem. For example, the suggestion has been made that the government acquire fixed railroad facilities and lease them back to the railroads, thus eliminating their tax disadvantages at a stroke. This proposal is greeted by railroad management with horror, out of a fear of losing their right to run their own railroad, or worse, of losing the right to make profits from their real estate holdings by means other than transportation.

With regard to labor practices, it is again true that shortsighted union demands have contributed to make feasible passenger runs into money losers. Yet, in some cases, management has been more shortsighted than labor. When diesel power made firemen superfluous, labor saw what was coming and bargained hard to keep firemen on the new trains. Management took diesel power less seriously, expecting it to be limited to a few high-speed routes, and so gave in to labor's demands. And while the railroads later got the firemen eliminated from the cabs of most freight locomotives, they have failed to fight for that reform on what they seem to consider the already moribund passenger trains.

What becomes evident in a study of railroad developments over the last few decades is that railroad management has consistently resisted change, held back on innovations, and has viewed new transportation developments as threats rather than opportunities. It has reacted like the carriage-makers who smugly scoffed at that transitory, noisy, and undependable invention, the motorcar, and who preferred to go down like the dinosaur rather than branch out into the automobile business. When trucks began to make inroads into railroads' freight business, the predominant response of railroad management was to fight them tooth and nail by lobbying for restrictive legislation—instead of adding supplementary truck operations to make their

own freight operations more efficient. Now the railroads would love to go into the trucking business, but they probably won't be permitted, partly because of the not unrealistic suspicion that they would use this privilege not to improve transportation service, but to cripple independent truckers through a price war the railroads could afford but the truckers couldn't.

Further examples of this shortsightedness are easy to find. For years, railroads kept on cooling perishables by stopping at intervals to pour ice into the top of the cars; they didn't switch to mechanical refrigeration until trucks ran circles around them. Railroads are currently taking pride in their new innovation, "piggyback" service, in which highway trailers and other containers can travel across long distances hitching rides on various railroads along the way. But this "new innovation" was first experimented with in the 1920s, and one reason it didn't get out of the railroad yards is that by the 1930s Pennsylvania and New York Central (who have since gotten together rather uneasily) insisted on each using containers that could not be interchanged with the other's. This forced other railroads to make a choice between the two systems, or to invest in duplicate facilities, or to forget about the whole thing. Not surprisingly, under depression conditions, most of them took the last option, and the implementation of this "great new innovation" had to wait another twenty years.

It should, therefore, have come as no surprise that after twenty-five months of study prior to the merger of the Pennsylvania and the New York Central, the incompatibility of their two computer systems had been completely overlooked—making for some real problems.

One of the things the "piggyback" story illustrates is that railroads have failed to make one basic leap of imagination: They still tend to operate as if their competitors were not airlines, trucks, buses, and cars, but other railroads. They are reluctant to pool and coordinate operations, even when it is clearly to their economic advantage, or to eliminate wasteful duplication of services. Even though they are now permitted to cooperate in many ways, most railroad management is paralyzed by a fear that the beneficiary of streamlining operations might be another railroad. All too often it is a case of incompetent management fearing other incompetent management.

And so instead of facing modern transportation realities and coming up with imaginative ways of adapting to them, the typical answer of the railroads is to do away with passenger service and raise freight rates. I think there are a number of reasons for not permitting them to do this. First, there is a real need for railroad passenger service—especially on medium-distance runs between large cities. No one who has recently spent hours in a holding pattern over an airport in an attempt to get to a city a few land-hours away should question this need. Nor should anyone who has inched his way to an airport—or to his destination—by means of automotive crawl. The increasing congestion of our highways and airways between metropolitan centers makes it daily more evident that we need more than one kind of transportation to keep America on the move. We need all the kinds we can get—planes, autos, buses, and the railroads. The fact that the New York-Washington Metroliner, which is clean, comfortable, and serviced by courteous and pleasant people, and which cuts the train trip from four to two-and-a-half hours, has been practically sold out since its inception, is another evidence of the attractiveness of train travel when trains are convenient and well run. For many travelers, air travel has lost its novelty, and with it, some of its glamour. In the years to come, people will be looking more coolly at alternative forms of travel, making more realistic comparisons of time, money, convenience, and comfort involved in the various ways of getting where they're going.

The need for a railroad network in times of national emergency, for such purposes as the movement of troops, is another reason for keeping railroad passenger service alive. And then there are the eccentrics like me. Who knows, there may even be more of us in years to come, if someone makes an effort to woo us instead of making us feel like the orphans of the rails.

Not only is there a clear need for the continuance of passenger service, railroads have a clear duty to provide it. It should be remembered that railroads still have a monopoly on much freight transportation, and at their inception received substantial governmental assistance. The right of eminent domain was exercised in their behalf; land grants were received. In return for these and other benefits, railroads have a responsibility to provide services that are useful to people—as well as hogs.

This is not to make light of the real financial problems railroads face. More government subsidies, loans, or forms of tax relief should be made available. But the big change must come in the minds of railroad managements. Right now, their operations are a casebook in how to go broke—how to not succeed by trying hard not to succeed! Managements must turn their attention away from the search for ways to get out of the business of hauling passengers to search for ways to make passenger service attractive and profitable. There are, of course, some efficient and forward-looking railroad presidents—but not many; certainly less than in any other industry of the same size.

I suppose that the managements of really well-run industries—such as petroleum, timber, and life insurance—could, in the next fifty years, succeed in making those industries unsuccessful, too, if they tried hard enough and took enough hints from the management of railroads over the past fifty years.

If railroad managements do not wake up and adapt their practices to the needs of the traveling public, there is really only one alternative. Undesirable as it is, as a last resort the only way to save the trains for the people will be to turn them over to the government. Government-owned railroad service in a number of foreign countries (Japan, Britain, France, and others) is far superior to ours; if railroads operating on a private, profit basis can't make a go of it here, government can and must. There is already some sentiment for this among influential members of the U.S. Senate.

It shouldn't have to come to that. If railroad management can break out of thinking that it is trapped in the past and find ways to intelligently approach the problems of the present and future, mavericks like me—as well as the traveling public as a whole—will be well served.

COMMENDATION OF JOSEPH BORKIN

Mr. BURDICK. Mr. President, on July 14, at a luncheon at the National Lawyers Club in Washington, D.C., the Federal Bar Association commended Joseph Borkin for distinguished writing on public affairs. The presentation was made by the distinguished Senator from Maryland (Mr. TYDINGS).

I ask unanimous consent that the presentation and the acceptance by Mr. Borkin be printed in the RECORD.

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

AWARD OF THE FEDERAL BAR ASSOCIATION COMMENDATION TO JOSEPH BORKIN

PRESENTATION BY SENATOR JOSEPH TYDINGS

Senator TYDINGS. It is an ancient truism that a people who ignore its past is doomed to repeat it. Books are an effective antidote for such a lapse of memory. We are, therefore, doubly grateful when an author writes a book about a segment of our past that no one ever dared write about before. Such an author is Joseph Borkin and such a book is *The Corrupt Judge*, the only systematic study of judicial corruption ever published.

Since its publication seven years ago, *The Corrupt Judge*, has had a striking impact. It inspired Senator Kefauver to introduce legislation that would have effectuated the author's suggestion that judges disclose their financial interests. It also helped to inspire the Subcommittee on Improvements in Judicial Machinery, of which I am Chairman, to undertake its inquiry into the problems of judicial fitness, an inquiry that culminated in the introduction of the Judicial Reform Act.

In *The Corrupt Judge*, Joseph Borkin brought us warning signs, signs that, if heeded, might well have prevented the crisis that shook the federal judiciary this past spring and that is still unresolved.

On June 9, reaching to the Fortas affair, the Judicial Conference of the United States adopted resolutions of monumental significance not only requiring district and circuit court judges to report their financial interests, as suggestetd in 1962 by Joseph Borkin, but also limiting the non-judicial services that they can perform for compensation. The Conference's action was a long overdue recognition of the efficacy of Joe Borkin's idea. June 9, 1969, was a great day for him, and for the Nation. Its importance was only diminished by one omission in the Conference's resolutions, the failure to include the Justices of the Supreme Court within the strictures. The Conference, of course, has no authority over the Supreme Court and the omission was merely a reflection of that fact.

Given the opportunity to place themselves under the purview of the resolutions, however, a majority of the Justices decided to delay action. The delay is unacceptable. It is a damaging anomaly for the new regulations not to be applied to the body of men that to many Americans constitutes the federal judiciary, especially since much of the impropriety that gave impetus to these reforms emanated from the Supreme Court. The failure of the Supreme Court to adhere to the reforms is already having ramifications among the lower court judges. The judges of the Second Circuit have now asked the Judicial Conference to "postpone its directive restricting outside activities of federal judges and requiring annual financial reports from them." Frankly, Congress will not stand idly by while the gains of the past few months are dissipated. The Supreme Court, too, must never forget that judges must preserve their character above reproach and that any failure by the judiciary to keep its own house in order undercuts its real strength.

Joseph Borkin's great sensitivity to the underpinnings of the judiciary's institutional integrity made *The Corrupt Judge* the potent force that it has been. In his latest book, *Robert R. Young—The Populist of Wall Street*, Joe Borkin has effectively applied the same powers of insight to the institutional underpinnings of our transportation industry.

Joseph Borkin is an author and attorney of the first magnitude. I am proud to present to him the following Federal Bar Association Commendation Award:

THE FEDERAL BAR ASSOCIATION COMMENDATION

Joseph Borkin is hereby recognized for outstanding qualities of leadership and dedi-

cated service to the Federal Bar Association and to the federal legal profession as a scholar, innovator, and courageous investigator in over thirty years of writing on public affairs:

For his book, *The Corrupt Judge*, the legal classic which prepared the way for contemporary judicial reform; and for his recent book, *Robert R. Young, the Populist of Wall Street*, a significant contribution to the financial and transportation history of our times.

CYRIL F. BRICKFIELD,
President.

JULY 14, 1969.

ACCEPTANCE BY JOSEPH BORKIN

Mr. BORKIN. Senator Tydings, Chairman Garson, friends, my deepest gratitude to all those involved in this very happy event. It would be futile for me even to try to respond. But I must say this:

That Senator Tydings makes this wonderful presentation to me has a rich meaning. The United States Senate has a bright and slender thread running through its history. It is the tradition of great individualists who, when the needs of reform so dictated, did not bow to the "whose ox is gored" brand of politics and did not flinch from opposing the established order of things. These senators, of whom Bob LaFollette, Tom Walsh, William E. Borah, George W. Norris, Paul Douglas, and Estes Kefauver come to mind, now have a worthy member to continue the tradition. His total effort at judicial reform has already become part of its history. Winning is in his character and there will be judicial reform before long. I am proud to follow his lead and I am even prouder to receive from him this award voted so generously by the Federal Bar Association. My thanks to all of you.

DETERRENCE CAPABILITIES WOULD BE ENHANCED BY RATIFICATION OF 1925 PROTOCOL

Mr. PROXMIRE. Mr. President, there are those who argue against the ratification of the Geneva Protocol of 1925 on the grounds that to do so would be to dangerously compromise our strategic position. Our security, they argue, is based on the deterrent effect of our weapons stockpile. Ratification of the Geneva Protocol would lead, supposedly, to reduction and eventual elimination of our stockpile and thus would destroy the deterrence upon which our security is based.

This argument, used in the original Senate debate on the protocol as well as in current arguments on the subject, reveals both a complete misunderstanding of the provisions of the protocol and a positively dangerous misconception of its effects on our strategic position.

It is most important to realize that the Geneva Protocol of 1925 does not attempt to ban chemical and biological weapons entirely. In the words of Dr. Matthew S. Meselson, a Harvard biologist and one of the foremost experts in this field:

> The protocol is a no-first-use treaty. It does not outlaw research, development, or production of gas or biological weapons; it does not outlaw retaliation in case one is attacked.

Thus, at the very least, ratification of the protocol would do nothing to harm the deterrent effect of our CBW capability. We would be free to continue developing and stockpiling as we ourselves saw fit, in order to maintain a credible second-strike capability.

In fact, far from destroying the deterrent effect of our chemical and biological weapons, our adherence to the Geneva Protocol would positively enhance it. Deterrence is based not simply on having the weapons but on the enemy's knowledge that they will be used in retaliation. If the enemy does not fear this retaliation there is no deterrence. Our adherence to the Geneva Protocol would make absolutely clear what has been our policy all along—that we will not use these weapons unless first attacked with them—and thereby strengthen the deterrent effect of our existing CBW capability.

No one is sure that the deterrence mechanism will always work. But experts agree that the on-site inspection required for total banning of chemical and biological weapons is technically almost impossible. Thus, deterrence is our only hope, and we have no choice but to enhance its strength as much as we can. It is clear that ratification of the Geneva Protocol would do nothing to harm our deterrence capability and would in fact positively help it. It is therefore incumbent on the Senate to do everything in its power to bring this ratification about, and I urge it to do so immediately.

THE PESTICIDE PERIL—XXXVI

Mr. NELSON. Mr. President, the current controversy over the threat to our environment and to human health from the continued use of DDT and other persistent pesticides has primarily been carried on by conservationists and a growing segment of the scientific community on the one hand and the agricultural and chemical industries on the other hand.

Evidence of harmful effects to our fish and wildlife and of links to cancer and liver and stomach malfunctions in man from these pesticides is clear and alarming, yet agricultural spokesmen claim these pesticides are vital to the country's crop production because no alternatives exist to control the pests which kill the crops.

Alternatives do exist. There are less persistent, toxic pesticides which will do the job, although some are presently more expensive. However, the most promising alternative appears to be in the area of biological controls. An article written by Burt Schorr and published in this morning's Wall Street Journal reports on the significant progress which has already been made in developing effective biological controls for pests, and I ask unanimous consent that it be printed in the RECORD.

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

REPLACING DDT—U.S. RESEARCHERS GAIN IN EFFORTS TO DEVELOP SAFER INSECT CONTROLS—BIOLOGICAL METHODS SUCCEED AGAINST SEVERAL PESTS; INDUSTRY WILL FEEL IMPACT—BAD NEWS FOR THE BOLL WEEVIL

(By Burt Schorr)

WASHINGTON.—The famed bug-killer DDT is losing its deadly wallop and falling into disfavor as a threat to wildlife and mankind. But even if DDT fades from use, the insects will hardly take over the world, for potential replacements are on the way.

In fact, U.S. entomologists appear closer to an important advance in man's age-old war against the insects that devour his crops. This attack won't be spearheaded by the well-known chemical insecticides but by an expanding arsenal of biological controls based on weapons provided by nature. If the approach succeeds as hoped, it may sooner or later reduce the use of chemical insecticides—and any resulting pollution of the environment. The effort will include:

Massive deployment of bugs that are harmless to man but prey on crop-destroying pests.

