DaCosta McClean; to the Committee on the Judiciary.

H.R. 8900. A bill for the relief of Herbert Styles; to the Committee on the Judiciary.

By Mr. ROSENTHAL:

H.R. 8901. A bill for the relief of Hamid Dardashti; to the Committee on the Judiciary.

H.R. 8902. A bill for the relief of Elena Monteroso; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 8903. A bill for the relief of Maria de la Luz Peralta-Perez; to the Committee on the Judiciary.

By Mr. RUTH:

H.R. 8904. A bill for the relief of Paul Anthony Kelly; to the Committee on the Judiciary.

By Mr. RYAN:

H.R. 8905. A bill for the relief of Pedro Tomas Amaro; to the Committee on the Judiciary.

H.R. 8906. A bill for the relief of Pedro Lobato; to the Committee on the Judiciary.

By Mr. SISK:

H.R. 8907. A bill to provide private relief for certain members of the U.S. Navy recalled to active duty from the fleet reserve after Sept. 27, 1965; to the Committee on the Judiciary.

By Mr. STEPHENS:

H.R. 8908. A bill for the relief of Filippo Sebastiano Saglimbeni; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H.R. 8909. A bill for the relief of Ermelinda D'Acierno; to the Committee on the Judiciary.

By Mr. WEICKER:

H.R. 8910. A bill for the relief of William J. Walsh; to the Committee on the Judiciary.

By Mr. WHITE:

H.R. 8911. A bill for the relief of Grant E. Thomas; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 8912. A bill for the relief of Anselmo Fernando Resendes; to the Committee on the Judiciary.

By Mr. DON H. CLAUSEN:

H.R. 8913. A bill for the relief of Takio Nozu; to the Committee on the Judiciary.

By Mr. MOLLOHAN:

H.R. 8914. A bill for the relief of Morris Moshe Chachmany; to the Committee on the Judiciary.

SENATE—*Wednesday, March 12, 1969*

(Legislative day of Friday, March 7, 1969)

The Senate met in executive session at 11 o'clock a.m., on the expiration of the recess, and was called to order by the Vice President.

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

Eternal Father, in whom we live and move and have our being, set our minds this day upon all that is beautiful and good and true that we fail Thee not. Preserve us from spiritual decay, from blurred idealism, from moral cowardice, from neglect of spiritual discipline, and from that dimness of soul which separates us from Thee or obscures our perception of Thy will. Keep us alive to all true values, to all that is highest and holiest in life that we may "be workmen who needeth not to be ashamed."

Through Jesus Christ our Lord. Amen.

REPORT OF COMMODITY CREDIT CORPORATION—MESSAGE FROM THE PRESIDENT RECEIVED DURING RECESS

Under authority of the order of the Senate of March 11, 1969, the Secretary of the Senate, on today, March 12, 1969, received the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry:

To the Congress of the United States:

In accordance with the provisions of Section 13, Public Law 806, 80th Congress, I transmit herewith for the information of the Congress the report of the Commodity Credit Corporation for the fiscal year ended June 30, 1968.

RICHARD NIXON.

THE WHITE HOUSE, *March 11, 1969.*

REPORT OF THE U.S. ARMS CONTROL AND DISARMAMENT AGENCY—MESSAGE FROM THE PRESIDENT RECEIVED DURING RECESS

Under authority of the order of the Senate of March 11, 1969, the Secretary of the Senate, on today, March 12, 1969, received the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Foreign Relations:

To the Congress of the United States:

Attached is the Eighth Annual Report of the United States Arms Control and Disarmament Agency. I am transmitting it pursuant to law.

In this report, the Agency describes its activities for the calendar year 1968.

RICHARD NIXON.

THE WHITE HOUSE, *March 11, 1969.*

MESSAGES FROM THE PRESIDENT RECEIVED DURING RECESS

Under authority of the order of the Senate of March 11, 1969, the Secretary of the Senate, on March 11, 1969, received messages in writing from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations received on March 11, 1969, see the end of proceedings of today, March 12, 1969.)

THE JOURNAL

Mr. MANSFIELD. Mr. President, as in legislative session, I ask unanimous consent that the Journal of the proceedings of Tuesday, March 11, 1969, be approved.

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

MESSAGE FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Geisler, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of William R. Tyler, of the District of Columbia, for promotion from a Foreign Service officer of the class of Career Minister to the class of Career Ambassador, which nominating messages were referred to the Committee on Commerce.

(For nominations this day received, see the end of Senate proceedings.)

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

NOMINATIONS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of nominations on the Executive Calendar, under "New Reports," beginning with Mr. Richard E. Lyng.

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

The nominations on the Executive Calendar will be stated, as requested by the Senator from Montana.

COMMODITY CREDIT CORPORATION

The assistant legislative clerk read the nomination of Richard E. Lyng, of California, to be a member of the Board of Directors of the Commodity Credit Corporation.

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

FEDERAL HIGHWAY ADMINISTRATION

The assistant legislative clerk read the nomination of Francis C. Turner, of Virginia, to be Administrator of the Federal Highway Administration.

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

GENERAL SERVICES ADMINISTRATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the nomination of Mr. Robert L. Kunzig.

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

The nomination will be stated.

The assistant legislative clerk read the nomination of Robert L. Kunzig, of Pennsylvania, to be Administrator of General Services.

Mr. SCOTT. Mr. President, I should like to join in the request that this nomination be confirmed forthwith. I have known Mr. Kunzig for a great many years and hold him in the highest regard. This is an extremely fine appointment.

I ask unanimous consent that the statement I made before the committee yesterday be printed at this point in the RECORD.

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

Mr. Chairman, my colleague, Senator Richard S. Schweiker and I present to you Robert L. Kunzig of Pennsylvania, nominated by President Nixon as the Administrator of the General Services Administration.

I have known Bob Kunzig for many years. We have been friends and co-workers. I feel I am well able to present him to you and tell you, very briefly, about his background.

Bob was valedictorian of his Frankford High School class in Philadelphia and later a graduate of the University of Pennsylvania and its Law School. He is a member of Phi Beta Kappa.

He saw duty during the Second World War as an Army Captain in the Quartermaster Corps, receiving supply experience, which will stand him in good stead today. He has had an extensive career in government service, serving at various times as Deputy Attorney General of Pennsylvania, and counsel to a Committee of the United States Congress, and was previously confirmed unanimously by this Senate as a member of the Foreign Claims Settlement Commission.

Of particular importance today is his wide Washington administrative experience. Bob Kunzig has served as Executive Director of the U.S. Civil Aeronautics Board. He was responsible for the administration and operation of this Board for almost four years.

He is presently serving in the Governor's Cabinet as head of the General State Authority in Pennsylvania. The State G.S.A., that is. There, his duties are very similar to what his duties will be in an enlarged sense in the Federal G.S.A. He supervises construction programs totalling at the moment $1,800,000,000. Governor Shafer has also named him as head of the State Highway and Bridge Authority and the Pennsylvania Transportation Assistance Authority.

Both United States Senators from Pennsylvania feel that Bob Kunzig is eminently qualified to be the Administrator of the General Services Administration. He is a brilliant executive and administrator, well worthy of the President's trust and confidence.

It is with great pleasure that I come before the Government Operations Committee of the Senate this morning and present to you my former Administrative Assistant, Robert L. Kunzig, of the Commonwealth of Pennsylvania.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination of Richard L. Kunzig, of Pennsylvania, to be Administrator of General Services? [Putting the question.]

The nomination was confirmed.

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

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

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, as in legislative session, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 o'clock tomorrow morning.

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

RECOGNITION OF SENATOR LONG

The VICE PRESIDENT. Under the order of yesterday, the Senator from Louisiana (Mr. LONG) is recognized for 1 hour.

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

Mr. LONG. I yield.

ALFRED H. SELBY—55 YEARS OF SERVICE TO THE SENATE

Mr. DIRKSEN. Mr. President, 5 years ago, I called the attention of the Senate to the fact that Alfred H. Selby, who is one of the attendants of the Senate, had served this body for 50 years.

I should like simply to remark that 5 years later, on March 14, 1969, he will have served the Senate for 55 years; and in point of seniority he is probably—and I am sure he is—the oldest in service of any attendant or other employee of the Senate.

I should like to remark the fact, and I should like to salute him for faithful and dedicated service to this body and to the country.

MACHIASPORT PROJECT—PRIVATE PROFITS VERSUS PUBLIC INTEREST

Mr. LONG. Mr. President, I have prepared a number of charts and tables to document some of the things I am going to say today. Rather than ask repeatedly for unanimous consent to have this information printed in the RECORD, I ask unanimous consent at this time that the charts and the exhibits that qualify for presentation in the RECORD be printed in the RECORD at the conclusion of my remarks.

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

Mr. LONG. Also, Mr. President, I anticipate that there will be some interruptions and suggestions by other Senators in connection with the speech I am about to deliver, and I ask unanimous consent that such colloquy appear at the conclusion of my prepared remarks.

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

Mr. LONG. Mr. President, Machiasport, Maine, has become the scene of a controversy which has far-reaching effects on our national security. Until now this controversy has generated a substantial amount of heat but very little light. Senators, Governors, and other well-meaning and responsible persons, representing a particular section of this country, have fought very hard and emotionally in support of a proposal by the Occidental Petroleum Co. to construct a 300,000 barrel per day oil refinery in a foreign trade zone on the coast of Maine.

I respect the views of those Senators who sincerely believe that this project is in the interests of the New England States they represent. I firmly believe, however, and I shall demonstrate, that Occidental Petroleum's proposal is contrary to the national interest of the United States and violates the interest of the people of New England. The proposal, in my judgment, is nothing more than an attempt by that company to extract fantastic oil concessions from the Federal Government. Exploitations of these concessions would mean huge windfall profits to Occidental—profits beyond the wildest dreams of the robber barons of the 19th century. The granting of those concessions would deal a crippling body-blow to the oil import program as it has been established in law and supported by four Presidents of both major parties.

The purpose of this speech is to lay out all the facts relevant to the issues that have developed with regard to the Machiasport proposal.

THE PROPOSAL

On July 22, 1968, the Department of the Interior made public a voluminous brochure submitted in support of oil import quota applications filed by the Business Development Fund, Inc., and the New England Refineries, Inc. The proposal involved the construction of a 300,000 barrel per day refinery in Maine and stated:

The largest share of ownership of the refinery will be held by a consortium of independent, non-integrated deep water terminal operators which currently market in the New England area.

One day later, on July 23, 1968, the Occidental Petroleum Co., notified the Secretary of the Interior that it, not the consortium, was the owner of the Business Development Fund company and New England Refineries, Inc., and that the application filed on behalf of the refinery was "filed on behalf of the Occidental Petroleum Co." It then became apparent that Occidental had for many months conducted secret planning and political negotiations prior to Interior's announcement and that a prime objective of the refinery proposal was to facilitate substantial imports of Occidental's Libyan crude oil production which could not otherwise be imported because of the national security limitations applicable to all crude oil imports.