Large-scale sterilization of adult insects to disrupt their reproductive cycle.

Use of synthetic copies of the natural scents secreted by pest species to lure bugs to their destruction.

Such biological-control methods are showing high promise in field tests. And some Agriculture Department officials predict that in certain parts of the country biological warfare, coupled with limited use of chemicals, will soon make possible the almost-complete eradication of the cotton boll weevil, now probably the nation's costliest single pest.

IMPACT ON INDUSTRY

By the early 1970s, some experts say, insecticide producers might find their domestic farm market—now calculated at around $110 million annually—leveling off or shrinking.

In the long run, though, such de-emphasis on farm insecticides might indirectly benefit the chemical industry; it might help prevent current clamor against bug-killers such as DDT from swelling into a drive for tougher restrictions on chemical pesticides generally, including weed-killers.

One of the promising experiments with biological techniques is now going forward in the Coachella Valley of Southern California, where farmers used to spray more than 4,600 cotton acres with chemicals to combat pink bollworm infestations.

Most mornings before dawn these summer days, a yellow Agriculture Department plane sweeps above the valley floor spewing out thousands of sterilized male and female adult pink bollworm moths through a tube projecting from the cabin. Chilled immobile at about 38 degrees, the gray-winged insects cascade into the warmer air, then revive to mate with normal adults in the cotton fields below. The union frustrates the pairing of fertile moths and produces no eggs or destructive larvae. Avoidance of insecticide-spraying helps preserve insects that normally prey on cotton pests other than the pink bollworm.

CABBAGE PATCH RESEARCH

Another progress report comes from a cabbage patch near Columbia, Mo. There, the cabbageworm, which chomps destructively on a variety of vegetables, including spinach and broccoli as well as cabbage, has been frustrated by the release of a tiny parasite wasp.

The wasp injects its eggs into the cabbageworm eggs on plant leaves; when the wasp grubs emerge, they devour the host eggs. Employing this and other biological techniques, Government entomologist Frank D. Parker has eliminated over 99% of the cabbageworms from the test plot—and all insecticides as well.

Not everyone, though, is as optimistic about biological-control possibilities as Federal researchers are. Many farmers, insecticide makers and state legislators resisting restrictions on DDT are distinctly skeptical. They contend it may be several years before effective alternatives are really ready. And they question the practicality of releasing sterilized adult insects, claiming that with some species it would be necessary to deploy as many as 50 times the normal insect population.

At any rate, Government entomologists are pushing confidently ahead, armed with knowledge of past successes. As long ago as 1888, one Agriculture Department pioneer found a ladybird beetle in Australia that preys on a pest called the cottony-cushion scale, then threatening to wipe out California citrus groves. After two years of beetle shipments from Down Under, the scale was brought under control.

INTEREST WANES

Interest in biological methods waned following the spectacular successes of DDT during World War II and the rapid proliferation of chemical insecticides in the postwar years. Reece I. Sailer, chief of Agriculture's parasitic insect branch in Beltsville, Md., recalls somewhat bitterly that some 25 Government scientists were working on biological controls in 1938, but by 1955 the number had declined to only a half-dozen or so.

Soon after that, however, interest in the biological approach began to revive, and some notable victories followed. In recent years, massive releases of sterilized male screwworm flies have reduced the population of this Southern and Western cattle pest; annual savings to livestock producers from Florida to California are estimated at $120 million. And the Japanese beetle, which once chewed on nearly 300 species of U.S. plants, has largely succumbed to a dusting program that spread a disease that attacked the Nipponese invader.

Today Uncle Sam has over 170 entomologists, chemists and other specialists busy on biological control projects. One important center, the Federal Entomology Research Laboratory at Columbia, Mo., which opened in 1966, has just this year begun producing sufficient wasp eggs for experimental use against the cotton bollworm in Texas and the apple-boring coddling moth larva in Indiana.

In part, the resurgent interest in biological control springs from increased public concern about chemical dangers. DDT and some other long-lasting chemical insecticides, rather than breaking down harmlessly within a few weeks after spraying, often retain their potency for long periods—up to 15 years in cases of especially heavy DDT applications. If these chemicals enter the chain of food production, they can build up in the fatty tissues of animals and human beings with possibly harmful consequences.

This year Michigan barred all use of DDT except by public health agencies and indoor pest exterminators. And the Arizona Pesticide Control Board, faced with the problem of too much DDT in milk, ordered a one-year halt to commercial farm applications of the chemical and a related formula, DDD.

Currently, the Wisconsin Natural Resources Department is considering a statewide DDT ban; the legislature's lower house has already approved such prohibition. Also, the U.S. Agriculture Department has suspended use in its spraying programs of nine persistent insecticides, including DDT, until it reevaluates their environmental impact.

The attack on DDT comes at a time when its use is declining in the U.S. Production for U.S. markets totaled only 40 million pounds in the 1966–67 crop year (the latest period available), about half the 1958–59 level. A major reason is mounting insect resistance to DDT; new strains of bugs seem impervious to its effects.

(Even so, restrictions on DDT pose a threat to pesticides generally, contends the National Agricultural Chemicals Association, voice of the industry. Noting the association's vigorous DDT defense in Wisconsin, where annual sales total a piddling $17,000, NACA President Parke C. Brinkley says, "We're trying to hold the line there because if we lose in Wisconsin we could lose everywhere." He worries most about a possible move in Congress to bar interstate sales of DDT or other pesticides.)

In theory at least, other chemical insecticides might offer alternatives to DDT. There are two newer insecticide families, the organic phosphates and organic carbamates, which break down in hours or days after application. But they are more costly than DDT, and some of them also show signs of declining effectiveness.

In the case of the cotton crop, many experts now believe the solution to its problems lies in biological-plus-chemical suppression of the boll weevil. With the need for weevil spraying reduced dramatically, natural enemies of the bollworm could recover. "This would reduce the need for bollworm spraying by 75%," asserts Theodore B. Davich, chief of the Federal boll weevil lab at State College, Miss.

A PREVAILING PROBLEM: CAN WE TRUST THE SOVIETS?

Mr. FANNIN. Mr. President, one of the continuing problems facing us in debating the question of proceeding with the President's ABM-Safeguard proposal turns on the assessment of Soviet intentions. I am aware that many persons believe that the Russian leaders are "mellowing." In fact I believe within the Department of State for many years there has been a faction that continues to operate on the theory that the U.S.S.R. is drifting to the right and the United States drifting to the left—so if we can hold our balance for a long enough period our differences will not be worth fighting over.

I do not subscribe to the view that the Soviets have changed their plans, Mr. President, primarily because I can find no hard evidence expressed in either action or official policy statements that bear the weight of the assumption the Soviets are in fact "mellowing."

This question of Russian leadership intentions is of course vital to the ABM debate, because it helps us in deciding whether we really need the defense system or not. A realistic assessment of the intentions of the present Russian leadership would assist us in weighing the factors involved in this decision.

Therefore, Mr. President, I have endeavored to find out if the Russian leaders are indeed following a different line, or direction, than that set out by the early Marxists when they took power in Russia back in the 1920's.

This question comes to the fore because of the recent speech made by Foreign Minister Andrei A. Gromyko. On July 11, it was widely reported that Mr. Gromyko called for a new era of peace and friendship with the United States and indicated Soviet interest in a future conference with President Nixon. In a foreign policy statement to the Soviet Parliament, he indicated the U.S.S.R. was ready to begin strategic arms control talks with the United States.

Leading international observers regarded Mr. Gromyko's conciliatory words as an indication that the Soviets are seeking an improvement in relations with the West so they may have both hands free to deal with growing problems with Red China.

Mr. President, without wishing to pass premature judgment upon the motives that may underlie this speech from the Soviet leadership, I think it must also be observed that the Soviets are quite capable of making speeches and preparing policy statements intended primarily for consumption overseas and I would add that I am sure it has not escaped the attention of the Soviet speechwriters and planners that the Senate is engaged in the ABM debate. I admit, Mr. President, that my first reaction is to take Mr. Gromyko's statement as some sort of effort to influence that debate, and that brings me back to my original point that we need to have something more tangible by which to assess Soviet intentions than a single sentence out of the speech probably produced primarily for consumption abroad.

It is my opinion that another sentence from Mr. Gromyko's talk is more important. He said:

> It is clear that our two countries are divided by deep class differences, but the Soviet Union has always proceeded on the assumption that on questions of preserving peace, the USSR and the USA can find a common language.

I note that the Soviet Foreign Minister mentioned three entities—the Soviet Union, the U.S.S.R., and the United States of America. I would like to call the Senate's attention to remarks which I put in the RECORD on June 5, 1969, under the heading "When Is the U.S.S.R. Not the U.S.S.R.?" In the article associated with my remarks it was clearly developed that the Soviet Union, although we use the designation interchangeably with the U.S.S.R., is not in fact the same thing. Mr. Gromyko is not just setting style when he says:

> The Soviet Union has always proceeded on the assumption that the "U.S.S.R. and the U.S.A. can find a common language."

He is reiterating the point which I and others have tried to make, namely, that we very well may negotiate agreements with the U.S.S.R. and think that the Governments of both countries have bound themselves by treaty and find that the CPSU—Communist Party of the Soviet Union—has no intention of abiding by that agreement.

We are in great need of keeping our eyes and ears open in dealing with the Soviets lest we fall into the trap which they have boasted of, namely to use the very governmental and parliamentary institutions which we cherish to destroy that which we hold dear.

SPASM RESPONSE

Before speaking to the historically recorded intentions of the Russian leadership, I would like to take a moment to speak to those who maintain in our present debate that "the best defense is a good offense," or words to that effect. I have heard it seriously presented that we can achieve the same degree of protection simply by increasing the number of our offensive missiles and since we already have numbers sufficient to eliminate the Soviet population many times over even that move should not be necessary.

First, it seems to me that those who seriously maintain that the best defense is a good offense, fail to qualify that by adding, "provided you are already in a conflict." If you are not in a conflict the

best way to keep from getting in one may well be a combination of defense and potential offense.

Otherwise, it appears that serious proponents of that kind of thinking restrict themselves to a "spasm" response in case of an attack. In order to consistently maintain the defense philosophy of only improving your offense, two questions must be answered:

First. Are we willing to strike the first blow?

Second. Are we willing to accept a crippling first blow and then strike?

Those appear to me to be the only options open under the "add to the offense capability only" philosophy. I cannot imagine an administration that is willing to answer yes to either of those questions. Yet that is apparently what the anti-ABM spokesmen would have us agree to. I would propose those questions to the Senate and ask if there is a Senator who is willing to defend an affirmative answer to either one.

For myself, I believe that we must seek the "extra button" described by the Senator from Vermont (Mr. PROUTY) the other day when he said he would vote for this proposal in order to give the President another option than an all-out attack upon a nation which we believed to have launched an attack against us.

EARLY SOVIET INTENTIONS

Mr. President, in looking into this matter of trying to determine just what the Russian leaders may intend, I first examined some of the early statements of those in charge in the U.S.S.R. back in 1928. Here is a statement of ultimate purpose:

The ultimate aim of the Communist International is to replace world capitalist economy by a world system of communism. (Sixth World Congress of the Communist International, September 1, 1928.)

This theme is stated again and again by the early Marxists-Leninists as they described the program of the Comintern:

This program of the Communist International . . . becomes the program of struggle for the world proletarian dictatorship, the program of struggle for world communism.

Anyone who desires can make a similar investigation and determine the stated intentions of the Russian leaders in the 1920's. I might add that these early documents also describe the concept of world systems in conflict which characterize Soviet thinking today. The title of Chapter One of the Sixth World Communist Congress' main document is, "The World System of Capitalism, Its Development and Inevitable Downfall."

Mr. President, I ask unanimous consent to have inserted in the RECORD at the conclusion of my remarks a paper prepared by the American Research Foundation that deals in some detail with the points which I have just covered.

RECENT EXPRESSIONS OF INTENT

Next, Mr. President, I examined some of the more recent documents of the international Communists to determine if their stated goals had indeed changed, as some have indicated.

I might note here that recent news reports carry words of how "good intentioned" the Soviet leaders have become. I expect we shall shortly be regaled with cheery stories from the former Vice President, Mr. Humphrey, when he returns. Without revealing too much, I am sure we can expect to hear him say how much the Soviet leaders really do desire to come to some kind of accommodation with the West, and we merely have to meet them halfway.

In this I am reminded, Mr. President, that Astronaut Frank Borman, who recently completed a tour of Russia, said that Russian evident good will is almost overwhelming, however, he had to keep in mind that this is the nation that is supplying 80 to 85 percent of all the war material to North Vietnam. This is the nation that continues to fuel the fire of conflict.

Without risking too much, Mr. President, I am sure we can expect great protestations of Soviet good will from our former Ambassador-at-Large. He will surely tell us that the Soviets are really moving our way and we must meet them with open hearts.

SOVIET LEADERS

It was most interesting to me, Mr. President, to receive the excellent speech given here the other day by my good friend from Washington, Senator JACKSON. We serve together on the Interior Committee and I am well aware of his ability in that field where he is a most able chairman. However, this speech dealt with the rising leaders in the U.S.S.R. Senator JACKSON noted their backgrounds and biographies. Almost without exception, he pointed out that these men came to power during the Stalinist years when bloody purges were the rule rather than the exception. From examining the evidence there is little that would lead one to conclude that these men will ever seek accommodation except as it serves their ultimate purpose.

I am quite aware that with the impending visit from President Nixon to an Iron Curtain country as well as the border clashes with Red China, the Soviet leadership finds itself in a somewhat strained position. They need an accommodation of sorts at this time. But let us not be fooled.

COMMUNIST CONFERENCE

On the 17th of June, 1969, Tass, the Soviet international news service distributed the full text of the main document adopted in Moscow by the World Communist Conference.

A careful examination of this official pronouncement might reveal something of what the world Communist parties are thinking and planning.

First, I noted that out of the first 21 paragraphs of the statement, 20 of them used the words "imperialism," "imperialist," or some other close derivative. Of the total document of some 185 paragraphs, all but about 60 made extensive use of the same terms. Of course this is not totally definitive, but it gives a general indication of the tone of this main document.

Who then is the chief threat to world peace, Mr. President? May I quote from this document:

While the world system of imperialism has not grown stronger, it remains a serious and dangerous foe. The United States of America, the chief imperialist power, has grown more aggressive.

That does not sound much like seeking an accommodation does it? Particularly when the United States is identified as the "chief imperialist power" and the preceding sentence speaks of "dealing imperialism new blows."

American "imperialism" is described in the old medicine show language as responsible for most of the world's ills. Those few plagues that cannot be dumped at Washington's door are deposited in London, or Tokyo, or West Berlin.

Our accommodating efforts in Vietnam are described thusly:

U.S. imperialism has been compelled to cease the bombing of the Democratic Republic of Vietnam unconditionally and to send its representatives to sit at the negotiating table with representatives of the Democratic Republic of Vietnam and the National Liberation Front of South Vietnam.

You will notice use of the word "compelled." Not a single reference to any act of "good will" on our part which our accommodaters would have us so quickly perform.

On another front:

U.S. imperialism has not abandoned its plans to strangle revolutionary Cuba. It continues to try to blockade it economically and carries on provocative and subversive activity against it. . . . But the courageous people of Cuba, lead by their Communist Party and supported by the Soviet Union . . . staunchly defend . . . the outpost of socialism in the American continent.

And so the recitation goes, around the world; we are the villains; they are the heroes. Of course it is propaganda, but it is nevertheless the main document adopted at the World Communist Conference in June. Does that show a real change of the "party line?"

Consider this last paragraph, which I shall quote:

The events of the past decade have laid bare more forcefully than ever the nature of U.S. imperialism as a world exploiter and gendarme, as the sworn enemy of liberation movements.

Notice, we are the "sworn enemy." Accommodation? Hardly.

WORKERS BY BRAIN

It should be noted also that the Communist Party Conference is apparently in the process of expanding its base from the "working class" which has been its mainstay for so long. The new document speaks of "workers by hand and brain" by which, I presume, they now begin to include scientists and engineers, who have been hard put heretofore to be classified as "workers."

PEACEFUL COEXISTENCE

Interesting also is the definition of "peaceful coexistence" which is urged upon us from so many quarters. The document says:

The policy of peaceful coexistence does not contradict the right of any oppressed

people to fight for its liberation by any means it considers necessary—armed or peaceful.

By their own definition, you see, peaceful coexistence is not always peaceful.

U.N. NOT RECOGNIZED

In addition to this, Mr. President, it is well known that the Russian leaders do not recognize the United Nations Organization as a legitimate world governing body. When we are urged to surrender our sovereignty to this organization we should bear in mind what the Russians think of it.

As far back as 1951 B. S. Molodstsov, writing in "Soviet State and Law," said:

Activity of the United Nations shows that the Government of the capitalist states represented in it do not reflect the will of the overwhelming majority of the population of their countries and in effect are not representative of the peoples of these countries.

WORLD PEACE COUNCIL

In place of the United Nations the Communist nations belong to the World Peace Council which, in the words of Molodstov, "is an organ representative of the peoples of the world themselves and not of government."

Well then, what of this world peace organization? Has it changed its tone and is that organization seeking a "peace and friendship" accommodation between nations of the world?

Here are portions of the Vietnam Commission report adopted by the World Peace Assembly in East Berlin on June 25, 1969:

The subcommission suggests a number of international actions:

Campaign of letters and telegrams of protest from all parts of the world to President Nixon at his summer residence (Summer White House, San Clemente, California.)

Every conceivable boycott of U.S. products.

Demonstrations in front of U.S. embassies and consulates wherever this is possible.

International conferences designed to intensify the pressure on the government of the United States and for demonstrating solidarity with the American peace forces. . . . demand the Okinawa base be disbanded so that the United States can no longer use Okinawa as a starting point for operations against Vietnam.

Objective observers will note the Assembly proceedings carefully omitted any reference to the strangulation of Czechoslovakia by the Russian Army.

SOVIET THREAT OR MYTH

How does all this affect our question here, Mr. President? In an unusual letter to an American magazine, a Soviet official says backers of the Safeguard-ABM are "frightening Americans by the myth of the 'Soviet threat'." The writer is Georgi A. Arbatov, director of the U.S. Institute of Soviet Academy of Sciences. It was printed in an early July issue of Newsweek magazine. He says:

Although the study of America has become my profession, I regret that the work I have done does not enable me to predict whether those who favor escalating the arms race will manage to mislead the American public again.

Mr. President, I ask the question who is attempting to mislead whom? Are we to believe there is a "myth" of a Soviet threat when their own public statements call America the leading imperialist aggressor in the world and speak of "striking blows" against imperialism?

What are these "blows" to be struck?

SOVIET STRATEGY

Mr. President, my colleague from Arizona (Mr. GOLDWATER) distributed a booklet here yesterday which supported the rationale for an effective ABM, written by William R. Kintner. Another book, called "The Nuclear Revolution in Soviet Military Affairs," has been written by Mr. Kintner and Harriet Fast Scott. This excellent compilation of Soviet military writings takes the strategy directly from the military handbooks and articles prepared for use by Soviet military officers.

In one chapter, entitled "New Means of Fighting and Strategy," by Col. V. V. Larionov, great note is taken of the impact of the nuclear rocket weapon upon strategy. Colonel Larionoy calls attention to the unifying of strategic rocket forces in the Soviet Union and notes that from the very start they were considered the main service of the armed forces. To quote Colonel Larionov:

The simultaneous strike on the armed forces, including strategic nuclear means, and on the objectives of the enemy's economic potential for achieving the aims of war in a short period of time—this is what moves to the forefront.

The whole book which was published in 1968, is a reaffirmation of our worst fears that the Russian leaders are not only talking tough, they are actually preparing to win this new kind of war in which the beginning period is considered all important.

Now in the face of that, Mr. President, is it prudent for us to draw unto ourselves the doctrine that the "greatest security available to this Nation is the avoidance of nuclear war," as I have heard several Senators do with vehemence? The least costly way to avoid a nuclear war—in terms of dollars—is simply to lay down all arms and surrender. I realize, Mr. President, that perhaps Senators who are espousing this line do not realize the logical end of their reasoning. I attribute to them patriotism and sincerity in their opinion; but allowing all that does not prevent them from being sincerely wrong.

It has been my preference, Mr. President, to be a realist and while I very well may wish that it were not necessary to arm ourselves against a threat from the Soviet, wishing does not make it so; especially when every indication—outside those intended for our domestic consumption—is that Khrushchev's "We will bury you" is still the order of the day inside the Kremlin walls.

MILITARY SURPRISE

One last observation on this matter, Mr. President, and then I am through. There is a quotation from the Soviet "Explanatory Dictionary of Military Terms," page 75:

Surprise—One of the basic conditions for achieving success in battle. . . . Surprise is achieved by the use of various ways . . . by leading the enemy into error concerning one's own intentions, by preserving in secret the plan of battle, by speed and decisiveness of action, by hidden artificial maneuvers, by the *unexpected use of the nuclear weapon* and other new combat means . . ." (Emphasis added.)

Mr. President, there it is in plain words for all the world to see. The Soviets have no hesitancy in advising their military leadership that they are willing to engage in another Pearl Harbor action—this time a nuclear one—if it will achieve their objective.

I for one, Mr. President, am unwilling to trust the fate of this Nation to the ephemeral "good will" of Soviet leadership until I have concrete evidence that will contradict everything the Soviets have said and done in this whole area.

Admittedly we are guessing when we try to ascertain the intentions of Soviet Communist leadership. But there need be no guesswork about what they have said. There need be no guesswork about what they have done in Eastern Europe. There is no guesswork about their intentions as expressed by their official party gatherings as recently as a month ago. There is no guesswork about the strategic capability.

I am aware that there are some Senators who consider foreign relations a never-never land in which an apprenticeship of several decades must be served before one is allowed to express an opinion. I have observed the results achieved by following such a supposition and this Senator is inclined to think that perhaps that dark and mystical world could stand some light and the fresh breeze of a new look.

Can we trust the Russian Communist leadership?

Yes, Mr. President, I believe we can. I believe we can trust them to do exactly what they have promised to do in their own military journals and handbooks. And trusting them so, I suggest that we trust our own President and those around him charged with the defense of this Nation. Let us trust them with the defense system they have asked for.

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

SYSTEMS IN CONFLICT: THE U.S.S.R./SOVIET UNION AND THE FREE WORLD

(By American Research Foundation)

In the forums of international exchange and negotiation—especially in the United Nations Organization (UNO)—a significant confusion has gone unnoted and, as a result, uncorrected regarding the consistent use of the terms "USSR" and "The Soviet Union." It has become commonplace to use these designations interchangeably, as if they were in fact synonymous. In actuality, this is by no means the case; the two terms are not synonymous. Each has its own peculiar significance and it is only to the extent that this significance is correctly understood that a proper comprehension of the context within which they are used is possible.

The "USSR" is a duly recorded and recognized nation-state member of the UNO. The Soviet Union, on the other hand, is another matter.

When Khrushchev addressed the sessions of the UNO General Assembly several years ago, he flamboyantly announced: "I come as a representative of the Soviet Union." If such were in fact the case, under no circumstances should he have been allowed the privilege of the floor nor been accorded any official recognition. The Soviet Union is NOT

a member of the UNO. In fact, ethnically, geographically and legally it can be said that the Soviet Union does not exist as a country. There are no boundaries, no constitutions, or any of the other legal instruments of power which belong to a sovereign nation-state. Its identity stems entirely from the Marxist-Leninist doctrine as promulgated by the Communist Party of the Soviet Union. It is identified in that doctrine as the "base of the World Revolutionary Communist System and its world-wide revolutionary apparatus." The leadership for world-wide revolutionary power is drawn from this base. From this "base" Marxist-Leninist Communist leadership has declared "world-wide class war" against the so-called World Capitalist System. The end and aim of that class war is the total annihilation of the "imperialist forces of oppression," or, in other words, the Capitalist System.

The Soviet Union by its nature is above and beyond any conventional national or international restraint or controls. Yet this base of world power has a capability for disrupting and countering *bona fide* international agreements. It can render utterly ineffective even the Resolutions of the UNO which are endorsed by the USSR.

In the roster of the UNO, the USSR is duly registered as a member state. This is as it should be for the USSR operates as a state power in a conventional and diplomatic manner. In international negotiations within the purview of the UNO, the USSR conforms to the procedures spelled out by the UN Charter. The Soviet Union, however, knows no such external restraint as represented by the UN Charter, or by any other corpus of international law. It is, in effect, its own master and obeys only its own laws. As a useful tool, the Soviet Union has at its disposal the diplomatic resources of the USSR. And as a tool is relatively useless without the skill of the craftsman to empower it, so the USSR draws its vital force from the Soviet Union, i.e., the Communist Party of the Soviet Union.

The subtle but significant relationship between the Soviet Union and the USSR has fostered three general misconceptions which may be summarized as follows:

1. The ruling Communist Party of the Soviet Union (CPSU) and the government of the USSR are identical in every respect. The acts of one, therefore, may be regarded as the acts of the other. The commitments of one automatically are respected and honored by the other.

2. The CPSU and the USSR are two separate entities. This concept is widely accepted in academic and diplomatic circles. It is not without logic for the Government of the USSR is in fact a power in its own right; it truly represents a nation-state in the western concept. The problem lies in the fact that this otherwise conventional governmental structure is totally subservient to the Communist Party which is *not an integral part of the government* structure.

3. The CPSU is the instrument of the Government of the USSR. This view reverses the perspective of misconception No. 1 above in that it applies to the CPSU/USSR relationship the scheme which obtains in the majority of nation-states where political parties are subject to the rule of the government in power.

In order to correct these misconceptions, one has only to turn to the Government of the USSR: Article 126 of the "Constitution (Fundamental Law) of the Union of Soviet Socialist Republics." Promulgated in 1936, in the section entitled "Fundamental Rights and Duties of Citizens," this Constitution unequivocally defines the role of the Communist Party in the life of the USSR as follows:

"ARTICLE 126

"In conformity with the interests of the working people, and in order to develop the initiative and political activity of the masses of the people, citizens of the USSR are guaranteed the right to unite in mass organizations—trade unions, cooperative societies, youth organizations, sport and defense organizations, cultural, technical and scientific societies; and the most active and politically conscious citizens in the ranks of the working class, working peasants and working intelligentsia voluntarily unite in the Communist Party of the Soviet Union, which is the vanguard of the working people in their struggle to build Communist society and is the leading core of all organizations of the working people, both government and non-government."

Further, in the section of the Constitution dealing with the Electoral System in the USSR, Article 141 states:

"Candidates are nominated for each constituency. The right to nominate candidates is secured to mass organizations and societies of the working people: Communist Party organizations, trade unions, cooperatives, youth organizations and cultural societies."

That the Communist Party controls the internal political life of the USSR is no startling revelation. However, it is a matter of major concern to the Free World that in its international relations, the USSR is little more than a facade, a front whose formal signature is valid only to the extent that the Communist Party allows it to be so. In international negotiations, this means that the negotiating parties do not meet on equal planes. The one committing the power and resources of its government, or governments, to support of the issue at stake, making accommodations, but being completely unable to control those forces which are designed to subvert and actively set about undermining the structure of bona fide international agreement. The organization of those forces, namely the Communist Party, never appears at the negotiating table as such.

It is interesting to note in passing here that the only time the phrase "Soviet Union" issued in the Constitution of the USSR is in Article 126. Here it appears in the conventional formula, "The Communist Party of the Soviet Union" (CPSU).

The Marxist-Leninist concepts of State and Government may be summarized as follows: "Not a single important political or organizational decision or question of internal policy, or the conduct of foreign affairs can be resolved by the Supreme Soviet of the USSR and the Government of the USSR without the overriding guidance and direction of the Communist Party of the Soviet Union."

The terms and phrases which the Communists use in international intercourse are determined by their ideological world outlook, based on the Marxist-Leninist concepts of the tactics required to establish on a global plane their "classless society." In order to comprehend these terms and phrases, they must be read in the light of their Marxist-Leninist usage, both past and present. This is not a matter of subjective interpretation. The Marxist-Leninist canon provides ample evidence for the determination of the actual meaning of the words in the Communist vocabulary.

As soon as the USSR and the satellite governments succeed in working into the text of international treaties, agreements and resolutions words from the Marxist-Leninist lexicon, the Communist Parties the world over are provided with guidelines for the process of subversion. Furthermore, they are provided with a *legal* vehicle for this subversion, a formal agreement signed by its agent, the USSR.

There are some basic aspects of Marxism-Leninism which must be carefully considered before any comprehension of the language they use is possible. In the first place, despite what may have appeared to be a radical change in the posture of the Communist world during the Khrushchev period and subsequently, the Marxist-Leninist doctrine has remained intact. This doctrine provides a philosophical basis for the Soviet-Communist social structure and system of government. It also provides justification for the complete and uncontestable control of this social structure system of government by the Communist Party of the Soviet Union.