I would not object if a refinery was set up in a foreign trade zone in New England which would import crude oil and export all its finished products. In that way, our national security interests would not be violated, the balance of payments would be helped, and the refinery would stimulate employment in New England without causing unemployment in other parts of the country. Moreover, this would be consistent with the objectives of the Foreign Trade Zones Act as it was set up in 1934. I would not object if such an import for export plan was set up without the use of the foreign trade zone. However, this is not what is being proposed by the Occidental Co.

The Occidental proposed refinery would have a capacity of 300,000 barrels a day, making it one of the largest refineries in the United States. The total

import allocations of crude and unfinished oil in 1969 for all 123 refiners in the United States is only 567,965 barrels a day with the largest refiner receiving only 38,000 barrels a day. Thus, the crude oil imported by Occidental would be equal to 53 percent of total import allocations for 123 refiners in 43 States, and almost 10 times as much as the largest single refiner is now getting. Moreover, the refinery output of Occidental would include 100,000 barrels per day of finished products—90,000 barrels per day of heating oil and 10,000 barrels per day of gasoline—which would require a special quota to permit importation into the United States. This 100,000-barrel-a-day quota, if approved, would be by far the largest single quota allocation granted by the Department of the Interior. In fact, it would be larger than all finished product allocations in all 50 States, which for 1969, is set at 76,471 barrels a day. Here are tables showing the 1969 allocations for crude and unfinished oils in districts I–IV and the 1969 allocations for finished products.

The proposal was sweetened by several ingeniously devised promises by Occidental which appeal to the interests of New England. First, the Occidental Co. promised price reductions of $20 million annually to consumers and $6.5 million to the Defense Department. I will show later in my remarks that these so-called price reductions will never reach the consumer. Second, the company pledged a special tax deductible payment to the New England Marine Resources Foundation equal to 20 cents per barrel. This amounts to some $7 million a year that Occidental says it would pay this foundation whose board of directors would have six New England Governors, and allegedly some Senators. Third, the proposal also claimed that it would assist the merchant marine by the use of American-flag vessels in the transportation of oil from Machiasport to other points on the east coast. This is also illusory, as I shall demonstrate later.

Finally, the proposal promised to help the balance of payments and regional economic development. It is no wonder with all the claimed benefits why so many conscientious individuals jumped to support it vigorously.

Even a superficial examination of the alleged benefits, however, reveals that they are a smokescreen designed to obfuscate the real intent of the proposal which is to provide a captive market through which Occidental can dispose of its large oil findings in Libya at windfall profits. This is a serious charge, but this is a very serious matter. In this case for no other purpose than its own enrichment one company is attempting to destroy a program which is dedicated to assure our survival as a nation.

I intend to examine point by point the alleged benefits of this proposal against the adverse effects it would have on the national interest. Before doing that, however, let me review briefly the genesis of oil import programs in relation to national security.

NATIONAL SECURITY

In May of 1958, the Department of Defense, in a policy statement to the House Ways and Means Committee assessing our security posture in light of the 1957 Suez crisis said:

> Recent developments in the Middle East vividly demonstrate the folly of depending on foreign oil to supplement local supplies even in peacetime.

You will recall that was when Mr. Nasser nationalized the Suez Canal and British and French paratroopers tried to retake it. Mr. Khrushchev's "brinksmanship" caused the United States to take a "hands off" policy which knocked the props from under British and French efforts to regain control. Ten years later, in 1967, that lesson again was brought home when as the result of the Arab-Israeli war, Middle East oil supplies were again disrupted and Arab oil shipments to the United States, including Libyan oil, were again embargoed.

Three former Presidents, beginning with President Eisenhower and continuing with President Kennedy and President Johnson together with numerous special task forces, commissions as well as several congressional committees have understood the importance of the mandatory oil import program to protect the national security. I have no doubt that after a hard, cold look at the facts, President Nixon will see the need for this program also. Mr. President, I also include at the end of my remarks a memorandum explaining, in great detail, the national security foundation of the oil import program.

See exhibit 2.

There are times perhaps when the term "national security" is used loosely, but that is not the case with this program. The "national security" objectives of the program are manifest. They are extensive. They are not theoretical. Twice in the past 10 years we have seen that Mideast erupt into turmoil. At this particular time, it is the most explosive spot in the world. President Nixon has agreed to a four-power conference with the Russians, the French, and the British to smother the flames of hatred in that area that could turn the whole world into a holocaust. The President says he wants to "defuse" the situation, and we all hope and pray that he can.

Without the oil import program we would become progressively more dependent on the Arab countries for oil. There is no doubt that many small American refineries would go out of business; exploration for oil would drop off sharply; and we would find ourselves without usable reserves at the very time that we need them most. This is not just my personal opinion; it is the considered judgment of three Presidents, numerous task forces, and several congressional committees.

In 1941, when we entered World War II, our existing reserves were 12.3 times our annual petroleum demand. In 1959, when the oil import program was imposed, our reserves were 10.8 times demand. By 1967, in spite of the program, our proven reserves had fallen to 8.7 times our annual demand. Our oil imports, controlled and uncontrolled now constitute about 25 percent of domestic crude oil, and natural gas liquid production. That is about twice the expected import penetration of steel and three times that of textiles. Yes, even with the oil import program the trend is not good, but without it, there would be a disaster for this industry and I believe for the United States as well. We would become completely dependent upon foreign sources of supply for the oil that fuels our factories, our homes, our planes, ships, tanks, and automobiles.

Since a barrel of foreign crude oil can be landed in the United States at about $1.25 cheaper than it can be produced and sold for here, it is clear that many, in fact most, domestic producers would fold without a control over imports. True, some major domestic refineries, who have foreign oil as well as domestic oil would survive, but the inland refineries and the independent producers would be hurt badly and most would not survive.

We would then become dependent on the whims of Arab monarchs and the precarious political situation of the Mideast. And let no one deceive himself as to the consequence of that dependence. It would tilt the political balance in that sensitive area of the world, placing those Arab States in a better position to blackmail us into adopting policies more suited to their best interest and not ours. If nothing else convinced us, we should have gotten the message when the Suez crisis erupted in 1967 and the Arab nations boycotted the flow of oil from the Mideast. A boycott is an attempt to force a change in policies by economic pressure. Where would we be if domestic oil was not available and the Arabs again decided to stop the flow of oil to Western nations? What would have happened to the Northeast section of the country if the independent producers of this Nation were not around in time of emergency to come to their rescue and supply the fuel needed to generate their electricity and heat their homes, and fuel the factories in that part of the Nation? It would be a cold, dark place up there.

The Arab-Israel crisis was caused by minor powers. A confrontation with major powers would be even more serious. With Russian ships and submarines dogging our Mediterranean fleet day and night, we must know that in a crisis they would cut off our supply lines from Libya or anywhere in the Middle East, and even cut them off from Venezuela. Certainly, one of the first belligerent acts of a warring country is to cut off its enemies' fuel supplies—and if our supply lines are 6,000 miles long, it would not be difficult for a major warring nation to achieve that objective.

As an interesting commentary on history, I recall that 25 years ago, during World War II, a Japanese submarine surfaced off the California coast and lobbed more than 2 dozen shells from its deck gun onto U.S. soil. In my judgment, it was no accident that the target of that shelling—the first enemy attack against the U.S. mainland since the War of 1812—was the rich oilfields just below Santa Barbara, Calif.

It is pretty clear to this Senator that a major nuclear war is unthinkable, even in the minds of our adversaries. Any attack on this country with strategic nuclear weapons on our cities would bring swift retribution and retaliation in kind against their cities. The consequences of such an attack and counterattack are so horrendous and appalling that they

serve as a sort of automatic checkrein against that type of war. Millions of noncombatant citizens would die needlessly, and major cities would be completely destroyed.

But that does not mean the end of wars. Conventional warfare with conventional weapons is very much with us. Korea, Vietnam, and the Middle East all attest to this. Africa is a seething continent, and the subcontinent of India has been attacked twice by China within the past 5 years. And Castro's Cuba keeps the Communist threat ever present in this hemisphere.

We all know the tremendous effectiveness of Hitler's submarine squadrons and how they virtually stopped coastwise shipping during World War II by lying in wait off the mouth of the Mississippi River or off Cape Hatteras and torpedoing every vessel that came by. The German submarine fleet was quite small compared with the size of the fleet the Russians now possess. With their greater strength and with Cuban bases to work from, they could put a stranglehold on the Gulf of Mexico and the Caribbean Sea. They are not going to let Venezuelan oil come through.

Equally important, in the event of a major war our offshore wells in the gulf and off the coast of California could be lost to us also. Those wells are stationary in the water; they would offer the easiest target possible for enemy torpedoes. Or the Russian subs could send out frogmen to destroy the wells with explosive charges. Not even the well which is located wholly beneath the sea and which is connected to shore by an underwater pipeline could escape enemy frogmen bent on destroying them.

Mind you, Mr. President, we could not even defend the offshore wells. The enemy would pick his own time and place and weapons. If we tried to protect our offshore wells against torpedo attacks by erecting protective netting around them, the enemy would either use their deck guns to reach over the net, or send frogmen to go under them. An enemy having just destroyed our offshore wells, cannot Senators just imagine the conflagration that would result if the enemy then set a match to the floating oil and natural gas? It would be weeks before the fires could be brought under control; meanwhile, the fires might have destroyed countless additional wells.

Further, oil from the wells in the Gulf of Mexico is, to my certain knowledge, produced by gas pressure. If the gas were ignited by the lighting of a match, the drilling platform would be destroyed, and a conflagration would be created which would take a long time to put out.

I am confident that our military leaders, who look on oil as vital to our defense, will agree that we cannot count on our offshore wells to provide the fuel to fight a major war.

With our offshore wells now furnishing about 10 percent of our petroleum needs and with foreign countries supplying another 25 percent, that means that nearly one-third of our present oil supplies would not be available to us. We would have to depend solely on the domestic wells, principally the inland wells—and inland refineries—for the petroleum we would need to fight a war.

Without a viable domestic petroleum industry, we could not move the supplies, the men, and the weapons which have to be moved in time of crisis. We have the mightiest military machine the world has ever known. But if we have no oil to fuel it, our magnificent weapons would be useless—mobilization would be paralyzed.

HOW MACHIASPORT AFFECTS NATIONAL SECURITY

Now, how does the Machiasport project affect this situation? In at least nine ways—all adverse.