Basic to the doctrinal concepts of Marx-Lenin is the demand for total dedication to the revolutionary transformation of the existing capitalist class society into the classless society of Communism through the "national liberation movement" and such other appropriate means of subversion and/or insurgency that may be necessary to achieve the desired ends. The "appropriate" means may fall into the peaceful deception of "coexistence" or it may take the more violent form—guerrilla warfare. In either case, the struggle is assured of success for, according to Marxist-Leninist doctrine, the final decision of history will "establish a classless society all over the world."

The second fundamental doctrine of this philosophy is that "history develops according to a prescribed pattern determined by economic laws." The basic difference between Communism and capitalism is economic. In a capitalistic system, the "means and tools of production" are privately owned. Men, therefore, are exploited by the owning classes who respond only to the profit incentive. On the other hand, in the economic structure of the communist state, the "means and tools of production" are public property, belonging to the productive forces, the laborers. By eliminating the profit imperative, class barriers are eliminated the "classless society," the "new and perfect" society, takes over. The construction of the "new and perfect" society by the CPSU and its world-wide apparatus has an *absolute* value. *Any* measures or means which further the ends are justified, no matter how bloody, or devious. Furthermore, the struggle to attain that end is incessant, ending only when the "State has withered away."

No matter how cursory, no discussion of Marxist-Leninist social economics can avoid mention of the phrase which has come to be identified so closely with Communist ideology, namely "Dialectical Materialism." Briefly, this phrase which long antedates the Marxist innovation in philosophical history is the tag applied to the concept that the brain and the spirit of man are dominated and controlled by the material world in which he lives. In the Marxist-Leninist context, this means that the economic or material *base* determines the shape and nature of the entire *superstructure*. Thought, political ideology, government organization, law, religion, and so forth. This fundamental principle of base and superstructure is central to the Marxist-Leninist interpretation of history and its translation into the political reality of the Communist system where the USSR, or any other organized front constitutes the superstructure which in turn is but a projection of the base—the CPSU.

The superstructure is malleable—nothing attests to this more than the history of USSR foreign policy during the last two decades. Further evidence can be found in the annals of the UNO. The Base, however, is rigid and is not affected by the apparent flexibility of its superstructure. To paraphrase Lenin, maneuvering, conciliation, deliberate compromise, skillful use of conflicts in the capitalist camp and wooing temporary allies give shape to the mass of the superstructure. This is the point of origin of Soviet diplomacy with which the nations of the free world have to cope.

If we assume that the USSR is the superstructure—and there is no evidence to refute this assumption—we may conclude that any and all official acts, agreements, treaties, etc., within the UNO or other international bodies affect only the superstructure. Such international agreements can be broken when they appear to threaten the ideologi-

cal, organizational base of World Communism, the Soviet Union. They are broken, however, not by the USSR but in the name of the Soviet Union. By this maneuver, the USSR can maintain a strictly legal stance in the face of criticism, denying any infringement on the terms of the agreement to which it has been party.

Incorrect understanding of this most important differentiation between the Base and Superstructure can lead to complete and irremediable break in meaningful communications between the two antagonistic world systems.

SUMMARY

The USSR as a nation-state was set up by the CPSU to conform to the concepts of a western parliamentary form of government. This was done primarily in order to maintain conventional, temporary relationships (Peaceful Co-Existence) with the capitalist nation-states of the world.

It is conventional in that it utilizes accepted terms for government organization; it is temporary in that its power source, the CPSU, anticipates the "liberation of all class-oppressed people" by the establishment of a classless society upon the ultimate destruction of the capitalist system and the governments sustained by that system.

EDITORIAL ENDORSEMENT FOR THE COOPER-HART AMENDMENT

Mr. SAXBE. Mr. President, I wish to call to the attention of the Senate an editorial which appeared in the July 19, 1969, issue of Business Week magazine. It endorses the Cooper-Hart amendment which I have cosponsored.

The editorial answers the critical question of whether this Safeguard system is ready for operational use. It is not. I have repeatedly supported research and development to develop a workable system. I shall continue to do so. Let me say, this decision at most delays deployment for 1 year. It is not irrevocable and can be changed if conditions or events change.

I, therefore, believe that the Cooper-Hart amendment is the best compromise and logical solution to the present impasse. I ask unanimous consent to have this editorial printed at this point in the RECORD.

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

A WAY OUT OF THE IMPASSE ON SAFEGUARD

President Nixon will be making a grave mistake if he lets his Senate floor managers push for an all-or-nothing showdown over Safeguard—the Administration's antiballistic missile deployment program.

As Senate debate built up steam this week, it became more and more evident that Safeguard's opponents are both powerful and persuasive. They certainly can keep the President from getting the "strong vote" of support that he hoped for. They may well be able to defeat the program. That not only could threaten the passage of other Administration legislation; it might seriously weaken the position of U.S. negotiators when they sit down to discuss arms control with the Soviet Union.

In this situation, the case for compromise is strong. The Administration would serve the best interests of the country—and at the same time get itself out of a nasty hole—if it now offered to accept one or more of the major amendments that will be proposed in the Senate before the final vote.

The best compromise offered so far is in the form of an amendment proposed by Senator John Sherman Cooper (R-Ky). This would shift the emphasis of Safeguard away from deployment and back to a research and development program. Since both Safeguard's radars and its computers have been challenged as inadequate to support an ABM network, Cooper would provide more money for test work on them. He would deny the military's request for $345-million to start Safeguard deployment but allow the Pentagon to spend any part of that money, as it wished, on intensified R&D.

Cooper's proposal takes account of two basic facts that are in danger of being forgotten as the shrillness of the debate over Safeguard mounts:

One, the U.S. simply cannot afford to let its research lag—either now or in the foreseeable future—in the vital area of missile defense.

Two, Safeguard is not yet a tested and reliable system. Its radar has received only a partial test at Eglin Field, in Florida. Its warheads have not been perfected; its computer software has not even been written.

What this means is that research on Safeguard must continue but that deployment now would be a waste of money that could be spent to better effect elsewhere. The crucial question is not whether the Russians would regard deployment as a provocative act—although they might. Nor is it whether we can afford the cost of an ABM system—we can if we must. It is whether or not this system is ready for operational use. And the answer is: It is not.

The Cooper proposal offers a logical solution to the problem. And while logic does not always recommend itself to embattled legislators, this is a case where everyone stands to gain if it prevails.

The stakes are high. For not just the Administration but the whole nation stands to lose if the Safeguard issue is pushed to a take-it-or-leave-it conclusion.

THE NORTHPARK CONSERVATION FEDERATION OF DALLAS, TEX., CALLS FOR 100,000-ACRE BIG THICKET NATIONAL PARK

Mr. YARBOROUGH. Mr. President, on July 10, 1969, the Northpark Conservation Federation of Dallas, Tex., passed a resolution adopting a policy statement calling for the establishment of a 100,000-acre Big Thicket National Park in southeast Texas. It also calls for the establishment of a national wildlife refuge, a State historical area, and State parks to supplement the national park.

In October 1966, I first introduced a bill to create a Big Thicket National Park. I have introduced a similar bill in each Congress since then. In my current bill, S. 4, I ask that at least 100,000 acres be set aside as a Big Thicket National Park. Some corporations and persons would like to see this area reduced to a trivial 35,000 acres. Compared with the magnificence of the Thicket's tall trees and matchless beauty, 100,000 acres is, in fact, a pitifully small area.

The Big Thicket is continuing to disappear at an alarming rate. Once the Big Thicket is gone, it will be gone forever. With it will go its wildlife, the rare birds, and the beauty. America will have lost irrevocably an integral part of herself. We must act now if we are going to save this invaluable part of America's heritage.

Mr. President, I ask unanimous consent that the resolution and policy statement adopted on July 10, 1969, by the Northpark Conservation Federation of Dallas, Tex., be printed in the RECORD.

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

RESOLUTION OF THE NORTHPARK CONSERVATION FEDERATION OF DALLAS, TEX., ON THE BIG THICKET NATIONAL AREA

The Northpark Conservation Federation of Dallas, Texas does hereby adopt the Policy Statement on The Big Thicket National Area, a copy of which is attached hereto and made a part hereof for all purposes, and urges the President of the United States, the Congress, the Department of the Interior, the U.S. Corps of Engineers, (as to Dam B), as the appropriate state agencies (as to supplemental state and historic parks) to take appropriate action to implement this policy as soon as possible.

DAVID L. ZACHARIAS.

POLICY STATEMENT ON BIG THICKET NATIONAL AREA

We favor a Big Thicket National Park or area which would include a minimum of the 35,500 acres proposed in the Preliminary Report by the National Park Service study team, with the following modifications and additions:

1. Extend the Pine Island Bayou section southward and eastward down both sides of Pine Island Bayou to its confluence with the Neches River.

2. Extend the Neches Bottom Unit to cover a strip, a maximum of three miles, but not less than four hundred feet wide on both sides of the Neches River from Highway 1746, just below Dam B, down to the confluence of Pine Island Bayou.

3. Extend the Beaumont Unit northward to include all the area between the LNVA Canal and the Neches.

4. Incorporate a Village Creek Unit, comprising a strip up to one mile wide where feasible, and no less than 400 feet wide on each side of Big Sandy-Village Creek from the proposed Profile Unit down to the Neches confluence. Where ever residences have already been constructed, an effort should be made to reach agreement with the owners for scenic easements, limiting further development on such tracts and preserving the natural environment. Pioneer architecture within these areas should also be preserved.

5. Incorporate a squarish area of at least 20,000 acres so that larger species such as black bear, puma and red wolf may survive there. An ideal area for this purpose would be the area southeast of Saratoga, surrounded by Highways 770, 326, and 105. Although there are pipeline crossings in this area, they do not destroy the ecosystem; therefore the National Park Service should revise its standards pertaining to such incumbrances, in this case, leaving them under scenic easement rules instead of acquiring them.

6. Connect the major units with corridors at least one-half mile wide, with a hiking trail along each corridor but without new public roads cutting any forest. A portion of Monard Creek would be good for one such corridor. The entire watershed of Rush Creek would be excellent for another.

Such additions would form a connected two-looped green belt of about 100,000 acres (there are more than 3 million acres in the overall Big Thicket area) through which wildlife and people could move along a continuous circle of more than 100 miles.

We recommend that the headquarters be in or near the line of the Profile Unit.

We are absolutely opposed to any trading or cession of any National Forest areas in

the formation of the Big Thicket National Park or Monument.

In addition, but not as a part of the Big Thicket National Monument, we recommend: (a) the establishment of a National Wildlife Refuge comprising the lands of the U.S. Corps of Engineers around Dam B, (b) a state historical area encompassing communities of typical pioneer dwellings, farms, etc., such as that between Beech and Theuvenins Creeks off Road 1943 in Tyler County, and (c) other state parks to supplement the national service.

WHEAT SALES

Mr. McGOVERN. Mr. President, recent actions by the administration regarding wheat sales cause grave concern.

The last administration put considerable effort into creating a viable successor to the International Wheat Agreement, which had been in effect for more than 20 years and had continuous bipartisan support over those years. The International Grains Arrangement of 1967 represented an extension, and improvement, of previous agreements.

Now the present administration is taking the lead internationally in driving world prices downward. On July 18, the price of ordinary Hard Red Winter wheat was unilateraly cut 12 cents a bushel by the U.S. Department of Agriculture. I understand immediate thought is now being given to further cuts of the same magnitude. It appears that some qualities may have been cut substantially more. This is dangerous and provocative in relation to other countries, and is likely to lead to a major international price war.

In fact, it appears that the price war has begun. In a communique described earlier this week by Washington Post correspondent Richard Norton Taylor, the six agricultural ministers of the Common Market announced that in response to the U.S. action they had no alternative but to follow suit and lower their selling prices for grains.

The price for Hard Red Winter wheat under the IGA is $1.73 per bushel at the gulf. This works out roughly $1.35 at the country elevators. The loan support price is $1.25 per bushel. Some cushion is needed between the loan level and the export market level so as to avoid excessive movement into loan. The result of the cut of last week was in effect to drive the export prices below the loan rate. Further cuts will widen this margin. This makes no sense, unless this administration is attempting in a back-door manner to press down the basic home support program levels.

Steps such as that taken on July 18 cannot help but have an effect on the domestic price situation, and concern about a possible price cutting contest is already apparent in future trading. On the day of the Common Market communique wheat futures fell by as much as 6 cents per bushel on the Chicago Board of Trade.

If the objective is to undermine the domestic price situation it should be made clear, so that American farmers can more realistically assess their prospects and their agreement, or lack of it, with the administration's intentions.

If this is not the objective, it is not clear what is intended. World demand for wheat at the present time is inelastic, as economists say. A lower world price will not result in significantly larger wheat sales. Lower prices would only be helpful if the United States could move down alone, while other countries held back on their sales. But that degree of cooperation, where others agree to sell nothing, is impossible.

It is true that the specific schedule of prices and shipping differentials in the IGA could in 1969 put U.S. wheats at a disadvantage. But differentials must be varied from time to time to meet world production conditions, and changing shipping rates must be reflected in changing prices if the agreement is to work. This was well recognized when the agreement was negotiated. It was the United States which insisted on flexible procedures for adjusting the price schedule when the need arose. The United States took the position throughout the negotiations that any agreement on prices could only work if exporters actually had the will to cooperate and the willingness to adjust their relative selling positions as conditions required.

In 1969, the United States and Canada have fared badly in terms of market share, mainly in the Far East. The situation called for world price adjustments. Instead of suggesting a revision of some of the minumums through the procedures of the agreement, or exploring the possibilities of other forms of exporter cooperation, the United States threatened unilateral action to go below the minimum deeply and widely on all major wheats. A ministerial level conference was immediately requested by some of the major exporting countries, and Secretary Hardin met with ministers of the major exporting countries on July 10 and 11. It is my impression that the other exporting countries did express the will to make the agreement viable, and the willingness to adjust prices upward in some cases, and downward in others. The spirit of the understandings reached was to adjust the relative positions of individual wheats without any major downward world price movement. This administration subsequently, in its eagerness to push its own prices down, dropped ordinaries by 12 cents a bushel, far exceeding the expectations of the ministers of other countries.

This action can undermine the whole framework of the IGA. But that is not all. Even if there were no IGA, the exporters under present market conditions would still need to seek some reasonable live-and-let-live understanding in order to avoid costly price wars. Moreover, no one among the key importing countries will be grateful for price wars. The EEC will simply absorb price declines with higher import levies. The United Kingdom will oppose substantial price reductions because of the interference with her domestic programs and will adjust her levies accordingly. Japan will oppose drastic downward movements because of her rice accumulation at high support prices. Those developing countries which are becoming increasingly self-sufficient and improving their export position will oppose major declines because it will damage their own export prospects.

It is obvious that no one gains by a policy of uncontrolled price war. We are in a world surplus situation. The prospects are for rising surpluses. What is needed is sensible cooperation among the trading countries during the needed adjustment period ahead. Only in this way can a futile war of subsidies be avoided. Such a war would not be based on relative efficiency of nations but on government purse sizes. The United States and the EEC would survive, at great cost, and no real gain. All the others, developed and developing alike, would suffer heavy damage, for no good purpose.

I urge the administration to reconsider its go-it-alone policy and to work within the flexible framework of the IGA to find a cooperative solution to this difficult problem.

Mr. President, 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:

COMMON MARKET ANGERED—GRAIN PRICES LOWERED

(By Richard Norton-Taylor)

BRUSSELS, July 28.—The European Common Market hit back today at the U.S. and Canadian decision to sell grain at below the minimum prices set by the international grains arrangement in 1967.

"The European community had counted on the United States and Canada abstaining from unilateral measures which did not conform to the terms of the arrangement," a communique of the six agricultural ministers of the Common Market stated.

The communique said the Common Market had no alternative but to follow suit and lower their selling prices for grains accordingly. This means that community farmers' export restitutions, the difference between the Common Market support price and the world price, will be increased at the expense of all six market members. The farm payments are paid out by a common farm fund to which all members contribute. The Common Market will hold off these measures until the end of July, in the hope that some other arrangements can be worked out in the meantime, possibly at a meeting this week of representatives of the world's leading grain exporters.

On July 18, the U.S. (soon followed by Canada) decided to lower its selling price for grains. For example, the price of hard winter wheat was cut by 12 cents a bushel under the grain agreement minimum. These cuts affected exports from East Coast and Gulf ports.

These decisions followed a meeting in Washington earlier this month of ministers from grain-exporting countries at which the conclusion was reached that some price adjustments had to be made at a time of wheat surpluses.

A Common Market spokesman said the U.S. action could have grave consequences for the future application of the Kennedy Round of tariff cuts.

France, the market's principal exporter of grains, has been accused by the U.S. of undercutting the grain minimum price in sales to Thailand, Japan, and the United Arab Republic.

GUN CRIME CONTROL LEGISLATION

Mr. TYDINGS. Mr. President, The Subcommittee To Investigate Juvenile Delinquency has been conducting hearings on several gun crime control legislation measures introduced in the 91st Congress. As the proponent of one of these bills, S. 977, the Gun Crime Control Act, I recently testified before the committee. At this time I would like to present to the Senate the views I expressed at that time.

There are some citizens who doubt the need for gun crime control legislation. Sportsmen and other honest persons who do not abuse and misuse firearms ask why they should be inconvenienced, even though the inconvenience be slight, by registration and licensing provisions designed to control criminal elements. I think they deserve an honest answer. The stark fact is that gun crime is out of control in this country. The statistics state the case eloquently if dishearteningly.

In all of the wars fought by the United States, we have suffered somewhat in excess of 600,000 fatalities. Since 1900, about 800,000 Americans have died as a result of firearms abuse and misuse.[1]

In the 8-year period beginning with 1960, 475 law-enforcement officers have been killed in the line of duty. Ninety-six percent of them were killed with firearms.[2] Among their killers, 76 percent had records of prior arrest on criminal charges. Fifty-four percent of these had been taken into custody for a crime of violence such as murder, rape, or robbery.[3]

The murder rate for 1968 was 6.8 victims per 100,000 population, as compared to 6.1 in 1967 and 5.6 in 1966. This is a rise of 11 percent in the last year. It is estimated that 13,650 murders were committed in the United States in 1968. Of these, 65 percent, or 8,900 murders, were committed with firearms. In the same period, 65,000 assaults and 99,000 robberies were committed with the use of firearms.[4]

A comparison of these rates with those of several foreign countries with stricter firearms controls is educative. In America we tolerate a gun crime rate unthinkable in practically any other civilized nation in the world. The firearms homicide rate in the United States in 1966 was 3.5 per 100,000 population. This was seven times the rate in Canada; 12 times the rate in France; 17 times the rate in Sweden; 35 times the rate in England and Wales. An American is 35 times more likely to be murdered by gun than is a Briton, a Dane, or a German. An American is infinitely more likely to be killed than a Japanese or a Netherlander, where gun murders are so rare as to be statistically insignificant.

What do these percentages mean in terms of people? They mean that 6,855 people were murdered in the United States in 1966 with guns. At the same time, 98 were killed in Canada; 132 were killed in France; 14 were killed in Sweden; 27 were killed in England and Wales. All of these countries together had 271 people killed with firearms in 1966 as compared to 6,855 in the United States alone. The reason for this drastic disparity between our gun crime rate and that of other nations is simply that we have countenanced a system of incredibly lax gun laws which are a scandal in the civilized world.

This decade has seen a disastrous and demoralizing drain upon our national leadership, in and out of Government, through gun crimes. Among those we have lost are a President, John F. Kennedy, a leading Senator and presidential candidate, Robert F. Kennedy, and one of the most revered of our civil rights leaders, Dr. Martin Luther King. And these luminaries only head the list of important national figures murdered. Presidents, Senators, policemen, cabdrivers, store owners, busdrivers, great men and humble citizens—innocent people from all walks of life—have been gunned down by criminals under the gun policy our Nation has pursued.

Yet until last year, the Federal Government has refused for 30 years to limit even the notorious mail-order gun traffic. Meanwhile, the number of guns in America is increasing at an incredible rate. Estimates of the size of private American firearms arsenals place the total number of guns in America at somewhere between 100 and 200 million. We have more guns than families, more guns than cars, perhaps even more guns than people in this country. And more than four and a half million new guns are being sold in this country every year.

Mr. President, rather than continue this recital of the deadly statistics which so cogently demonstrate the need for control, I will submit a document entitled "Firearms Facts" which was complied by the Criminal Division of the U.S. Department of Justice, which I request be printed in the RECORD at the end of my statement. It details, fact upon fact, the toll wrung from our society by irresponsible firearms policies.

In the face of these facts, how can anyone doubt the need for better laws? The answer, I believe, is that no one who fully understands the situation—the existing level of firearms crime and the actual impact of the legislation I have been seeking—can question the need.

We have long known that the vast majority of the American citizenry wants stricter gun laws. In June of last year the Gallup poll reported that:

> The public, gunowners and non-gunowners alike . . . favor a law requiring the registration of all guns, a law banning the sale of all guns through the mails, and strict restrictions of the use of guns by persons.

A Harris poll indicated that 85 percent of the people favor strong gun control legislation.

Leading law-enforcement officials constantly stress the need for more effective firearms controls. In September of 1968, in a report to the President's Commission on Violence, J. Edgar Hoover stated:

> The ease with which firearms may be procured in the United States is a significant factor in the growth of crime and violence.
>
> I will reiterate my long-standing position that tough, comprehensive, uniform gun control legislation is imperative for the public's safety.
>
> While gun controls obviously cannot end violence, rigidly enforced controls would undoubtedly contribute to a reduction in violence. The gun-control provisions of the Omnibus Crime Control and Safe Streets Act recently enacted by Congress are a step in the right direction; however, it is imperative that further consideration be given to this pressing problem.

Quinn Tamm, director of the International Association of Chiefs of Police has written:

> Law-abiding citizens and the police are tired of living in a country which is becoming a veritable armed camp, erupting too frequently into violence, bringing death and destruction by firearms to innocent citizens. . . . The ease with which any person can acquire firearms . . . is a significant factor in the precedence of lawlessness and violent crime in the United States.

Then Attorney General Ramsey Clark testified last year as follows:

> After all we have suffered, it would be terribly disillusioning if we failed to act to control guns. Interstate control, registration and licensing are all essential.
>
> The people want strict gun control. Their safety demands it. The Congress is fully empowered to act. The time is now.

The President's Commission on Crime and Administration of Justice concluded that there should be legislation providing both for registration and licensing. The Commission stated:

> Since laws, as they now stand, do not accomplished the purpose of firearms control, all States and the Federal Government should act to strengthen them.

In spite of the compelling demand of the citizenry, of experts in law enforcement, of specialized study groups, we have been unable to obtain satisfactory firearms control legislation. This is the more unfortunate because there is, I believe, much common ground between myself and other sportsmen who favor stricter gun controls and the sportsmen who oppose us. Before I get to that common ground, however, I should like to deal with some of the misinformation which misleads some people into opposing gun crime control legislation.

Today many opponents of additional Federal legislation point to the limited regulation which passed the Congress last year and say, "There is your gun control." "You already have adequate legislation on the books." Unfortunately, however, the measures we achieved last year, while an important step in the right direction, falls far short of providing the essential crime control and prevention mechanism necessary.

The essence of the Federal legislation was to prohibit the interstate sale of firearms and ammunition except in defined circumstances and to provide a licensing system for importers, manufacturers, and dealers in firearms and ammunition. It provides neither a means of tracing firearms—as a registration system would—nor a means of preventing persons who all would agree should not have access to firearms from obtaining them—as a licensing system could.

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[1] Firearms Facts, Criminal Division, United States Department of Justice 7 (1968). All other statistics utilized in this statement, except where otherwise indicated, are taken from the above document, which is included as an appendix.

[2] Federal Bureau of Investigation Uniform Crime Reports, 1968 (to be released to the public in August, 1969).

[3] Id.

[4] Id.

Firearms user licensing would prevent criminals, addicts, lunatics, and juveniles from purchasing firearms, and registration would help find them if they used a gun in crime.

Firearms control is essentially a State concern, say some critics, and could be effectuated merely by enforcement of existing State laws. I wholly concur that this is an area in which the States should be free to act and with certain limits their action be final. Those limits are the fundamentals of a licensing and registration system. That is why the measures I have introduced have consistently provided that they will not preempt State laws—existing or subsequently passed—where those State laws include the necessary basic provisions. This is an area where State action is welcome. And the States, as soon as they act effectively, may have it to themselves.

Unfortunately, too many of the State laws to which opponents of Federal legislation point are archaic, vestiges of ages long past. Texas forbids carrying guns in a saddlebag except when one is traveling. Vermont forbids schoolchildren to have guns in the classroom. Arkansas forbids using a machinegun for offensive purposes. Each of these draws into focus a now colorful chapter of American history. But we cannot permit their quaintness to obscure the carnage of the present to which they are not addressed.

An argument often mustered against gun controls rests on the asumed constitutional "rights" to keep and bear arms. It is clear that the right referred to in the Constitution is a public collective right to a public militia. Whatever doubts there may have been about this issue in the minds of any should have been dispelled by the recent Supreme Court action in the case of *Burton* v. *Sills* (37 Law Week 3408). The New Jersey Supreme Court sustained the State law requiring licensing of manufacturers, wholesalers, and retail dealers in firearms and issuance of permits to purchasers did not violate the second amendment "right of the people to bear arms," since the second amendment "was not framed with individual rights in mind." The Supreme Court dismissed the appeal.

Another approach is to urge stiffer, mandatory penalties for gun crimes. The fact is that most gun crimes now carry stiffer penalties than nongun crimes, but they simply have not acted as an effective deterrent. The rate of violent crimes has increased drastically in recent years despite the more severe punishments. Higher penalties do not help solve gun crimes. Registration would. Higher penalties do not keep criminals from obtaining firearms. Licensing would.

"Guns don't commit crimes," some opponents argue, "people do." It is undeniable that guns do not commit crimes; it is equally undeniable that people using guns do. People using guns last year murdered 8,900 Americans; people using guns last year murdered Senator Robert F. Kennedy and the Reverend Martin Luther King.

At the extreme, opponents argue that "no dictatorship has ever been imposed on a nation of free men who have not just been required to register their privately owned firearms." It is an argument unsupported by fact and refuted by history. A study conducted by the Library of Congress leads clearly to these conclusions. Four countries which are now democracies but in recent history had been under Nazi dictatorship—Germany, Italy, France, and Austria—were examined. It would be reasonable to expect that if gun controls had in any way contributed to their submission to dictatorship, they would have revised and loosened their gun control legislation. Such has not been the case. In fact, Italy, where gun control laws were relaxed by Mussolini, has strengthened its laws to approach the form they were in before his advent. Finally, two democracies, without history of dictatorship in centuries, were examined. England has had registration since 1831; Switzerland, since 1874.

Let me return now to what I suggested was common ground between proponents and opponents, but ground which is often misunderstood. It is here that I think the main opposition lies. It is here, through a proper understanding of objectives, that I believe that opposition based on misunderstanding may give way to a unity of goals.

First, I think that everyone involved in the firearms control debate will agree that we want to keep firearms out of the hands of criminals. What is evidently not understood is that this is one of the two objectives of my legislation. A licensing procedure will go far toward keeping firearms out of the hands of criminals. The other objective—tracing of firearms used in crime—will be achieved through registration.

There are two subordinate points here which need to be dealt with. First, there is the argument that criminals will not register their guns. This may be true, but they will then run the risk of criminal penalties being imposed. A suspect arrested with an unregistered weapon will be subject to criminal sanction, even though no other crime has been committed. The second argument is that criminals will be able to obtain guns anyway. If we had a licensing system, criminals, addicts, and lunatics would be cut off from legal supply channels for firearms. They are not now; they can, in most States, effectively obtain firearms as readily as reasonable, honest citizens. The hard-core criminal may still obtain firearms; but, if the smalltimer, who is so often responsible for serious injury in the course of holdups of small businesses, cabdriver, busdriver, and other average citizens, will find it harder and riskier to obtain and maintain possession of firearms, a major advance will have been achieved.

There is no purpose of restricting gun ownership or use by sportsmen and other honest citizens. I am an avid sportsman myself. I learned to shoot at my father's knee just as my son is learning to shoot at my knee. The minimal inconvenience of a licensing and registration system is the small price we must all pay in order to keep firearms out of the hands of unreformed criminals, addicts, alcoholics, and the mentally defective. Surely a small inconvenience is not too great a price to pay in exchange for a human life. And the filing of simple forms may be all that is required to save tens, hundreds, perhaps even thousands of human lives each year, to say nothing of those whose maiming will be avoided. The important point is the unity of objective which I believe exists—to deprive the criminal of his vehicle for murder and assassination. It is combined with the second objective of rendering a licensing-registration system as small an inconvenience upon the sportsman and honest citizen as possible.

A third ground we share is the avoidance of any form of taxation connected with licensing or registration. My bill provides for no taxes; it provides for no fees. I do not believe that a firearms control measure should be accompanied by tax or fee. I will not support one that is. As I pointed out earlier, firearms registration and licensing are crime control measures. They are no different from any other Federal crime control measure in this respect. They should be financed out of the public coffer. Their cost must be borne by the public which will benefit from them.