First, Machiasport would operate 100 percent with foreign crude oil. The refinery capacity would be nearly 25 percent of the total refining capacity on the east coast, and there would be a tremendous displacement of U.S. oil supplies moving into the Northeast as that area became more and more dependent on foreign source oil. If foreign supplies should be disrupted by another Suez crisis—or one more serious—the entire Northeast section of the country would be devoid of heat and energy. To allow a 300,000 barrel a day refinery to be built on 100 percent foreign oil—Arab oil at that—which would be responsible for heating the homes and factories of New England is tantamount to placing the people of New England at the mercy of the Arab sheiks. It is a fact that the Arab oil would put a large number of independent producers out of business—producers who today fuel the Northeast. If they were gone, who would supply the needs of New England in a future oil emergency? If Machiasport were built, and using Libyan oil, and there were another Arab boycott—such as we have witnessed twice during the last 10 years—the people of New England would have to seek oil from other sources; but they might be unable to find it. In this regard, it is hard for me to understand why this project is championed as being in the interests of the people of New England, because in a future emergency, they would find themselves totally without fuel.

Second, the tremendous volume of foreign oil that would flow to Machiasport would affect prices of U.S. oil, which would then be reflected in a slow-down in exploration in this country. Now it begins to get serious from a strategic standpoint. The search for new oil would slow down in this country, our proven reserves would diminish through consumption, and our ability to fight a major war would be weakened. Without a doubt this is the situation in which our foreign enemies would like to see us.

Third, as our proven reserves diminished, prices for domestic crude oil would rise. U.S. refineries would then seek more and more cheaper foreign oil to help hold consumer prices in line. To get this foreign oil there would have to be larger allocations under the oil import program. If these requests for larger allocations were granted—and the pressure to do so would be virtually unbearable—it would accelerate the situation which I have described. In addition, it would signal the end of the oil import program as a serious link in our national security network.

Fourth, any decline in American crude oil prices which would result from increasing dependence on cheaper crude would be shortlived. The Arab nations, including Libya, are members of the Organization of Arab Petroleum Exporting Countries—OAPEC. The announced purpose of this export cartel is to increase the "take" from production by forcing up prices and taxes in those countries. Libya recently announced that it was going to renegotiate oil revenues from companies operating in that region. This is just one example. The negotiation could prevent the price concessions Occidental claims from occurring. We would be foolhardy in the extreme to believe that we could extend the dependence of our country, or even large sections of our country, upon Arabian oil without running the risk of paying whatever the traffic will bear once we are "hooked" on that source of supply with no practical alternatives.

A recent memorandum from the Department of the Interior entitled "Cost of the Oil Import Program to the American Economy," stated:

> The assumption that foreign crude oil prices, taxes and royalties would not rise with increased imports is probably valid only in the short run. While unused world capacity to produce crude oil might delay an immediate rise in world crude oil costs, shipments to the United States would rise from 5 percent of free foreign supplies in 1967 to 15 percent by 1980, *and would almost certainly result in higher prices.* Moreover, the growing reliance of the United States on foreign crude oil would strengthen the bargaining position of a host of producing countries *whose past performance demonstrates intentions of continually increasing their share of producing profits.* (Emphasis supplied.)

I incorporate in the RECORD a table showing how the countries of the Middle East and Venezuela have increased their government revenues from the U.S. oil companies. There has been close to a 300-percent increase in the take of the Middle East oil producing countries and a 75-percent increase in the take by the Venezuelan Government over the past 20 years—see exhibit 3. This study concluded the point by saying:

> As payments to producing countries increase, costs of foreign oil delivered to the United States will rise to offset some of the cost advantages initially gained by the removal of oil restrictions. With each ten cents a barrel rise in foreign costs matched by a corresponding increase in U.S. crude oil postings, annual U.S. consumer product-costs might be in the order of one-quarter of a billion dollars higher.

The postwar years have been marked by efforts of extremists, Communist-inspired or ultranationalist forces in oil producing countries to force exorbitant concessions from U.S. corporations. The oil companies, because they are large and because they are usually American, have taken the brunt of the nationalistic efforts. When these extremists obtained the upper hand, foreign industry was frequently nationalized.

Iran expropriated British Petroleum oil operations in 1951, disrupting oil supplies in the free world during the Korean war which threatened the ability to carry out that effort, and contributed to major world tensions. Today, we are faced with

a crisis which may seriously affect our relations throughout Latin America, a crisis created by the Peruvian nationalization of a subsidiary of the Standard Oil Co. of New Jersey.

In the postwar era there have been significant expropriations of United States, British, and Dutch oil interests in Iraq, Egypt, Syria, Indonesia, Ceylon, Argentina, and Cuba. At the fourth Arab Oil Conference in 1963, blistering attacks were made against "foreign" oil companies. The Sheik of Arabia urged that all foreign companies' concessions should be nationalized outright because they were simply tools of Britain and the United States. He charged that the U.S. Government controlled companies through the artifices of the U.S. tax and antitrust laws. At the fifth Arab Conference in 1965, there was a consensus that the only question was not whether to nationalize but when to do it. Thus the threat of nationalization is present behind every major demand made by foreign oil producing governments, and every American oil company is well aware of that possibility every time negotiations start. The aims of the producing governments were stated succinctly by the Chairman of the Kuwait National Petroleum Co. when he said "we can't have foreigners running our main business forever." He calls for nationalization through step by step negotiation; others call for it immediately.

A key factor against nationalization of American investments, however, is the potential loss of our American marketing network, both here and in Europe—which is the largest in the world—and which we are presently able to supply from our own production. However, this safeguard would be lost if we were to permit ourselves to become dependent on foreign oil. For the United States to become dependent on the supply of crude oil from foreign countries, whose sole aim is to increase their profits, and ultimately to nationalize all foreign oil interests, is sheer folly.

I asked unanimous consent to include at the end of my remarks a memorandum I have prepared discussing the history of actions by oil producing countries to form a seller's cartel in order to increase the take from oil production—see exhibit 4.

May I ask that the companies located in those areas have been somewhat reluctant to state this fact publically. But they have been forced to pay far more than their agreements and contracts called for.

Even a cursory reading of this will reveal to my colleagues that any increased dependence upon foreign oil would not reap any benefit to the U.S. consumer. Instead of increasing the longrun cost to the consumer, U.S. oil production serves as a guarantee that oil prices will retain the stability they have demonstrated ever since the oil import program was established. Let me explain.

Venezuela supplies a considerable amount of oil to this country. Of the total imports of $2.1 billion in 1967, Venezuela supplied $832 million or about 40 percent of our oil imports. With the lower transportation costs between Venezuela and the mainland, United States, as compared with the transportation from the Persian Gulf, it is natural for U.S. companies operating both in Venezuela and in Africa or the Middle East to ship Venezuelan oil to the United States and for the same producers to ship the bulk of their African and Middle Eastern oil to the European market. Venezuela has increased taxes against U.S. corporations and is currently trying to ween further concessions out of them. Venezuela knows full well, however, that if the price gets too high—and if America still has the ability to produce its own oil requirements—it might lose its share of the American market. He who pays the piper, calls the tune.

At the same time, the Arabs realize that as long as America can substitute domestic for foreign oil, they cannot sell their oil at exorbitant prices without facing a loss of their share of the U.S. market and, at least, some part of the European market to the Venezuelans. The Arabs have to be price competitive with Venezuela, and Venezuela must gear its prices in accordance with those in the United States. In other words, U.S. ability to locate and produce its own oil serves as a sort of stabilizer for world prices. And let me remind my colleagues that, in spite of the oil import program, there is no other major commodity in the wholesale price index which shows the stability that oil prices have shown. Wholesale fuel prices have increased by only 2 percent in the last 10 years. At the retail level, the increase has been only about 7 percent, as compared with a 20-percent increase for all commodities. And, if you deduct State and Federal taxes, the average retail price of gasoline in this country today is about 7 cents a gallon cheaper than it was 45 years ago.

Forty-five years ago, with practically no tax at all, the price excluding tax was 30 cents a gallon for regular gas, whereas today, when the taxes are removed the average U.S. price for gasoline is 23 cents a gallon.

I also include two tables showing the retail price of gasoline, excluding taxes, over the 1958–68 period—see exhibits 5 and 6.

Mr. President, this is a classic example of how costs have been kept down by passing on to the consumers the benefits of mass production.

The less developed countries have been agitating for years to get special tariff preferences from the developed countries. The so-called UNCTAD—United Nations Committee for Trade and Development—has been very active in recent years in this area. For political reasons our State Department has become very sympathetic in their demands. Those countries have a lot of votes in the United Nations. Even if the major powers would veto these resolutions in the Security Council, the oil producing countries can band together and raise the price on their exports. They, in fact, are doing just that. But to unilaterally give oil producing Arab States special privileges to market their oil in this country is beyond all reason.

The petroleum producing countries in the Middle East and Africa had exports of $7.9 billion, and imports of only $4.1 billion in 1966—just before the latest Suez crisis. They do not need preferences. Libya exported $1 billion worth of oil, while their total imports were only $400 million. It does not need preferences.

Per capita incomes of oil producing countries in the Middle East are among the highest in the world. It seems the height of folly to me to allow special preferences for their products into our markets.

A good case can be made for lower prices for virtually any commodity. The impulse to buy cheap is understandable. But, the assumption that foreign oil, once we must depend upon it, will remain cheap is fallacious.

Fifth, as greater supplies of foreign oil come to this country at higher and higher prices, greater quantities of dollars are going to flow out. This would seriously jeopardize our balance-of-payments objectives and further weaken the dollar as an international currency. Libya's official gold and foreign exchange holdings increased tenfold from $53 million in 1958 to $588 million as of last November. The Euro-dollar holdings by the sheiks of the Middle East are known to be large, as are their Swiss bank accounts. Their earnings come mainly through oil exports.

Keep in mind that oil is already the largest single commodity imported into this country. Last year the dollar drain resulting from petroleum imports amounted to $2.1 billion, and without our oil import program that figure could easily double in a short period of time. How can anyone explain how spending $1.75 to $2 a barrel for Libyan oil will benefit our balance of payments?

Oddly enough, the alternates to the Foreign Trade Zones Board, in their recent action recommending approval of this project concluded:

> Implementation of the proposal as presented would have a neutral or slightly favorable effect upon the balance of payments, if finished petroleum products to be produced in the Machiasport subzone are imported within the present overall quota under the Mandatory Oil Import Program.

But, Mr. President, the 100,000 barrels a day of finished products are more than the total finished-product allocations throughout the land. Since obviously it is impossible to put 100,000 barrels within the 79,000 barrel a day limit for finished products fixed by proclamation, the assumption made by the alternates has to apply to the overall limitation of 12.2 of foreign oil in relation to domestic production. Now let us see what that involves.

It takes about 125,000 barrels of crude to produce 100,000 barrels of finished products. Thus, because Occidental proposes to use all foreign crude for the manufacture of finished products, domestic production will fall by 125,000 barrels a day. Moreover, to keep the 100,000 barrels of finished products within the 12.2 percent limitation, foreign imports allocations to others would have to be cut by 125,000 barrels a day. Now, the largest refinery—one equal to the size of the proposed Occidental refinery—can use only about one barrel of imported crude for every 21 barrels of domestic

crude. The import allocations of these refineries has already cut back substantially as can be seen in exhibit 7. So, the cutback in quota allocations would have to come out of the allocations granted to small and medium size refineries. That raises antitrust implications which I will explore later.

Sixth, as domestic refineries get choked off by the switch from domestic to foreign oil, thousands of American jobs would be lost—not only in refineries, but also in road builders, pipe manufacturers, mud and service suppliers, cement producers, and a whole host of secondary industries. I need not remind Senators what would happen if our refineries started to close down. Those who provide services as well as those who use the refined products would be displaced.

It has been argued that the Machiasport project would lead to the creation of new jobs in a poverty area that cries for employment. I really question that any new jobs overall would be created. With the excess capacity that exists in our present refineries, the foreign trade zone would kill off far more jobs elsewhere in the United States—where the need for the employment opportunities may be even greater—as it might add in New England. At best, there would be a transfer of refining jobs from the South and Southwest to the Northeast. But even under those circumstances there is bound to be a loss of jobs in the extraction and distribution phases of the oil business. Every new refinery job would displace a refinery job elsewhere in the United States, and it would cost additional jobs in the oilfields.

For the benefit of my colleagues who are interested in the number of jobs which might be affected in their State, I am including in the RECORD a table showing the estimated number of employees in important segments of the petroleum industry in 1967—see exhibit 8.

Employment in the extraction—that is, the production—phase of the petroleum industry totaled 275,437 in 1967. This employment was spread out throughout the country with Texas, Louisiana, and Oklahoma having the largest share.

In petroleum refining employment was almost 150,000. Again, these were spread out throughout the country with significant employment in Arkansas, California, Delaware, Illinois, Indiana, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Montana, New Jersey, New York, Ohio, Oklahoma, Pennsylvania, Texas, Utah, the State of Washington, and Wyoming.

While we cannot be precise in assessing the exact number of employees who would be displaced in the inland refineries in these States, there is no doubt whatsoever that the number would be extremely large. The maximum number of employees to be added in the Occidental plant at Machiasport has been estimated to be 300 to 350.

Since Machiasport could be the opening wedge in the virtual destruction of the whole import program, we can expect tens of thousands of production workers to be displaced, and a sizable number—in the thousands—of people in the refining aspects of the operations to be put out of their jobs. And this fact highlights something very important to national security; namely, that the production units and companies that would close down would be those small inland refiners who have higher unit costs of production. This would leave only those large refineries, with foreign operations, located on the coast. And they would be easy targets for any enemy action be it overt, through a few well-placed bombs or covert, through sabotage.

And, if we are talking about "sharing the wealth," let us compare the per capita personal income of the oil producing States—or at least the principal oil-producing States—with those in New England. Louisiana ranks 42d in the Nation as far as per capita personal income is concerned, with a level of $2,445. Oklahoma and Texas rank 34th and 32d, respectively, with per capita incomes of $2,623 and $2,704. Arkansas and Mississippi are 49th and 50th, with per capita incomes of $2,090 and $1,895, respectively. These contrast with per capita incomes of $2,620 in Maine, $3,019 in New Hampshire, $3,488 in Massachusetts, and $3,865—the highest in the land—in Connecticut. The New England average is $3,436 as compared with $2,580 in the oil producing region of the Southwest. In other words, the per capita income in New England averages close to a thousand dollars higher than per capita income in the principal oil-producing States.

Put another way, each State in New England has a higher per capita income than Louisiana, and five New England States each have higher per capita incomes than any oil producing State, including Texas.

So, if we are arguing this in terms of economic development, the oil-producing States are the most depressed.

Seventh, if the Machiasport project were approved, and a foreign trade zone was set up in Maine, we can expect other foreign trade zones to be established throughout this land which would surely add to our general import problems. The competitive advantage which Occidental would gain over its competitors in the oil and petrochemical industries would cause a further proliferation of foreign trade zone applications by oil and chemical firms which would be hard to deny. Many other industries are suffering from imports from abroad.

If we are willing to become dependent on foreign oil because it is cheaper, how can we justify not becoming dependent on foreign steel, textiles, chemicals, glass, electronic equipment, and a host of other products, which, mainly because of low labor costs, can be produced more cheaply abroad. I remember well when my distinguished colleague from Maine, Senator MUSKIE, testified in support of his proposed "Orderly Footwear Marketing Act" before the Committee on Finance. He said that footwear imports increased "because they are produced at wage and hour costs that are illegal in the United States."

Now, I respect the Senator for seeking relief through "orderly marketing" for the shoe industry in Maine, which he says is the largest employer in his State.

But, I find it ironic that national figures who go to great lengths to protect such industries as shoes, textiles, and electronics from lower cost foreign products, are willing to see the one industry which has been found to be vital for our national security suffer irreparable injury through the importation of cheap foreign fuel produced in Africa or the Middle East, which would not be available to us in time of national emergency.

If we are going to let oil in because it is cheaper, why could not we also open our markets wide to other products coming into this country from abroad where they can be manufactured more cheaply? There is no logic in seeking to protect one industry, while at the same time forcing other even more vital industries out of existence.

In this regard we know that the Japanese and the Scandinavians are the most efficient shipbuilders in the world. It cannot be denied that the merchant marine fleet is a vital force contributing to our military independence and yet we all know that the costs of constructing and operating a ship in this country are far higher than they are abroad. What would happen to the Boston shipyards and the jobs it supports if we started buying cheaper foreign ships for our merchant marine? There would be several times as many shipyard workers laid off in Boston than there would be new jobs created at Machiasport.

At some point we in Congress are going to have to devise a trade policy which is consistent, both internally and externally, with our national goals, our foreign aid and foreign relations policies. Right now these are at sixes and sevens. Foreign aid policy is divorced from foreign trade policy. Both are unrelated to domestic growth, employment and balance-of-payments objectives.

The proponents of the Machiasport project, are in effect, willing to see a "Balkanization" of the United States. It is an attempt to help the northeast section of the country at the expense of the southeast and southwest.

For many years in our history the northeast fought and achieved high tariffs to protect their manufacturing interests at the expense of Southern and Western agricultural interests who needed outlets for their agricultural produce and who desired cheap manufactured goods from abroad because they were poor. While the high-tariff policy advocated by the North hurt the South—and incidentally was a major issue in the Civil War—it did serve to allow U.S. industry to grow and prosper and eventually strengthened the whole country into the largest common market in the world.

But now, in this Machiasport project the Northeast appears to want to balkanize the country by giving advantages to their section of the country at a tremendous cost to other regions and the Nation as a whole.

There are too many trade policy officials who delude themselves and the public with cliches about "American superiority." They say, "we are the most efficient producers in the world." It is supreme arrogance to think a German-American is a more efficient—superior—human being than a German, or a French-American is more efficient than

a Frenchman, just because he is in America.

Our wages are the highest in the world; technology and know-how are now widespread throughout the world—we do not have a monopoly on brains. Higher cost American producers are suffering from lower cost imports. We are, in effect, trading off high-paying jobs for low-paying jobs. If we were so superior, this would not be happening.

In the near future, I intend to make another speech discussing the issues in our foreign trade policy. At some time we shall have to decide which industries we want to preserve and which we are willing to see go down under competition from foreign imports. This further speech will discuss industry problems in some detail. It will also discuss how other countries are protecting their agricultural and industrial interests without regard to what economists call "the principle of comparative advantage."

Finally, it will lay the foundation for a full scale investigation by the Committee on Finance of our international trade relations and trade policy.

Eighth, I am firmly convinced that the framers of the Foreign-Trade Zones Act never intended that it would be used as a loophole to avoid the oil import program.

The Foreign-Trade Zones Act was designed to bring in materials, process them with American labor, and then sell them for export. Exactly the opposite would occur under this Machiasport proposal. Instead of creating jobs, it would displace them. And, more important, it would be a vehicle to destroy the oil import program and jeopardize the national security.

Today, there are two manufacturing plants operating in foreign trade zones which ship their products into the customs territories of the United States. One is a small textile operation in California. Another is a petrochemical complex in Puerto Rico. As of now, however, nobody can export finished petroleum products out of a trade zone into the U.S. customs territory. Yet, that is precisely what this proposal would do.

In recent years, the foreign trade zone has become the "gimmick" for economic development objectives in Puerto Rico. It would be cheaper and more consistent with the purposes of the program to give the people of this island a direct subsidy, rather than tinkering with the oil import program to accomplish that objective. Thus, instead of fostering U.S. exports and creating employment, which was the intention of the act when it was passed during the depression in 1934, it is presently being employed almost solely by Occidential as a device for getting around the oil import program, which was intended to save an essential domestic industry from undue injury as a result of foreign imports into this country.

Ninth, we have—today, at least—very good political relations with Venezuela. That country ships us a lot of crude oil and residual oil. It depends substantially on its oil sales for its foreign exchange earnings and economic progress. Venezuela's lifeline is threatened by the Machiasport project. In 1967, over 73 percent of the residual fuel oil imports into district 1 under a security-oriented program, came from Venezuela; and 55 percent of the crude oil imports into district 1 came from Venezuela. The shift from Venezuelan to Libyan oil would be a serious blow to our relations with Venezuela and our hemispheric commitments. If we ever again needed Venezuelan oil, it could turn out that it would not be available to us. From a strategic point of view, hemispheric oil is a lot safer bet than Arab oil. It is not as safe as domestic oil, to be sure, because of the submarine threat, but it surely is a lot safer than Middle East or African oil.

RED HERRING ARGUMENTS

In the beginning of this discussion I mentioned that the alleged benefits promised by the Occidental Petroleum Co. to the Northeast region were sweeteners designed to obfuscate the real intention of that company which is to gain a windfall profit by puncturing a large hole in the oil import program. The alleged benefits, I believe, are mostly red-herring arguments—smokescreens, if you will.

PRICE OF HOME HEATING FUEL IN NEW ENGLAND

First, there has been hue and cry raised that the oil import program is responsible for higher fuel costs in New England than in any other section of the country. I have looked into this matter and found that this is a "red herring" argument. It is simply not true.

Mr. President, the price question is so important that I have prepared charts which will demonstrate to my colleagues that the wholesale price of home heating fuel oil in New England for most years has been lower—not higher, mind you, but lower—than the comparable prices in other areas on the east coast, and lower than the average for the country as a whole. A chart in the rear of the Chamber demonstrates this.

Chart 1 compares the wholesale prices in New England, shown in the solid red line, with wholesale prices for the Nation as a whole, as shown in the solid black line. Wholesale prices are prices which are paid to integrated oil companies and operators of ocean terminals by the independent fuel oil distributors who deliver the heating fuel oil to the homeowners. The chart shows that in every year except three, over the 1958–68 period, wholesale prices in New England have been lower than wholesale prices for the Nation as a whole. Taking the 11-year period as a whole, the average wholesale price in New England has been 10.3 cents per gallon, as compared with an average price for the United States as a whole of 10.6 cents per gallon. In other words, it has been about 3 percent cheaper.