All of these objectives are served by S. 977, the Firearms Registration and Licensing Act of 1969. The bill provides for the registration of all firearms and licensing of all firearms and ammunition users. It would disqualify felons, drug addicts, alcoholics, mental incompetents, and juveniles from owning or buying firearms but would in no way interfere with or significantly inconvenience law-abiding citizens.

Primary responsibility for action is left to the States. My measure provides only a minimum floor of Federal protection in any State which does not act to protect its own citizens from gun crime. In States which already have firearms legislation equally or above this minimum, or which pass such legislation at any time in the future, the legislation will have no effect.

Registration alone will not do the job, however. It is not enough that police be able to trace firearms used in crimes. We must prevent their use in crime. And the means to achieve this end is by denying access to firearms to persons who are most likely to engage in criminal activity. This is achieved in my bill through a licensing system that will deny access to firearms to persons who, by reason of criminal record, drug addiction, alcoholism, mental incompetence, or age should not be entrusted with a gun in the first place.

But these persons are not eternally damned either. A rehabilitated criminal, addict, alcoholic, or incompetent may regain access to firearms by obtaining a written document from the chief law-enforcement officer of his State of residence specifically authorizing that person to obtain a license.

Operation of this dual system is exceedingly simple. Every gun owner would inform the Government—the State government, if the State has a registration law—of the make, model, and serial number of any gun he owns. This can be

done by mail. Then, when a gun used in crime is found, the gun registration records will instantly reveal the gun owner's name and address, and quickly lead to the last known possessor of the weapon. Where the Federal law applies, all firearms would have to be registered within a year and a half of the enactment of the bill. One year after the bill's enactment all new firearms sales would have to be registered.

Second, every gun owner could apply by mail—to the State government, if the State has a licensing law—for a firearms license. Where the Federal law applies, the issuance of such a license would be automatic to every citizen who is over 18, is not a fugitive, is not under indictment, has not been convicted of a felony, or has not been adjudged by a court to be a narcotic addict, alcoholic, or mental incompetent.

When the Federal law applies, a license would be required for purchase of any firearm or ammunition after September 1, 1970. After September 1, 1971, a license would be necessary for the possession or use of any firearm or ammunition, except one borrowed temporarily for a hunting or other sports-shooting purpose. Youngsters would still be able to use firearms, although they would not be able to purchase or own them in their own names.

The bill has no application to antique firearms, manufactured before 1898.

Absolutely no fees are required from any gun owner or user under the bill. The cost of the measure—truly an anticrime measure—will be borne by the public, as is the cost of other Federal anticrime legislation.

Good gun laws need not be antigun to be anticrime. I have worked unstintingly to produce legislation that will be most effective against criminal use of firearms at minimal inconvenience to sportsmen and honest citizens who want to own and use guns. I believe I have struck the necessary balance in S. 977.

Mr. President, before closing I would like to mention an intriguing idea that has been suggested as an alternative to the legislation I have proposed. That is the use of a national identification card system.

The idea is that identification cards would be issued to qualified persons—persons not under disabilities like those described in my bills—by the Federal Government like licenses. A person holding one of these cards would be entitled to purchase firearms and ammunition in any State.

On its face, I think this idea has considerable merit. It achieves the objective of limiting access to firearms to deny thtm to those under disability, while potentially requiring less inconvenience to the individual purchaser who desires to make purchases in several different States which may have separate licensing laws.

I believe that this alternative may be more acceptable to some opponents of the licensing system who fear the burden of multiple State licensing. It appears to me to serve the same goals I have been seeking. Certainly, it appears to be worth serious consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maryland?

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

FIREARMS FACTS

(Compiled by Criminal Division, U.S. Department of Justice)

I. FIREARMS IN THE UNITED STATES

(a) Facts and figures:

Estimates of firearms in private hands range from 50 [1] to 100 [2] millions firearms.

An estimated 42.5 million Americans own firearms.[3]

In 1967, 4.5 million firearms were purchased for private use in the United States.[4]

2 million firearms are manufactured domestically of which 70% are rifles and shotguns.[5]

More than 1.2 million firearms are imported each year.[6]

60% of the imported firearms are handguns.[7]

(b) Firearms sold in the United States for individual use: [8]

	1963 [1]	1964 [2]	1965 [2]	1966 [2]	1967 [2]	Percent increase 1963-67
Rifles	875,440	1,019,000	1,286,000	1,376,000	1,882,000	115
Shotguns	603,039	936,000	1,190,000	1,422,000	1,515,000	151
Pistols/revolvers	496,139	500,000	587,000	846,000	1,188,000	139
Total	1,974,618	2,455,000	3,063,000	3,644,000	[3] 4,585,000	132

[1] Census data.
[2] Dervied from excise tax receipts, industry data, and census data.
[3] The total quantity of firearms is derived from the total wholesale value of firearms sold in the United States for personal use and the average wholesale cost of domestically manufactured guns. Had the lower average price of foreign-made firearms been included in the average price, the estimate of total firearms would have been about 10 percent higher.

(c) Imports:

In recent years, imports, particularly imports of pistols and revolvers, have increased sharply: [9]

Year	Pistols and revolvers	Rifles	Shotguns	Total imports
1958	79,000	198,000	93,000	370,000
1963	223,000	219,000	120,000	562,000
1964	253,000	181,000	139,000	573,000
1965	347,000	245,000	174,000	766,000
1966	513,000	291,000	192,000	996,000
1967	747,000	239,000	222,000	1,208,000

In the first four months of 1968, 392,000 handguns have been imported. Last year in the first four months, 224,600 handguns were imported. If this year's rate continues unabated, the total for the year will be 1,560,000 handguns imported. This rate will be nearly 20 times the rate 10 years ago, and nearly double last year's rate. Virtually all handgun imports are for private use.

II. SOME PUBLIC FIGURES IN UNITED STATES ASSASSINATED, WOUNDED OR ASSAULTED WITH FIREARMS

Presidents

Andrew Jackson, assaulted, January 30, 1835.

Abraham Lincoln, assassinated, April 14, 1865.

James A. Garfield; assassinated, July 2, 1881.

William McKinley; assassinated, September 6, 1901.

Theodore Roosevelt; wounded, October 14, 1912.[10]

Franklin D. Roosevelt; assault, February 15, 1933.[11]

Harry S. Truman; assaulted, November 1, 1950.

John Fitzgerald Kennedy; assassinated, November 22, 1963.

Other elected officials

State Senator Almon Case of West Tennessee; assassinated, January, 1867.

Chief Justice of the New Mexico Territory, John P. Slough; assassinated, December 21, 1867.

Congressman James Hinds; assassinated, October 12, 1868.

Former Senator Samuel C. Pomeroy; wounded, October 11, 1873.

State Senator Smith of Tennessee; wounded, December 9, 1881.

Former Mayor John Bowman of St. Louis; assassinated, November 21, 1885.

Mayor Carter H. Harrison, Sr. of Chicago; assassinated October 28, 1893.

William Goebel, successful Kentucky gubernatorial candidate; assassinated, January 30, 1900.

Mayor William J. Gaynor of New York; wounded, August 9, 1910.

Senator Charles B. Henderson; wounded March 5, 1921.

Mayor Anton Cermak of Chicago; assassinated, February 15, 1933.

Illinois State's Attorney Thomas J. Courtney; assaulted, March 24, 1935.

Senator Huey Long; assassinated, September 9, 1935.

Mayor Hubert H. Humphrey of Minneapolis; assaulted, February 6, 1947.

State Senator Tom Anglin of Oklahoma; wounded, May 7, 1947.

Senator John W. Bricker; assaulted, July 12, 1947.

Congressman Alvin M. Bentley; wounded, March 1, 1954.

Congressman Ben F. Jensen; wounded, March 1, 1954.

Congressman Clifford Davis; wounded, March 1, 1954.

Congressman George H. Fallon; wounded, March 1, 1954.

Congressman Kenneth A. Roberts; wounded, March 1, 1954.

Congressman Leslie C. Arends; wounded, March 1, 1954.

Governor J. Lindsay Almond of Virginia; assaulted, April 11, 1959.

Governor John Connally; wounded, November 22, 1963.

Senator Robert F. Kennedy; assassinated, June 5, 1968.

Senator James O. Eastland; assaulted, July 12, 1968.

Prominent civil rights incidents

Medgar Evers; assassinated, June 13, 1963.

Andrew Goodman; assassinated, June 21, 1964.

James Chaney; assassinated, June 21, 1964.

Michael Schwerner; assassinated, June 21, 1964.

Lemuel Penn; assassinated, July, 1964.

Mrs. Viola Greg Liuzzo assassinated, March 26, 1965.

Rev. Jonathan Daniels; assassinated, September 13, 1965.

Rev. Martin Luther King; assassinated, April 4, 1968.

Others

Lee Harvey Oswald; assassinated, November 24, 1963.

Malcolm X (Black Muslims); assassinated, February 21, 1965.

George Lincoln Rockwell (American Nazi Party); assassinated, August 25, 1967.

III. FIREARMS CRIMES IN THE UNITED STATES

In 1967:[12] *7700* people were victims of homicides by means of firearms; *55,000* peo-

Footnotes at end of article.

ple were victims of aggravated assaults by *means of firearms; 71,000* armed robberies were committed by means of firearms; a total of *134,000* homicides, assaults and robberies were committed with firearms in 1967.

In 1967, *11,000* [13] people committed suicide with firearms and *2800* [14] accidental deaths occurred by firearms misuse.

Each year, nearly *20,000* people die by firearms misuse including homicides, suicides, and accidents.

Each day, an average of *50* people die by firearms misuse, or 1 death by firearms every *30* minutes.

In the United States between 1900–1966: [15] *269,000* people were firearms homicide victims; *360,000* people committed suicide by firearms; *138,000* people were killed in firearms accidents; a total of *767,000* people have been killed by firearms misuse between 1900–1966.

Between 1960–1967, *411* law enforcement officers were slain in the performance of their duties. Of these, *394* (96%) were killed with firearms.[16]

During the four year period, 1964–1967, armed robberies with a gun increased 58%.[17]

During the four year period, 1964–1967, assaults with a gun increased 77%.[18]

One out of every *20* assaults with a weapon other than a firearm results in death. However, when firearms are used, *one* out of every *five* assaults results in the death of the victim.[19]

In all our wars, 600,000 [20] Americans have lost their lives; since 1900, nearly 800,000 [21] Americans have lost their lives through firearms misuse in the United States.

IV.—DEATHS FROM FIREARMS IN THE UNITED STATES 1900–66 [1]

Year	Homicides [2]	Suicides	Accidents
1900		449	543
1901		439	558
1902		449	623
1903		520	653
1904		585	730
1905		741	524
1906		1,230	800
1907		1,522	707
1908		1,931	808
1909		2,017	794
1910	1,174	2,173	967
1911	1,743	2,559	1,147
1912	1,775	2,462	1,165
1913	2,123	2,609	1,399
1914	2,366	2,950	1,370
1915	2,213	3,266	1,297
1916	2,708	3,066	1,474
1917	3,205	3,057	1,607
1918	3,475	3,372	2,030
1919	4,247	3,204	2,284
1920	4,178	3,078	2,168
1921	5,178	4,015	2,245
1922	5,430	3,831	2,457
1923	5,422	3,825	2,520
1924	5,736	4,197	2,497
1925	5,908	4,209	2,482
1926	6,035	4,469	2,497
1927	6,004	4,864	2,647
1928	6,668	5,366	2,777
1929	6,362	5,565	2,962
1930	6,995	6,735	3,068
1931	7,335	7,409	2,989
1932	7,252	7,940	2,877
1933	7,863	7,798	3,026
1934	7,702	7,296	3,023
1935	6,506	6,830	2,854
1936	6,016	6,771	2,882
1937	5,701	7,073	2,629
1938	5,055	7,357	2,696
1939	4,799	6,944	2,582
1940	4,655	7,073	2,390
1941	4,525	6,385	2,414
1942	4,204	6,117	2,741
1943	3,444	5,076	2,318
1944	3,449	4,808	2,412
1945	4,029	5,321	2,454
1946	4,966	6,276	2,816
1947	4,922	6,691	2,386
1948	4,894	6,660	2,270
1949	4,235	7,215	2,326
1950	4,179	7,377	2,174
1951	3,898	6,873	2,247
1952	4,244	7,013	2,210
1953	4,013	7,293	2,277
1954	4,115	7,539	2,281
1955	3,807	7,763	2,120
1956	4,039	7,817	2,202
1957	4,010	7,841	2,369
1958	4,230	8,871	2,172
1959	4,457	8,788	2,258
1960	4,627	9,017	2,334
1961	4,753	9,037	2,204
1962	4,954	9,487	2,092
1963	5,126	9,595	2,263
1964	5,474	9,806	2,275
1965	6,158	9,898	2,344
1966	6,855	10,407	2,558
Total [3]	269,436	360,217	138,265

Footnotes at end of article.

IV.—DEATHS FROM FIREARMS IN THE UNITED STATES, 1900–66 [1]—Continued

[1] For the years prior to 1933, this chart includes deaths only for the registration States of the respective years. Data for the entire United States was not available until 1933. For 1900, 10 States and the District of Columbia are included. The 10 States are Massachusetts, New Jersey, Connecticut, New Hampshire, New York, Rhode Island, Vermont, Maine, Michigan, and Indiana. Other States were included later.

The chart does not reflect the 1967 statistics. Therefore, the actual number of deaths from firearms in the United States since 1900 is substantially greater than reflected in the chart.

[2] Data not available for homicides 1900–1909.

[3] See the following:

Homicides	269,436
Suicides	360,217
Accidents	13,265
Total firearms deaths, 1900–1966	767,918

Source: National Center for Health Statistics, Public Health Service, U.S. Department of Health, Education, and Welfare "Vital Statistics of the United States" and "Mortality Statistics."

V. STATE GUN LAWS COMPARED

(a) *Murder Rates*

60% of all murders in the United States are by firearms,[22] with a national average of 5.6 murders per 100,000 population.[23] States with strong firearms laws tend to have fewer murders with guns than States with weak firearms laws and tend to have lower overall murder rates.

Strong gun law States	Percent of murders by firearms	Overall murder rate per 100,000
Pennsylvania	43.2	3.2
New Jersey	38.6	3.5
New York	31.8	4.8
Massachusetts	35.5	2.4
Rhode Island	24.0	1.4

Weak gun law States	Percent of murders by firearms	Overall murder rate per 100,000
Arizona	66.4	6.1
Nevada	66.9	10.6
Texas	68.7	9.1
Mississippi	70.9	9.7
Louisiana	62.0	9.9

ANALYSIS OF MURDER RATES, PERCENTAGES OF MURDER BY GUN, AND POPULATION DENSITY, UNITED STATES, BY GEOGRAPHIC REGIONS [1]

	Murder rate	Percent by gun	Population density
1. NORTHEASTERN STATES			
Connecticut	2.0 (42)	48.3 (43)	517.5 (4)
Maine	2.2 (39)	52.3 (40)	31.3 (36)
Massachusetts	2.4 (38)	35.5 (47)	654.5 (3)
New Hampshire	1.9 (43)	66.7 (13)	67.3 (25)
Rhode Island	1.4 (50)	24.0 (49)	812.4 (1)
Vermont	1.5 (49)	100.0 (1)	42.0 (32)
2. MIDDLE ATLANTIC STATES			
New Jersey	3.5 (31)	38.6 (46)	806.7 (2)
New York	4.8 (23)	31.8 (48)	350.1 (5)
Pennsylvania	3.2 (32)	43.2 (45)	251.5 (7)
3. NORTH CENTRAL STATES			
Illinois	6.9 (16)	54.8 (38)	180.3 (10)
Indiana	4.0 (29)	61.6 (27)	128.9 (12)
Michigan	4.7 (24)	45.9 (44)	137.2 (11)
Ohio	4.5 (26)	60.3 (29)	266.9 (8)
Wisconsin	1.9 (44)	55.9 (35)	72.2 (22)
Iowa	1.6 (47)	61.9 (25)	49.2 (28)
Kansas	3.5 (30)	64.2 (20)	26.6 (37)
Minnesota	2.2 (40)	56.7 (34)	42.7 (31)
Missouri	5.4 (21)	65.5 (18)	62.5 (27)
Nebraska	1.8 (45)	70.3 (8)	18.4 (38)
North Dakota	1.8 (46)	17.4 (50)	9.1 (43)
South Dakota	1.5 (48)	66.7 (12)	8.9 (44)
4. SOUTH			
South Atlantic:			
Delaware	8.2 (11)	58.0 (33)	225.6 (9)
Florida	10.3 (6)	66.0 (17)	91.3 (17)
Georgia	11.3 (3)	66.6 (14)	67.7 (24)
Maryland	7.0 (15)	48.6 (42)	314.0 (6)
North Carolina	8.7 (10)	68.5 (10)	92.9 (16)
South Carolina	11.6 (2)	73.3 (2)	78.7 (19)
Virginia	6.5 (17)	60.9 (28)	99.6 (14)
West Virginia	4.2 (27)	63.9 (21)	77.3 (20)
East south central:			
Alabama	10.9 (4)	59.6 (31)	64.0 (26)
Kentucky	7.0 (14)	73.0 (3)	76.2 (21)
Mississippi	9.7 (8)	70.9 (7)	46.1 (29)
Tennessee	7.8 (12)	66.4 (16)	85.4 (18)
West south central:			
Arkansas	7.1 (13)	65.0 (19)	34.0 (34)
Louisiana	9.9 (7)	61.6 (26)	72.2 (23)
Oklahoma	5.5 (20)	61.9 (24)	64.0 (26)
Texas	9.1 (9)	68.7 (9)	36.5 (33)
5. WEST			
Mountain:			
Arizona	6.1 (18)	66.4 (15)	11.5 (41)
Colorado	4.0 (28)	58.7 (32)	16.9 (40)
Idaho	3.0 (33)	60.0 (30)	8.1 (45)
Montana	2.8 (35)	72.0 (5)	4.6 (47)
Nevada	10.6 (5)	66.9 (11)	2.6 (49)
New Mexico	6.1 (19)	63.7 (22)	7.8 (46)
Utah	2.0 (41)	72.3 (4)	10.8 (42)
Wyoming	4.9 (22)	54.8 (37)	3.4 (48)
Pacific:			
Alaska	12.9 (1)	71.4 (6)	.4 (50)
California	4.6 (25)	50.1 (41)	100.4 (13)
Hawaii	2.9 (34)	52.9 (39)	98.6 (15)
Oregon	2.7 (36)	62.5 (23)	18.4 (39)
Washington	2.5 (37)	54.9 (36)	42.8 (30)

[1] Hearings before the Subcommittee To Investigate Juvenile Delinquency, Judiciary Committee, U.S. Senate, 90th Cong. p. 731.

Note: This table is a geographic breakdown of murder rates, percentages of murder by gun, and the population density of the United States. The murder rates per 100,000 population are based on figures in the 1966 FBI Uniform Crime Report and the figures on percentages of murder by gun are culled from an FBI survey covering the period 1962–65. The density of population for each of the States is based on the 1960 census. The figures in parentheses following each State's statistic are the rank order (high to low) for each category.

(b) *Effect of comparatively strong gun control laws*

New Jersey: [24] In New Jersey, which has a strict gun control law, from August 2, 1966 (effective date of a strong New Jersey law) to May 31, 1968 (a 22-month period), State and local police approved 94,221 rifle and shotgun identification cards and pistol permits. On the other hand, criminal records were determined in approximately 7% of all applications, and 1,659 applications were denied. Approximately 75% of State Police denials were for criminal records, including such offenses as first degree murder, rape, burglary, breaking and entering, lewdness, and sex crimes of various types.

California: [25] In a single year, police checks of purchases from dealers thwarted more than 800 illegal purchases. Of the 806 ineligible purchasers, 697 were ex-convicts, 74 were narcotics addicts, 27 were aliens and 8 were minors.

(c) *Mail order problem*

Chicago: In 1965, of *4,069* Chicago mail order gun purchases from just *three* dealers

in California, *948* had prior criminal records which would have precluded purchase in that city; thus, one-quarter of the mail order purchasers had criminal records.[26]

New Jersey: Survey of mail order gun recipients in New Jersey showed that *40%* were persons without permits (which New Jersey law requires). In *44%* of those cases, the person had a prior criminal record.[27]

District of Columbia: 25% of the mail order gun recipients in the District of Columbia had criminal records.[28]

Indiana: 10% of the mail order gun purchasers had criminal records.[29]

Connecticut: 13% of the mail order gun purchasers had criminal records.[30]

(d) Gun sales to nonresidents

Massachusetts: During a *10-year* period, Massachusetts State Police traced *87%* of *4,506* guns used in crimes in that state to purchases outside Massachusetts.[31]

Detroit: 90 out of every *100* guns confiscated from lawbreakers were not registered in Michigan (which requires registration); a majority of these unregistered guns were obtained in a nearby city in a neighboring state with non-existent gun controls.[32]

VI. RIFLES AND SHOTGUNS

(a) Crimes committed with rifles and shotguns:

1967 rifle and shotgun homicides [33]	1850
1966 rifle and shotgun homicides [34]	1750
1965 rifle and shotgun homicides [35]	1690
1964 rifle and shotgun homicides [36]	1525

Nearly *30%* of all homicides by firearms are committed with rifles and shotguns.[37]

(b) Seizures

During 1960–1965, the police in 40 cities reported taking more than 50,000 rifles and shotguns from persons possessing or using them unlawfully.[38]

Rifles and shotguns seized from juveniles	805
Rifles and shotguns seized in murders	1210
Rifles and shotguns seized in robberies	2908
Rifles and shotguns seized in assaults	4179
Rifles and shotguns seized in illegal activities	37165
Rifles and shotguns seized in illegal weapon charges	4478
Total	50745

FIREARMS DEATHS IN FOREIGN COUNTRIES WITH STRICT FIREARMS CONTROLS ARE SIGNIFICANTLY LOWER THAN IN THE UNITED STATES [1]

[Number and rate per 100,000 population]

Country	Homicide		Suicide		Accident		Population
	Number	Rate	Number	Rate	Number	Rate	
United States (1966)	6,855	3.5	10,407	5.3	2,558	1.3	195,936,000
Australia (1965)	57	.5	331	2.9	94	.8	11,360,000
Belgium (1965)	20	.2	82	.9	11	.1	9,464,000
Canada (1966)	98	.5	609	3.1	197	1.0	19,604,000
Denmark (1965)	6	.1	48	1.0	4	.1	4,758,000
England and Wales (1966)	27	.1	173	.4	53	.1	54,595,000
France (1966)	132	.3	879	1.8	252	.5	48,922,000
German Federated Republic (1965)	78	.1	484	.9	89	.2	59,041,000
Italy (1964)	243	.5	370	.7	175	.3	51,576,000
Japan (1965)	16	.0	68	.1	78	.1	97,960,000
Netherlands (1965)	5	.0	11	.1	4	.0	12,292,000
Sweden (1966)	14	.2	192	2.5	20	.3	7,734,000

[1] World Health Organization; Bureau of Vital Statistics, U.S. Department of Health, Education, and Welfare; complied by Stanford Research Institute, June 11, 1968; statement of Arnold Kotz, Stanford Research Institute, before the Subcommittee To Investigate Juvenile Delinquency, Judiciary Committee, U.S. Senate, June 27, 1968.

VII. PUBLIC OPINION POLLS

Harris Survey, June 1968:—81% of the American people favor registration of all firearms.

Harris Survey, April 1968:—By *71 to 23* per cent, the American people favor the passage of Federal laws that would place tight controls over the sale of guns in this country.

A cross-section of 1634 homes was asked this question on gun control legislation:

"Do you favor or oppose Federal laws which would control the sales of guns, such as making all persons register all gun purchases no matter where they buy them?"

[In percent]

	Favor	Oppose	Not sure
Nationwide	71	23	6
East	70	20	10
Midwest	69	27	4
South	71	22	7
West	77	22	1
Own gun	65	31	4
Don't own gun	79	13	8
Whites	71	23	6
Negroes	69	23	8

The patterns of gun ownership shows wide variation by region, size of place, and by race:

"Do you or does anyone in your house own a gun?"

[In percent]

	Own gun	Don't own gun
Nationwide	51	49
East	34	66
Midwest	55	45
South	64	36
West	53	47
Cities	27	73
Suburbs	47	53
Towns	58	42
Rural	78	22
All whites	55	45
Whites under $15,000 income	47	53
All Negroes	32	68
Negroes under $15,000 income	36	64

The Harris Survey, September 1967: By a decisive 66 to 28% margin, white gun owners favor passage of a law in Congress which would require that all persons "register all gun purchases no matter where they buy them."

The cross section of white gun owners was asked: "Do you favor or oppose federal laws which would control the sale of guns, such as making all persons register all gun purchases no matter where they buy them?"

[In percent]

	Favor	Opposed	Not sure
All white gun owners	66	28	6
By region:			
East	70	21	9
Midwest	70	25	5
South	62	27	11
West	56	40	4

The Gallup Poll, September 1966: The mood of the public for nearly three decades has been to impose controls on the sale and possession of weapons.

The survey questions and findings: "Would you favor or oppose a law which would require a person to obtain a police permit before he or she could buy a gun?"

[In percent]

	All persons	Gun-owners
Yes	68	56
No	29	41
No opinion	3	3

FOOTNOTES

[1] President's National Crime Commission Report, *Challenge of Change in a Free Society*, p. 239.

[2] Consumer Products Division, Business and Defense Services Administration, United States Department of Commerce, estimates between 75–100 million firearms in private hands.

[3] *Shooting Industry* magazine, 1968.

[4] Stanford Research Institute, June 11, 1968, see p. 2.

[5] Consumer Products Division, Business and Defense Services Administration, United States Department of Commerce, 1963 Production, Census of Manufacturers.

[6] Consumer Products Division, Business and Defense Services Administration, United States Department of Commerce, Bureau of Census Data, Exports and Imports.

[7] Consumer Products Division, Business and Defense Services Administration, United States Department of Commerce, Bureau of Census Data, Exports and Imports.

[8] Statistics compiled by the Stanford Research Institute, June 11, 1968; Statement of Arnold Kotz, Stanford Research Institute, Hearings Before the Subcommittee to Investigate Juvenile Delinquency, Judiciary Committee, United States Senate, 90th Congress, June 27, 1968.

[9] Consumer Products Division, Business and Defense Services Administration, United States Department of Commerce, Bureau of Census Data, Exports and Imports.

[10] While campaigning for office.

[11] Prior to being sworn-in as President.

[12] Federal Bureau of Investigation Uniform Crime Reports, 1967 (to be released to the public in August 1968).

[13] Figures based on data supplied by the National Center for Health Statistics, Public Health Service, United States Department of Health, Education, and Welfare, Monthly Vital Statistics Report, Vol. 17, No. 1, March 28, 1968.

[14] Figures based on data supplied by the National Center for Health Statistics, Public Health Service, United States Department of Health, Education and Welfare, Monthly Vital Statistics Report, Vol. 17, No. 1, March 28, 1968 and *Accident Facts*, July 1968, published by the National Safety Council.

[15] National Center for Health Statistics, Public Health Service, United States Depart-

ment of Health, Education and Wefare, *Vital Statistics of the United States* and *Mortality Statistics*. See chart, p. 8.

[16] Federal Bureau of Investigation Uniform Crime Reports, 1967 (to be released to the public in August 1968).

[17] Same as [16] above.

[18] Same as [16] above.

[19] Statement of Senator Robert F. Kennedy on July 11, 1967, Hearings before the Senate Subcommittee on Juvenile Delinquency, Judiciary Committee, United States Senate, 90th Congress, p. 158.

[20] *Principal Wars in Which the United States Has Participated*, Director of Statistical Services, Office of the Secretary of Defense, Nov. 7, 1957; Department of Defense Press Release, No. 644–68, July 11, 1968.

[21] See chart, p. 8.

[22] FBI Uniform Crime Reports 1966, p. 6.

[23] FBI Uniform Crime Reports 1966, p. 4.

[24] Statement of New Jersey Attorney General Arthur J. Sills before the Senate Subcommittee on Juvenile Deliquency, United States Senate 90th Congress, June 26, 1968.

[25] Statement of California Attorney General Thomas C. Lynch before the Senate Subcommittee on Juvenile Delinquency, United States Senate, 90th Congress, June 28, 1968.

[26] Statement of Carl K. Miller, Chicago Police Department, Chicago, Illinois, On June 2, 1965, Hearings before the Subcommittee to Investigate Juvenile Delinquency, Judiciary Committee, United States Senate, 89th Congress, p. 278.

[27] Statement of Arthur J. Sills, Attorney General, New Jersey, on June 3, 1965, Hearings before the Subcommittee to Investigate Juvenile Delinquency, Judiciary Committee,, United States Senate, 89th Congress, p. 405.

[28] Statement of John B. Layton, Chief of Police, Washington, D.C. on June 2, 1965, before the Subcommittee to Investigate Juvenile Delinquency, Judiciary Committee, United States Senate, 89th Congress, p. 290.