Now let us look at the wholesale prices in New England as compared with those in the Mid-Atlantic and South Atlantic States.

The bottom part of chart 2 shows that New England wholesale prices, again shown in red, have followed very closely those charged in the mid-Atlantic States. Over the 11-year period, 1958–68, the average wholesale price in New England was 10.29 cents per gallon as compared with 10.30 cents per gallon for the mid-Atlantic States.

Looking at the comparison with the South Atlantic States, however, one finds that New England prices have been consistently below those of the South Atlantic. This comparison is extremely important because neither of these two regions has any oil refineries operating within it.

For the 11-year period as a whole, wholesale fuel prices in the South Atlantic region were 10.57 cents per gallon, or about three-tenths of a cent per gallon higher than the New England prices.

To put it another way, the South Atlantic region was paying about 3 percent more for heating oil than New England.

The next chart shows a comparison of "dealer margins" in New England in red with those of the Nation as a whole in black. Here is where the problem is, Mr. President, so far as I can discover. These dealer margins are the markup made by the local fuel oil dealers who deliver the fuel oil to the homeowners. Here we find that although the New England dealer margins were only slightly higher than those in the country as a whole until 1962, after that time they suddenly became substantially higher and have remained so ever since. That is the crucial point. It is the dealer markups in New England which are responsible for the higher retail prices charged the consumers in that part of the country—not wholesale prices charged by the oil companies.

Finally, chart 4 sums it all up. Here we see, on the upper part of the chart, that wholesale prices in New England have been generally below those for the Nation as a whole. However, because of the higher dealer margins in New England, as shown in the middle part of the chart, the prices charged to consumers in New England, shown in the lower part of the chart, are higher than the average for the country as a whole.

The conclusion, Mr. President, is that oil companies deliver home heating fuel oil to New England at prices generally lower than to other areas in the United States. The higher New England retail prices are due solely to the higher markups charged by the distributors of this fuel. Just why the distributors and fuel oil dealers in New England overcharge the New England homeowner is a mystery. Perhaps there are higher costs of doing business in that part of the country; perhaps there is not enough competition between distributors. Whatever the reason for the higher dealer margins, the problem of higher retail costs to the consumer of fuel oil in the New England area is not due to refiners delivering the fuel to the distribution points at higher prices than in other parts of the Nation.

If lack of competition is the cause of the problem, I would give my wholehearted support to finding ways of providing more competition so that the New England homeowner would not suffer from higher markups by distributors than they do in other parts of the country. Perhaps the Antitrust and Monopoly Subcommittee of the Judiciary Committee—or that of the Small Business Committee—should look into the facts of the matter.

It is unfair to blame the oil import program for higher fuel costs in New England. The facts show that this is simply not the case. And above all, one should not distort and create gross in-

equities in the oil import program because local dealers in New England are charging the consumers higher prices than dealers in other parts of the country are charging. Since I know it is not possible to include these charts in the RECORD, here are supporting data, in the form of tables, from which the charts were made—see exhibit 9.

Now, let us look at it from another standpoint—the average cost per barrel of fuel oil burned in steam generating plants in New England as compared with other regions of the country. I have asked for and received official statistics from the U.S. Federal Power Commission giving the comparisons for the year 1967. Here is what they show—and this is for the past year: The average cost of burning a barrel of oil in New England was $1.99. This compares with $2.05 in the Southeast, $2.82 in the Midwest, $2.10 in the Southwest, and $2.02 in the Far West.

I am sure my colleagues from New England are surprised to know that the average cost of burning a barrel of fuel oil in their region is cheaper than it is even in the oil producing regions in the Southwest. Here is a memorandum given me by the chief counsel of the Committee on Finance reflecting the official statistics obtained from the Federal Power Commission—see exhibit 10.

And, as I stated earlier, the pity would be if we attempted to lower fuel prices in New England by making the people of that region more dependent on Arab oil and then find the Arab nations squeezing the New England consumers by jacking up their prices, as surely would be the case. Try to explain that to our constituents.

PRICE DISCOUNTS

Occidental promises to reduce petroleum prices 10 percent below posted prices. But, even on the face of it, Mr. President, the value to consumers of the price discounts that Occidental promises is far less than the $20 million Occidental claims. The average discount prices in the New England area have been in the neighborhood of 5 percent over the past 5 years. Thus, a 10-percent reduction from posted prices would be only a 5-percent reduction from actual prices. And this is not all, because even this discount is very unlikely to be passed on to consumers. It is quite different, Mr. President, in that area at the wholesale price level. The refiners are already selling oil at 5 percent below the posted prices. That is a very competitive area. No company really controls that market. With each company fighting for it, they are selling oil at a 5-percent discount. The Occidental Co. comes in talking about a 10-percent discount below posted prices, but they would actually be cutting prices only 5 percent, not 10 percent, because the people there are already getting the 5-percent cut to begin with.

Furthermore, the discounts apply not to the prices charged to consumers but to the prices charged local distributors who apparently would be partners in the Machiasport venture. Since other suppliers will not have similar cost savings, it is highly unlikely that the discounts will even reach the consumers. There will be no incentive to pass them on. As I have already mentioned, the dealer markups in New England are higher than in any other part of the Nation.

Finally, the price of the fuel oil will depend heavily on the outcome of the renegotiation of oil concessions which Libya has announced.

In other words, the actual prices depend on getting Libyan oil at the present cheaper price. But Libya has already announced it will insist on further negotiations. Libya has a sovereign right to insist on that—even nationalize its oil production if it wants to do so—and, if history is any guide, the result of those negotiations would be to increase the taxes on and royalties payments by the U.S. oil companies.

Obviously, Libya wants the price to go up, and no doubt they will force it up, either by demanding greater royalties from the oil companies or by assessing greater taxes against them. Either way, Libya is going to benefit. Correspondingly, Occidental's share will go down and they will make it up by hiking prices to consumers—New England consumers, in order to make the profit it anticipates. And, once Libya and Occidental are assured a captive market in New England, you can no longer be certain that there will be any price reductions or savings to the consumer.

SAVINGS TO DEFENSE DEPARTMENT

What about the benefits that have been alleged as far as price reductions that Occidental has promised to the Defense Department? Here again we have a "red herring" argument. The alleged $6.5 million savings to the Government on military fuels is fictitious because the Department of Defense already has the option of purchasing foreign refined products and bringing them into the United States under the presently unused products quota.

But, for balance-of-payments reasons, the Department uses domestic oil whenever it can. For the fiscal year 1969 petroleum contract awards by the Department of Defense total 429 million barrels, valued at $1.75 billion. Of the total, 244 million barrels, valued at $1.2 billion, is domestic oil, and 185 million barrels, valued at $0.6 billion, is foreign oil. In the case of Vietnam, however, 96 percent of the procurement has gone to foreign producers—that is 43.9 million barrels out of a total 44.8 million.

On an overall basis, however, the Department has not used all the import allocations available to it. Moreover, how can Occidental guarantee any savings to the Defense Department whose purchases are under competitive bidding procedures?

Finally, the same factors regarding prices to consumers being related to the "concessions renegotiation" also apply to possible purchases by Defense. So, this argument, too, falls by the wayside when one looks at the facts.

MERCHANT MARINE ARGUMENT

Another fallacious argument—"red herring" if you will—is the alleged benefits which the Occidental project would have for the American merchant marine. Occidental promises to ship products from Machiasport by American-flag vessels.

That is a very interesting commitment because section 883 of the Merchant Marine Act of 1920, requires the use of American owned and operated flag vessels in the coastwise trade. All that Occidental is promising therefore is that it will not break the law of the land. Moreover, Occidental gives no effective guarantee that use of American-flag vessels, which is required by law in the coastal trade, would not be abandoned shortly in favor of possibly more economical pipeline transportation. Finally, even if all coastwise shipments were carried in American-flag vessels, the total effect on American carriers would be negative. This is because the substantial business that American ships now enjoy in transporting fuel and finished products primarily from the gulf coast to east coast refining and distributing facilities would be lost. Tell me one shipper who thinks he is getting a good deal by substituting short haul for long haul traffic.

AIR POLLUTION

Another argument, which is more serious, and deserves careful consideration, is the claim that Libya oil would help solve some of the air pollution problems in New England.

This is premised on the fact that Libyan oil is generally of lower sulfur content than Venezuelan residual fuel oil. However, fuel substitution is not the answer to this country's air pollution problems. Less costly and more equitable ways must be found to reduce sulfur emission than are proposed by Occidental.

As a matter of fact, on January 9, 1969, Secretary of the Interior Udall signed three long-term—10-year—oil import allocations under section 26 of Oil Import Regulation 1, which provided import allocations totaling 230,000 barrels a day of residual fuel oil into the New York-New England area, in return for agreements to construct in that area, without benefit of any free-trade zone, $190 million worth of desulfurization refineries. The allocations were granted to the Fuel Desulphurization, Inc., a New York company, the Guardian Oil Refinery Co., an Indiana company, and the Supermarine Oil Co., another New York concern.

These large, new refineries to be constructed in the New York-New England area have also agreed to produce large quantities of other products, such as gasoline, jet fuel, and home heating oil, and to match that production with crude oil or fuel oil obtained from domestic sources within the United States.

This plan, which has been approved, will serve the dual purposes of alleviating the air pollution problem in New England while preserving the integrity of the mandatory oil import program.

In addition to this, massive research programs directed toward this problem are currently being carried out by industry groups, Government agencies and individual companies. These programs will lead to efficient ways of solving air pollution problems at a reasonable cost.

However, if special treatment is given to Occidental for this one plant, it will be difficult to justify continued expenditures for alternative programs benefiting

the entire Nation. Thus, while eliminating air pollution is a laudable objective, this should not be accomplished at the expense of the oil import program and the Nation's security. Surely, cheaper ways are available and are now being intensely investigated.

WINDFALL

Mr. President, I have discussed in general the Occidental proposal and why I feel it is not in the interest of this Nation or even in the interest of the New England section of this country. Let me now show how the proposal would discriminate severely against other companies and would result in huge windfall profits for the Occidental Co. As far as the refiners are concerned, the oil import program is administered under a published sliding scale, weighted in favor of small companies. A small refiner who produces 10,000 barrels a day of crude oil gets an allocation of about 18.8 percent of his input. This means he is required to buy slightly more than four barrels of domestic crude for every barrel he is allowed to import. Now, a larger refiner who, say, runs 30,000 barrels a day through his plant, gets an allocation of 13 percent which means that he is required to buy six barrels of domestic crude for every barrel he imports. A huge company running about 300,000 barrels a day—and there are only five refineries east of the Rockies which possess that capacity—which is the same as that involved in the Machiasport proposal, would get an allocation of only 4.6 percent, which means he is required to buy 21 barrels of domestic oil for every barrel he is allowed to import. The Occidental Co. is asking the Federal Government to let it import 100 percent of its refinery runs, not 4.6 percent. If the Government did this, it would give Occidental an unbelievable advantage over competitors. The windfall would amount to $130,000 every day. That is not a bad subsidy, is it? That is about $46 million a year or $1 billion over the life of the refinery. By way of contrast the Teapot Dome scandal involved oil shares worth about $200 million—one-fifth of the amount involved here.