[29] Letter from George A. Everett, Superintendent, Indiana State Police, letter dated April 22, 1964, Hearings before the Subcommittee to Investigate Juvenile Delinquency, Judiciary Committee, United States Senate, 89th Congress, p. 3712.

[30] Letter from Leslie W. Williams, Department of State Police, Connecticut, Dated April 13, 1964 to the Subcommittee to Investigate Juvenile Delinquency, Judiciary Committee, United States Senate, 89th Congress, p. 3701.

[31] Statement by Richard R. Caples, Commissioner, Department of Public Safety, Boston, Massachusetts, Exhibits 84, 85, on June 13, 1965, Hearings before the Subcommittee to Investigate Juvenile Delinquency, Judiciary Committee, United States Senate, 89th Congress, p. 346–347.

[32] Statement by William L. Cahalan, Prosecuting Attorney, Wayne County, Michigan, on July 18, 1967, Hearings before the Subcommittee to Investigate Juvenile Delinquency, Judiciary Committee, United States Senate, 90th Congress, p. 369.

[33] Federal Bureau of Investigation Uniform Crime Reports, 1967 (to be released to the public in August 1968).

[34] Federal Bureau of Investigation Uniform Crime Reports, 1966, page 7.

[35] Federal Bureau of Investigation Uniform Crime Reports, 1965, page 6.

[36] Federal Bureau of Investigation Uniform Crime Reports, 1964, page 6, 7.

[37] Federal Bureau of Investigation Uniform Crime Reports, 1966, page 6.

[38] Survey conducted by the Staff of the Senate Subcommittee on Juvenile Delinquency, Judiciary Committee, United States Senate, dated March 15, 1966, entitled "Resume of Subcommittees Questionnaire on Rifle and Shotgun Misuse in Cities of 100,000 or More."

EVERGLADES JETPORT

Mr. MONDALE. Mr. President, the disasters facing Everglades National Park from federally financed projects is one of the real tragedies in the long history of our degradation of the environment. As my colleague, Senator GAYLORD NELSON, has pointed out, we cannot tolerate any further delay in putting a halt to this unnecessary destruction of the third largest national park in this country. With remedies easily at hand, both to Congress and to the executive branch, there is ample opportunity for a resolution of this critical matter.

In its July 1969 Bulletin, the Sierra Club does an excellent job of putting this situation in perspective, and I ask unanimous consent that the article be printed in the RECORD at this point.

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

THE EVERGLADES JETPORT—ONE HELL OF AN UPROAR

(By Gary A. Soucie)

The nation's third largest national park is in trouble, serious trouble. As Undersecretary of the Interior Russell Train stated at the June Senate Interior hearings on the Everglades, "Everglades National Park has the dubious distinction of having the most serious preservation problems facing the National Park Service today. . . ." Everglades National Park is in as much jeopardy as the 22 endangered species of fish and wildlife that find refuge within its boundaries.

The fragile, unique ecology of Everglades National Park is utterly dependent on a reliable supply of pure, fresh water. But the sources of this supply exist outside the park's boundaries, in the sloughs and sawgrass savannahs of the Everglades to the north, in the strands and marshes of the Big Cypress Swamp to the north and west, in Lake Okeechobee almost 70 miles north, and even in the Kissimmee Prairie beyond the lake. And, ever since the 1880's, man has been busy as the proverbial beaver draining, diking, ditching, and otherwise "managing" this water.

The real trouble began in 1948 when Congress authorized the construction of a gigantic flood control, drainage, and reclamation project north of Everglades National Park. Still under construction (at latest count it was $170 million old and still only 48 per cent complete), the project already has the capability of completely shutting off the park from its source of surface water, which was proved during the long and severe drought of the early 1960's.

Designed and built by the Army Corps of Engineers, the project is administered by a state agency, the Central and Southern Florida Flood Control District (FCD). Both of these agencies have been notably more understanding of the project's other water users: citrus growers, beef ranchers, sugarcane growers, vegetable farmers, real-estate developers, and municipal water users. However, since the appointment of conservation-minded Chevrolet dealer Robert W. Padrick to the chairmanship of the FCD's board of governors, the national park has fared considerably better.

But there is no way to insure that the next FCD chairman will be as understanding of the park's problems as Bob Padrick; so the only long-range solution is to secure for Everglades National Park a guarantee to its miniscule, but absolutely necessary share of the project's water. The Corps has several times entered into agreement with the National Park Service, but has backed off each time. The people of the United States have been waiting 21 years now for this guarantee, and in each of those 21 years Congress has appropriated several millions of public dollars to advance construction of the flood control project. It's high time for Congress to secure for the people of the 49 other states their interest in Everglades National Park. That's precious little to ask for all that equity in the water project.

THE NEW ENEMY

But, while conservationists and the National Park Service were engaged in this long struggle to secure the park's water supply, Everglades National Park took a mean blow below the belt from an entirely different foe. On September 18, 1968, ground was broken in the ecotone between the Everglades and the Big Cypress Swamp for the world's largest airport. Just imagine, an airport of 39 square miles, large enough to hold Kennedy, Los Angeles, San Francisco, and Washington national airports with plenty of room left over to spare; with runways six miles long, capable of handling the largest and fastest jet transport aircraft—and just six miles away from, and "upstream" of, Everglades National Park.

Though not exclusively a water problem, the jetport certainly will have an impact on this resource. First consider the degradation of the waters flowing into Everglades National Park from the use of pesticides, fertilizers, and detergents on the airport site, from the inevitable fuel spills, from the effluent of the 35 to 40 million passengers it is expected to serve by 1985. Then, consider the tons of hydrocarbons, petrochemicals, and carbon particulates from unburned and partially burned fuel that will be dumped into water on its way to the park during approach, landing, takeoff, and climbout.

Perhaps even more important is the broad threat to both water quality and quantity posed by the massive development of the Big Cypress Swamp that will be spurred by the construction and operation of the world's largest jetport. It has been estimated that a city of 500,000 to one million inhabitants will spring up in the wilderness of the Big Cypress Swamp. The drainage required by a development of this magnitude (remember, this is Florida swampland) would siphon off a substantial portion of the park's Big Cypress water supply. And the potential pollution of the rest is fantastic.

In April of this year, the Sierra Club joined with 20 other conservation organizations to oppose the jetport's development at the present site and requested Secretary of Transportation John Volpe to withdraw his department's support and to actively encourage the relocation of the facility.

Jetport backers, including not only the Port Authority but also other Miami and Dade County economic interests and several major airlines, are quick to point out to conservationists that the Big Cypress lands in Collier and Monroe counties are subject to undesirable development whether or not the jetport is developed at the present site. True, but the jetport will accelerate and magnify the development. As Nathan P. Reed, special assistant to Governor Claude R. Kirk, pointed out to the Senate Interior Committee:

"For years competent biologists and ecologists have wondered what would happen to the park if the peripheral Big Cypress lands were ultimately developed. Due to the money squeeze, the problem remained insoluble. In my opinion, the park cannot be saved for future generations if the Big Cypress is allowed to be developed. Even 'planned development' will surely wreak havoc with the water route."

Without the development catalyst of the jetport there might, just might, be time to acquire enough of the Big Cypress and to zone enough of the rest to preserve the west-

ern Ten Thousand Islands section of Everglades National Park. With the jetport, that slim chance is lost.

TRANSPORTATION ACT VIOLATED

Last year, at the urging of Senator Henry M. Jackson, Congress amended the Transportation Act to require consultation between the Secretaries of Transportation and Interior prior to approval of any transportation program or project which uses park, wildlife, or recreation lands of federal, state, or local significance. This language was designed to prevent just the sort of disaster that now threatens the Everglades. The FAA has made an airport construction grant of $500,000 to the Dade County Port Authority without the required consultation between the Secretaries of Transportation and the Interior, and without the required demonstration that (1) there was no "feasible and prudent alternative" and that (2) the airport program included "all possible planning to minimize harm" to Everglades National Park and State Water Conservation Area 3, an important state outdoor recreation area. Not only that, but the Department of Transportation's Federal Railway Administration has announced a $200,000 grant to study high-speed ground transportation connecting the jetport with Miami, 52 miles to the east, and plans are under way to route Interstate Highway 75 connecting Tampa-St. Petersburg and Miami past or through the jetport site.

Port authority and FAA officials have lately been given to public expression of conservation platitudes, but the record is clear: it's the same old flim-flam. The memorandum from the Port Authority staff to the Dade County commissioners recommending the jetport project mentions Everglades National Park just once: "The Everglades National Park south of the site at Tamiami Trail assures that no private complaining development will be adjacent on that side." This great national park was seen exclusively as a buffer, "with no one to complain about the noise except the alligators." And as for the "environmental concern" the jetport sponsors profess to share with the Interior agencies and private conservation organizations, *Aviation Week & Space Technology* published the following statement in their May 22, 1969 issue—before the rising tide of public concern began to well up:

"The bulk of the takeoffs will be out over the 15 miles of clear zone of the undeveloped state-owned water conservation area. . . . Climbouts could then turn south over the Everglades National Park, providing what the airport officials believe to be optimum environmental operating conditions."

This doesn't pass muster as sound environmental planning.

At present the air over Everglades National Park is pure and clear. But what will it be like if the jetport is developed at the present site? Figures on pollutant emissions from jet aircraft engines are readily available from the Department of Health, Education, and Welfare or the Society of Automotive Engineers and are highly reliable. But some inside-outside figure can be calculated to provide an idea of the magnitude of the air pollution problem. Based on 900,000 flights a year—the projected operation level as a full-blown commercial jetport—the airport's annual contribution to the Everglades atmosphere will be something like this:

Carbon monoxide: 9,000 to 72,000 tons.
Nitrogen oxides: 4,150 to 6,000 tons.
Hydrocarbons: 13,000 to 40,250 tons.
Aldehydes: About 1,000 tons.
Particulates: 1,260 to 3,250 tons.
That is big-league air pollution.

And the prognosis for noise pollution isn't much rosier. The supersonic transports the jetport is being built to accommodate (the sign at the gate bills it as "the world's first all-new jetport for the supersonic age") are expected to be noisier than the current generation of jets. And how noisy is that?

When the Anglo-French Concorde made its maiden flight this past winter, NBC reported, "On takeoff, the roar of its four engines could be heard in villages 20 miles away." And the Concorde is expected to be even noisier on approach. Last year *Aerospace Technology* reported, "It is expected that the Concorde will exhibit sideline noise levels of about 118 PNdB [decibels or perceived noise], according to U.S. engineers, and may show a rather startling 124 PNdB figure during approach . . ." Boeing's studies show that its larger, faster, and more powerful SST will probably generate a sideline noise level of 122 PNdB. As a yardstick, 120 decibels is considered the threshold of pain. The current subsonic commercial jets at takeoff generate noise levels three miles away in the range of 120 PNdB.

It is difficult to determine what the noise levels would be within Everglades National Park, but it's a safe bet that they would be considerably higher than a typical national park "noise"—the rustling of leaves, which is rated at 10 decibels. Talk about uproar; if the jetport is developed at the present site, it will turn the wilderness quietude of Everglades National Park into bedlam. Nine hundred thousand flights a year averages out to more than 100 flights an hour, 24 hours a day, 365 days a year.

NEEDED: ONE HELL OF AN UPROAR

Fortunately, Section 4(f) of the Transportation Act gives the Department of Transportation a clear mandate to move the jetport if a "feasible and prudent alternative" exists. At the June 3 hearing before the Senate Interior Committee, alternative sites were identified by two state witnesses: Nat Reed of the governor's office and FCD Chairman Padrick. The sites they identified are both on state-owned land, so a land swap with the Port Authority would make things relatively simple.

But the push for another site isn't going to come from Miami, not while either alternative would benefit Fort Lauderdale, West Palm Beach, and other cities north of Miami along Florida's Gold Coast. The push is going to have to come from Washington, by shutting off the federal subsidy for development at the present, destructive site. And Washington isn't likely to push too hard without a push from the general public. Everglades National Park might well become the first national park to be dis-established, unless the American people stand up in its defense. So far, through the various federally supported programs and projects of diverse agencies and departments, the American public has unwittingly been subsidizing the destruction of Everglades National Park.

As long as the various federal departments and their agencies pursue their separate ways, ignoring the several laws that exist to promote—and that even require—inter-departmental coordination and sound environmental planning, there can be no hope for preserving and restoring the American environment. In many ways the Everglades problems are symptomatic of an even larger problem. Hopefully, President Nixon's new Environmental Quality Council will roll up its collective shirtsleeves and go to bat for Everglades National Park. For if the Everglades are lost, America will have gone one hitless inning toward losing the whole environmental ballgame.

The first step down the long road toward saving Everglades National Park is moving the jetport away from the park. As Senator Nelson observed, moving the jetport will cause one hell of an uproar in Dade and Collier counties. But the jetport isn't likely to be moved unless there is one hell of an uproar in the 50 states of the Union over the threat to Everglades National Park. Conservationists who want to see Everglades National Park given at least a fair chance of survival, are writing President Richard M. Nixon, as well as their senators and congressmen. If the jetport isn't moved, say goodbye to the continent's only subtropical national park and to the world's only Everglades.

RECESS UNTIL 11 A.M. TOMORROW

Mr. KENNEDY. Mr. President, if there be no further business to come before the Senate, I move that the Senate stand in recess until 11 a.m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 15 minutes p.m.) the Senate took a recess until tomorrow, Friday, August 1, 1969, at 11 o'clock a.m.

HOUSE OF REPRESENTATIVES—*Thursday, July 31, 1969*

The House met at 12 o'clock noon.

Rev. Henry E. Pressly, Associate Reformed Presbyterian Church, Charlotte, N.C., offered the following prayer:

Lo, I am with you always, even unto the end of the world.—Matthew 28: 20.

O God, our Heavenly Father, Thou who art above us in the vast space of which we are so aware; Thou who are about us in this beautiful world in which we live; Thou who art within us by the still small voice of Thy spirit, we pause at this noon hour to invoke Thy blessing upon this assembly.

Let Thy divine favor which is life, and Thy loving kindness which is better than life, rest upon our great Nation and the nations of the world at this the most crucial hour in human history. We thank Thee for the freedom which we enjoy and pray Thee to send peace and freedom to our world.

And now, we implore Thee to give to these dedicated men and women vision to see what needs to be done, faith to believe it can be done, and courage to rise up and do it.

In the Master's name 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 and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 2678. An act to amend section 203 of the Flood Control Act of 1962 to provide for optimum development at Tocks Island Dam and Reservoir project; and

S.J. Res. 140. Joint resolution to provide for the striking of medals in honor of American astronauts who have flown in outer space.

The message also announced that the Presiding Officer of the Senate, pursuant