ANTITRUST IMPLICATIONS

Earlier in my remarks I mentioned that the granting of such a special privilege to one company under the oil import program has antitrust implications. It should be clear by now why this is true. While its nearest competitors, in terms of size, are forced to use 21 gallons of higher priced domestic fuel for each barrel of foreign fuel, the Occidental Co. would be entitled to use 100 percent foreign fuel. But the big companies have access to huge reserves of foreign oil just like Occidental. By demanding equal treatment—and under the Foreign Trade Zones Act they are entitled to equal treatment—the large companies probably could survive. But the small refineries which look to domestic reserves, and which foster the development of more domestic reserves, and which do not have foreign reserves they can depend on—these companies could not endure the competition of low-cost overseas oil and the competition from the giants in the oil industry, who for the most part have larger, more efficient refineries. They would go out of business leaving the oil industry firmly in control of a few billion-dollar companies. That would create a monopoly problem which would raise serious antitrust questions.

Under the present Department of the Interior regulations, imports east of the Rocky Mountains, districts I–IV, are limited to 12.2 percent of domestic crude oil and natural gas liquids production within the area. If the Department of the Interior awards the licenses for Occidental, without regard to the 12.2 percent limitation on imports, domestic crude oil production will have to fall by 125,000 barrels a day, since this amount of crude oil is required to produce the 100,000 barrels per day of products the special import quota will displace. Domestic runs of other refiners would fall by 125,000 barrels per day. This would further idle our already excess refining capacity and raise refinery costs even higher.

Now, if the Occidental quota is kept within the 12.2 percent limitation on imports, the import quotas of existing refiners would be reduced by 100,000 barrels a day and crude oil production would fall by 25,000 barrels a day. The large reduction in the present refiners quotas—to make room for Occidental's high quotas—would be extremely unfair to existing east and gulf coast refiners who have made multi-million-dollar investments, based on the present supply patterns. Domestic refinery runs will fall by approximately 125,000 barrels a day which will idle existing capacity which will result in cost increases.

Now, let me show how approval of this project would reap substantial windfall benefits to the Occidental Co. running over a billion dollars during the life of the refinery. The special quota imports would amount to $46 million a year, $130,000 a day.[1] Even after the so-called price reductions would, as I have indicated are phonies, are taken into consideration, the giveaway to this one company would be over $12 million a year. What we really have here, Mr. President, is a situation where one company has ingeniously devised a smokescreen to market its huge Libyan oil resources through the foreign trade zone gimmick but at the expense of the whole oil import program.

Those domestic concerns which have expressed opposition to this proposal have been excoriated as being special interests seeking to preserve their market position. But from a national point of view, what we are witnessing is really an attempt by one company to gain a special interest of its own at the expense of its competitors and, more importantly, at the expense of the national security objectives of the oil import program.

At the risk of being somewhat repetitive, I think this matter is important enough to review and summarize just what is involved in this Machiasport project.

In perspective, we are looking at a fateful decision involving our Nation's energy policies and security. The question is whether this Nation will rely upon uncertain foreign sources for its fuel; well aware of the fact that this could prove to be the Achilles Heel of our future as a nation. Today we are in position to see ourselves through any emergency of any nature. Today, if the kind of uncertainties in the Near East, which have plagued both that area and the world for thousands of years, should result in a denial to this Nation and Western Europe of the oil produced in that area, we have the capacity to see our way through it without resorting to rationing and without even increasing the price of the product. If Arab nations seek to exert pressure upon other nations of the world, to achieve a political end, we are privileged and free to follow the dictates of our conscience and, though it may be at some inconvenience, we can carry our own load as well as that of our friends in Western Europe and elsewhere at the same time.

If the producing countries succeed in strengthening and broadening their seller's cartel, we can stand above it and even break its economic grip on the free world if we maintain and improve our productive capacity.

In the event that an enemy nation should risk a major world war with less than nuclear weapons, we could carry on the struggle without worrying about our fuel supply as long as our people maintain the will to see it through. If a major power, such as the Soviet Union, should be so foolhardy as to resort to nuclear weapons to achieve its international objectives, we today have the production and the refining capacity to continue the struggle even after he has destroyed all of our big refineries and we have been forced to disperse our population from the metropolitan areas.

In the economic struggle which exists throughout the world, we are in position to be the master of our own destiny with regard to both the production, the transportation, and the distribution of fuel in the world's largest markets. We have more influence than any two or three nations put together on all of these economic factors in the free world generally. We are in position to pass judgment on both sides who may be parties to a quarrel—the producers and the users of the product. If a ruler such as the late Mossadegh of Iran should engage in a reckless and unreasonable course, we are in position to deny him access to the free world markets. When a government leader such as Alvarado of Peru should embark upon an unwise—although perhaps locally popular—course of confiscating American investments, we are in a position to face the threat with quiet confidence, deliberate firmness, minus those passions that arise from a sense of desperation such as that which forced the British and French to invade Egyptian soil during the Suez crisis in 1956.

All of these assets are threatened in one degree or another by a proposal which would mean if fairly applied the end of the oil import quota system that presently exists.

With regard to the question of higher retail fuel prices in New England, clearly the problem lies, to be fair about it, with high dealer markup. The remedy should be sought at the level where the high

[1] This figure is calculated by using a quota value of $1.25 a barrel times 100,000 barrels times 365 days. The $1.25 value is based on the difference between the landed cost of foreign oil on the East Coast versus the prevailing price of products on the East Coast.

price is being caused—namely, the fuel dealers and distributors in the New England area itself.

If New England is capable of generating the same competitive factors that exist elsewhere, one would think that the dealer markup in the area could be reduced to the average for other areas of the United States. In any event it is neither wise nor fair to accord to the part of the Nation which produces no fuel, cheaper fuel than everyone else at the expense of national security. Every American should shoulder his share of the burden of preserving our liberties and the blessings of freedom. New England should be no exception.

Mr. President, I yield the floor.

EXHIBIT 1

TABLE 1.—REFINERY CRUDE AND UNFINISHED OIL IMPORT ALLOCATIONS FOR THE ALLOCATION PERIOD JAN. 1, 1969, THROUGH DEC. 31, 1969, DISTRICTS I TO IV

Authorized importers	Barrels per day
Ada Oil Co., Houston, Tex	786.0
Adobe Refining Co., La Blanca, Tex	1,501.0
Agway, Inc., Syracuse, N.Y	5,355.0
Allied Chemical Corp., Houston, Tex	1,569.0
Allied Materials Corp., Oklahoma City, Okla	704.0
American Petrofina, Inc., Dallas, Tex	8,398.0
Anchor Gasoline Corp., Tulsa, Okla	286.0
Apco Oil Corp., Oklahoma City, Okla	4,034.0
Arkansas Louisiana Gas Co., Shreveport, La	210.0
Ashland Oil & Refining Co., Ashland, Ky	11,285.0
Atlantic Richfield Co., New York, N.Y	20,080.0
Bayou State Oil Corp., Shreveport, La	144.0
Berry Petroleum Co., Magnolia, Ark	548.0
Big West Oil Co. of Montana, Spokane, Wash	612.0
Calumet Industries, Inc., Chicago, Ill	354.0
Caribou Four Corners Oil, Inc., Afton, Wyo	751.0
Celanese Corp., New York, N.Y	8,352.0
Cities Service Co., New York, N.Y	12,704.0
Claiborne Gasoline Co., Dallas, Tex	571.0
Clark Oil & Refining Corp., Milwaukee, Wis	8,485.0
Coastal States Gas Producing Co., Corpus Christi, Tex	7,618.0
Colorado Interstate Corp., Colorado Springs, Colo	3,331.0
Commonwealth Gas Corp., New York, N.Y	1,827.0
Continental Oil Co., Houston, Tex	12,487.0
Cracker Asphalt Corp., Douglasville, Ga	397.0
Crown Central Petroleum Corp., Baltimore, Md	4,593.0
Curtis Inc., Thermopolis, Wyo	205.0
Diamond Shamrock Corp., Amarillo, Tex	4,610.0
Dorchester Gas Producing Co., Amarillo, Tex	511.0
Earth Resources Co., Dallas, Tex	3,703.0
Eddy Refining Co., Houston, Tex	422.0
Evangeline Refining Co., Inc., Jennings, La	347.0
Famariss Oil & Refining Co., Hobbs, N. Mex	399.0
Farmers Union Central Exchange, Inc., St. Paul, Minn	3,143.0
Farmland Industries, Inc., Kansas City, Mo	5,331.0
Flank Oil Co., DBA, Oriental Refining Co., Denver, Colo	1.0
Flint Chemical Co., Detroit, Mich	52.0
Fort Worth Refining Co., Fort Worth, Tex	2,137.0
Gabriel Oil Co., Houston, Tex	1,000.0
Getty Oil Co., Los Angeles, Calif	11,680.0
Gladieux Refinery, Inc., Fort Wayne, Ind	449.0
Great Northern Oil Co., St. Paul, Minn	7,657.0
Gulf Oil Corp., Pittsburgh, Pa	38,040.0
Hassie Hunt Trust, Dallas, Tex	336.0
Hess Oil & Chemical Corp., Woodbridge, N.J	9,670.0
Howell Refining Co., San Antonio, Tex	1,616.0
Hunt Oil Co., Dallas, Tex	1,675.0
Husky Oil Co., Denver, Colo	[1] 4,941.0
Ida Gasoline Co., Inc., Shreveport, La	155.0
Indiana Farm Bureau Cooperative Association, Inc., Mt. Vernon, Ind	2,297.0
Jet Fuel Refinery, Billings, Mont	20.0
Kentucky Oil & Refining Co., Betsy Layne, Ky	34.0
Kerr-McGee Corp., Oklahoma City, Okla	5,186.0
Kirby Industries, Inc., Houston, Tex	1,097.0
Lakeside Refining Co., Kalamazoo, Mich	808.0
Laketon Asphalt Refining Inc., Evansville, Ind	781.0
Lano Corp., Palestine, Tex	226.0
Leonard Refineries, Inc., Alma, Mich	3,562.0
Little America Refining Co., Cheyenne, Wyo	316.0
Longview Refining Co., Midland, Tex	821.0
Macmillan Ring-Free Oil Co., Inc., Los Angeles, Calif	562.0
Marathon Oil Co., Findlay, Ohio	10,511.0
Marion Corp., Tulsa, Okla	1,568.0
Mid America Refining Co., Inc., Chanute, Kans	515.0
Midland Cooperatives, Inc., Cushing, Okla	2,526.0
Mobil Oil Corp., New York, N.Y	24,200.0
Monsanto Co., Houston, Tex	4,633.0
Morrison Refining Co., Grand Junction, Colo	13.0
Mountaineer Refining Co., La Barge, Wyo	.2
Murphy Oil Corp., El Dorado, Ark	4,153.0
Naph Sol Refining Co., Muskegon, Mich	1,376.0
National Cooperative Refinery Association, McPherson, Kans	4,999.0
Northwestern Refining Co., St. Paul Park, Minn	3,824.0
OKC Corp., Dallas, Tex	2,744.0
Osceola Refining Co., Reed City, Mich	161.0
PPG Industries, Inc., Pittsburgh, Pa	240.0
Panhandle Eastern Pipe Line Co., Kansas City, Mo	893.0
Pennsylvania Refining Co., Butler, Pa	207.0
Pennzoil United, Inc., Houston, Tex	4,169.0
Petroleum Refining Co., Lueders, Tex	444.0
Petroleum Resources Corp., Billings, Mont	98.0
Petrolite Corp., St. Louis, Mo	121.0
Phillips Petroleum Co., Bartlesville, Okla	15,444.0
Quaker State Oil Refining Corp., Oil City, Pa	2,116.0
R.J. Oil & Refining Co., Inc., Terre Haute, Ind	844.0
Rado Refining Co., McAllen, Tex	15.0
Richards, M.T., Inc., Crossville, Ill	53.0
Rock Island Refining Corp., Indianapolis, Ind	3,261.0
Sage Creek Refining Co., Inc., Cowley, Wyo	39.0
Seminole Asphalt Refining, Inc., St. Marks, Fla	545.0
Sequoia Refining Corp., Corpus Christi, Tex	4,501.0
Shell Co., New York, N.Y	22,888.0
Signal Co., Inc., Los Angeles, Calif	7,000.0
Sinclair Oil Corp, New York, N.Y	21,200.0
Somerset Oil, Inc., Somerset, Ky	109.0
Southwestern Oil & Refining Co., Corpus Christi, Tex	5,445.0
Southwestern Pallet Co., Abilene, Tex	23.0
Standard Oil Co. of California, San Francisco, Calif	22,760.0
Standard Oil Co. (Indiana), Chicago, Ill	30,076.0
Standard Oil Co. (New Jersey), New York, N.Y	35,681.0
Standard Oil Co. (Ohio), Cleveland, Ohio	10,250.0
Suburban Propane Gas Corp., Whippany, N.J	509.0
Sun Oil Co., Philadelphia, Pa	19,200.0
Superior Oil Co., Houston, Tex	254.0
Swift & Co., Chicago, Ill. (Bell Oil & Gas Co)	3,658.0
Tenneco Inc., Houston, Tex	7,884.0
Tesoro Petroleum Corp., San Antonio, Tex	1,966.0
Texaco Inc., New York, N.Y	29,094.0
Texas Asphalt & Refining Co., Irving Tex	800.0
Texas Eastern Transmission Corp., Houston, Tex	3,122.0
Texota Oil Co., Houston, Tex	703.0
Three Rivers Refinery, Tulsa, Okla	178.0
Union Oil Co. of California, Los Angeles, Calif	11,933.0
United Refining Co., Warren, Pa	2,633.0
Vermont Gas Systems, Inc., Yazoo City, Miss	1,608.0
Vulcan Asphalt Refining Co., Cordova, Ala	333.0
Warrior Asphalt Co. of Alabama, Inc., Tuscaloosa, Ala	294.0
Western Petrochemical Corp., Chanute, Kans	101.0
Westland Oil Co., Williston, N. Dak	472.0
Wing Corp., Houston, Tex. (Monarch Refining Co.)	407.0
Witco Chemical Corp., New York, N.Y	1,695.0
Wood, Charles J., Petroleum Co., Chicago, Ill	684.0
Yetter Oil Co., Burlington, Iowa	20.0
Total	567,965.2

[1] Includes 494 barrels per day for adjustment for 1968 OIA administrative error.

Note: The above allocations are subject to verification of eligibility and qualified inputs.

TABLE 2.—ALLOCATIONS FOR FINISHED PETROLEUM PRODUCTS OTHER THAN RESIDUAL FUEL OIL, FOR THE PERIOD JAN. 1, 1969, THROUGH DEC. 31, 1969

Authorized importers	Barrels per day
DISTRICTS I TO IV	
Blanchet & Fils, Ltee, Joseph H., Quebec, Canada	2
Castrol Oils, Inc., Newark, N.J	1
Defense Fuel Supply Center, Washington, D.C	21,783
Gulf Oil Corp., Pittsburgh, Pa	1,941
Hess Oil & Chemical Corp., Woodbridge, N.J	[1] 18,136
Irving Pulp & Paper Co., St. John, N.B., Canada	2
Lubrizol Corp., Cleveland, Ohio	1
Mobil Oil Corp., New York, N.Y	18
Pittston Co. (The), New York, N.Y	3,636
Robinson Lumber Co., Aroostock, Maine	1
Royal Petroleum Corp., New York, N.Y	1,052
Shell Cos., New York, N.Y	6,995
Standard Oil Co. of California, San Francisco, Calif	5,193
Standard Oil Co. (New Jersey), New York, N.Y	9,689
Sun Oil Co., Philadelphia, Pa	431
DISTRICTS I TO IV—Continued	
Texaco Inc., New York, N.Y	750
Tropical Gas Co., Inc., Miami, Fla	[2] 522
Union Oil Co., of California, Los Angeles, Calif	4
Total	70,157
DISTRICT V	
Defense Fuel Supply Center, Washington, D.C	3,592
Petrolane Gas Services, Inc., Long Beach, Calif	91
Shell Companies, New York, N.Y	179
Standard Oil Co. of California, San Francisco, Calif	534
Suburban Gas Co., Pomona, Calif	2
Time Oil Co., Los Angeles, Calif	1,916
	6,314

[1] Includes 15,000 barrels per day exports from the Virgin Islands only.

[2] Allocation granted by the Oil Import Appeals Board.

EXHIBIT 2

THE OIL IMPORT PROGRAM AND THE NATIONAL SECURITY, FEBRUARY 17, 1969

WORLD WAR I

After World War I there was a general belief that the United States eventually would be forced to depend upon foreign sources for the bulk of its petroleum. Accordingly, no effort was made to restrict oil imports, which by 1921 had risen to 28 percent of domestic demand. In the late 1920's domestic exploration resulted in the discovery of large reserves and changed the domestic supply-demand balance from shortage to surplus. Excessive domestic production coupled with unrestricted imports led to Federal action in 1932, when there were imposed import duties of 21 cents per barrel on crude oil and residual fuel oil, and duties in excess of $1.00 per barrel on gasoline, motor oil and lubricating oil.

INTER-WAR PERIOD (1930'S)

Import duties proved to be an ineffective barrier to increasing volumes of imported oil. Although excise taxes were at their highest in 1932–1933, the Government, under the National Industrial Recovery Act, imposed mandatory quantitative restrictions on oil imports and domestic production. During the period of the restrictions, the government limited such imports to approximately 4½ percent of 1932 domestic demand. Subsequently the United States became a large exporter reaching a peak of 530 MB/D in 1938. These exports were eroded until the nation became a net importer in 1948, because of large foreign discoveries, particularly in Venezuela and the Middle-East.

The national policy to limit petroleum imports was formulated after long and careful study and consideration as to the impact of imports on the domestic petroleum producing industry and the national security.

WORLD WAR II: PETROLEUM INDUSTRY WAR COUNCIL

During World War II, the Petroleum Industry War Council was created under the Petroleum Administration for War, to act as an advisory body to the Government on problems affecting the oil industry.

At the conclusion of the war, and at the last session of this agency, on October 24, 1945, the following resolution was adopted by that Council.

"Whereas, during the emergency just ended, in order to meet accelerated war requirements, this nation found it necessary to import abnormal quantities of crude oil and refined products from foreign sources; and

"Whereas, the future of the domestic petroleum industry in this country depends on the maintenance of sufficient reserves and the productivity of its many fields, thereby enabling the industry to meet all the requirements incident to an expanding domestic economy; and

"Whereas, the continued importation of large quantities of crude oil and products at prices below the cost of production in this country would have a depressing effect on exploration, development and production in the domestic industry;

"Now, therefore be it resolved, by the Petroleum Industry War Council, assembled on this the 24th day of October, 1945, in Washington, D.C., that it does declare that in the public interest and that in the interest of maintaining national security it should be the policy of this nation to so restrict amounts of imported oil so that such quantities will not disturb or depress the producing end of the domestic petroleum industry, and only such amounts of oil should be imported into this country as is absolutely necessary to augment our domestic production when it is produced under conditions consonant with good conservation practices."

Soon after World War II, Congress began to investigate and give extensive consideration to the effect of foreign oil on the domestic petroleum industry.

CONCLUSIONS OF SPECIAL COMMITTEE INVESTIGATING PETROLEUM RESERVES (1947)

On January 31, 1947, the Special Committee Investigating Petroleum Reserves, set up by the Senate, concluded as follows:

"In the final analysis the reserves within our own borders are more likely than not to constitute the citadel of our defense.

"It follows that nothing should be done to weaken the productive capacity of domestic reserves, and that every possible step should be taken to increase these reserves and continuously to develop them to such a degree as would occasion no regret in the event of war."

The Committee's report went on to say: "This Nation now faces two alternatives:

"Either—

"1. To await with hope the discovery of sufficient petroleum within our boundaries that the military requirements of the future will occasion no concern, and in the meantime to depend upon foreign oil and trust that war will not cut off our imports;

"Or—

"2. To take steps to guarantee a domestic petroleum supply adequate for all eventualities by means of:

"(a) Incentives to promote the search for new "deposits of petroleum within the boundaries of the United States and in the continental shelf; and

"(b) The continuation of the present program looking to the manufacture of synthetic liquid fuels to supplement our domestic crude supply.

"All the facts before us impel the choice of the second alternative."

Congress continued to be concerned with the effect of imports of foreign oil on the national security during the 1950's.

KOREA AND THE DEFENSE PRODUCTION ADMINISTRATION (1953)

In developing a national petroleum imports policy, Congress had the benefit of studies and conclusions of the executive branch, such as the conclusions of the Defense Production Administration, established as a result of the Korean conflict, in January, 1953. Its studies regarding defense matters resulted in a report entitled "Background for Defense, Expanding Our Industrial Might", which stated:

"The machines of peace and war run on petroleum. A program to expand American industry substantially and keep it operating at top capacity requires constantly increasing quantities for fuel, for lubricants, and for many chemicals made from petroleum—everything from toluene for TNT to wax for packagings. Greater industrial activity and peak levels of employment demand more and more gasoline for airplanes, automobiles, trucks, tractors, buses, and more diesel fuel for locomotives.

"The defense program will by 1953 boost our petroleum needs to some 8,200,000 barrels a day as contrasted with 6,800,000 barrels a day used in 1950—a better than 20 percent increase.

"If we are to meet the needs, we shall have to drill more wells each year than ever before in our history. We shall have to expand the refineries where crude oil is made into gasoline and fuel oil and the other finished petroleum products. We shall have to enlarge our transportation facilities to move the crude petroleum to the refineries and the finished products to consumers."

ADVISORY COMMITTEE ON ENERGY SUPPLIES AND RESOURCES POLICY (1954)

On July 30, 1954, the President established an Advisory Committee on Energy Supplies and Resources Policy. The Director of the Office of Defense Mobilization was designated as Chairman and the heads of the following agencies served as members: Departments of State, Treasury, Defense, Justice, Interior, Commerce and Labor. The White House directive respecting the Committee's assignment included the following specific statements:

"At the direction of the President the Committee will undertake a study to evaluate all factors pertaining to the continued development of energy supplies and resources fuels in the United States, with the aim of strengthening the national defense, providing orderly industrial growth, and assuring supplies for our expanding national economy and for any future emergency.

"The Committee will review factors affecting the requirements and supplies of the major sources of energy including: coal (anthracite, bituminous and lignite, as well as coke, coke tars, and synthetic liquid fuels); petroleum and natural gas."

Upon conclusion of its works, the President's Advisory Committee on Energy Supplies and Resources Policy recommended:

"Since World War II importation of crude oil and residual fuel oil into the United States has increased substantially, with the result that today these oils supply a significant part of the U.S. market for fuels.

"The Committee believes that if the imports of crude and residual oils should exceed significantly the respective proportions that these imports of oils bore to the production of domestic crude oil in 1954, the domestic fuels situation could be so impaired as to endanger the orderly industrial growth which assures the military and civilian supplies and reserves *that are necessary to the national defense*. There would be an inadequate incentive for exploration and the discovery of new sources of supply. (Emphasis supplied)

"In view of the foregoing, the committee concludes that *in the interest of national defense* imports should be kept in the balance recommended above. It is highly desirable that this be done by voluntary, individual action of those who are importing or those who become importers of crude or residual oil. The committee believes that every effort should be made and will be made to avoid the necessity of governmental intervention.

"The committee recommends, however, that if in the future the imports of crude oil and residual fuel oils exceed significantly the respective proportions that such imported oils bore to domestic production of crude oil in 1954, appropriate action should be taken."

This report was released on February 26, 1955. As a result of this study the oil importing companies were requested to voluntarily restrict imports of petroleum into the United States on an individual company basis in conformity with the report of the President's Advisory Committee on Energy Supplies and Resources Policy. Meanwhile this whole matter of petroleum imports was being debated in Congress.

SYMINGTON AMENDMENT (1954)

Section 2 of the Trade Agreements Extension Act of 1954 provided that no action was to be taken "to decrease the duty on any article" if the President found that such reduction "would threaten domestic production needed for projected national defense requirements."[1] This amendment was added on the Senate floor after the one-page 1954 Trade Extension Act[2] had passed the House and had been approved by the Senate Finance Committee without amendment.

The section 2 amendment was proposed by Senator Symington and passed the Senate the following day. In the Congressional Record, the Senator briefly expressed his reasons for offering the amendment:[3]

"I plan to offer an amendment, which in effect would require testing tariff decreases against defense requirements.

"I believe it should be mandatory for the

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[1] Act of July 1, 1954, Ch. 445, Sec. 2, 68 Stat 360.

[2] H.R. 9474; H. Rept. No. 1777, 83d Cong., 2d Sess. (1954); S. Rept. No. 1605, 83d Cong., 2d Sess. (1954).

[3] 100 Congressional Record 8599 (1954).

administration to make certain that no tariff should be reduced, whenever such reduction would threaten continued domestic production necessary to meet our projected defense requirements.

"I refer to articles identifiable as necessary for national defense."

In commenting on the favorable amendment, Senator George noted that there would be no objection to the amendment because the President already had the broad power the amendment provided, but such a statement of it would pinpoint it.[4]

The House subsequently modified the Senate security amendment to clarify and improve it.[5] In doing so it insured that an article which is not important for defense, but is a prime part of a defense-essential industry, would be included in the provision. The rewording also insured that the President could exercise discretion in applying the provision.

SECTION 7 OF TRADE AGREEMENTS EXTENSION ACT, 1955

Congress wrote section 7 into the Trade Agreements Extension Act of 1955 (69 Stat. 162). This section, known as the national security amendment, reads as follows:

"In order to further the policy and purpose of this section, whenever the Director of the Office of Defense Mobilization has reason to believe that any article is being imported into the United States in such quantities as to threaten to impair the national security, he shall so advise the President, and if the President agrees that there is reason for such belief, the President shall cause an immediate investigation to be made to determine the facts. If, on the basis of such investigation, and the report to him of the findings and recommendations made in connection therewith, the President finds that the article is being imported into the United States in such quantities as to threaten to impair the national security, he shall take such action as he deems necessary to adjust the imports of such articles to a level that will not threaten to impair the national security."

In adopting the National Security Amendment, the Senate Finance Committee (Rept. 232, 84 Cong., first sess.) stated:

"(9) The committee had before it several proposals dealing with specific commodities, namely petroleum, fluorspar, lead, and zinc. In lieu of specific action on each of these the committee adopted an amendment which specifies that the Director of the Office of Defense Mobilization shall report to the President when he has reason to believe that imports of a commodity are entering the United States in such quantities as to threaten to impair the national security; that the President shall cause an immediate investigation to be made if he feels there is reason for such belief; and that the President, if he finds a threat to the national security exists, shall take whatever action is necessary to adjust imports to a level that will not threaten to impair the national security.

"The committee believes that this amendment will provide a means for assistance to the various national defense industries which would have been affected by the individual amendments presented.

"The White House issued on February 26, 1955, a report based on a study by the President's Advisory Committee on Energy Supplies and Resources Policy which indicates the importance of a strong domestic petroleum industry."

Congress thus provided the necessary tools for the President to use in case the growing tide of petroleum imports did not subside.

Imports of petroleum had been increasing during the years 1949 to 1955 and continued to increase during 1955. As a consequence of the increased level of imports during 1955 and the first half of 1956, as well as projected increase in the level of import schedules for the last half of 1956, the Independent Petroleum Association of America (IPAA) filed a petition on August 7, 1956, requesting action under section 7, the National Security Amendment, of the Trade Agreements Extension Act of 1955 (69 Stat. 162).

Pursuant thereto, the Director of Defense Mobilization held public hearings beginning on October 22, 1956.

Early in December 1956, due to the changed conditions growing out of the Suez crisis, the Director of Defense Mobilization suspended action on the case.

FINDING BY THE OFFICE OF DEFENSE MOBILIZATION 1959

However, on April 23, 1957, upon further review of the oil import situation and projected increases in oil imports, the Director of ODM "advised the President pursuant to section 7 of the Trade Agreements Extension Act of 1955, that he had reason to believe that crude oil is being imported into the United States in such quantities as to threaten to impair the national security."

SPECIAL CABINET COMMITTEE TO INVESTIGATE CRUDE OIL IMPORTS

The growing threat to the domestic petroleum industry as cited by congressional, industrial, and administrative studies, as well as the ODM certification, led to the establishment by the President of the United States on June 26, 1957, of a Special Cabinet Committee to Investigate Crude Oil Imports. This committee was made up of: Sinclair Weeks, Secretary of Commerce, Chairman; John Foster Dulles, Secretary of State; Donald A. Quarles, Secretary of Defense; George M. Humphrey, Secretary of the Treasury; Fred A. Seaton, Secretary of the Interior, and James Mitchell, Secretary of Labor.

COMMITTEE RECOMMENDATIONS

The report of this Committee states, in part:

"In summary, unless a reasonable limitation of petroleum imports is brought about, your committee believes that:

"(a) Oil imports will flow into this country in evermounting quantities, entirely disproportionate to the quantities needed to supplement domestic supply.

"(b) There will be a resultant discouragement of, and decrease in, domestic production.

"(c) There will be a marked decline in domestic exploration and development.

"(d) In the event of a serious emergency, this Nation will find itself years away from attaining the level of petroleum production necessary to meet our national security needs."

EISENHOWER DIRECTIVE (JULY 29, 1957) ESTABLISHING "VOLUNTARY PROGRAM"

On July 29, 1957, President Eisenhower, in a memorandum for the Secretary of the Interior and the Director of the Office of Defense Mobilization, declared: "I have approved the recommendations of the Special Committee to Investigate Crude Oil Imports as set forth in the attached report. I direct you to put these recommendations into effect as rapidly as possible."

Presidential approval of the Special Cabinet Committee's report thus established what became known as the "Voluntary Oil Import Program". This program was put into effect on July 1, 1957.

MANDATORY PROGRAM, MARCH 10, 1959

This voluntary program continued in operation until March 10, 1959, at which time the President established the mandatory oil import program. In contrast to the voluntary program which covered only crude oil imports, the mandatory oil import program covered imports of crude oil and its products and derivatives.

The mandatory program was established after the Director of the Office of Civil and Defense Mobilization, in his memorandum for the President quoted the Secretary of Commerce as follows:

"It is my considered opinion that the present rate of imports of crude oil and its derivatives and products is a major contributing factor in the *decline in drilling operations* both for exploration and development in the search for new oil reserves . . . Continuation of this trend will inevitably result in lowering of our *available reserves.*" (Emphasis supplied)

In the same report, the Director said:

"The consequences would continue to upset a reasonable balance between imports and domestic *production,* with deleterious effect upon *adequate exploration* and the *development* of *additional* reserves which can only be generated by a healthy domestic *production* industry." (Emphasis supplied.)

Thus, the President issued Proclamation No. 3279, dated March 10, 1959, which placed in effect the mandatory oil import program to be administered by the Department of the Interior. Upon issuing this Proclamation the President stated:

"The new program is designed to insure a stable, healthy industry in the United States capable of exploring for and developing new hemisphere reserves to replace those being depleted. The basis of the new program, like that for the voluntary program is the certified requirements of our national security which make it necessary that we preserve to the greatest extent possible a vigorous, healthy petroleum industry in the United States.

"In addition to serving our own direct security interests, the new program will also help prevent severe dislocations in our own country as well as in oil industries elsewhere which also have an important bearing on our own security. Petroleum, wherever it may be produced in the free world, is important to the security, not only of ourselves but also of the free people of the world everywhere.

"During the past few years, a surplus of world producing capacity had tended to disrupt free world markets, and, unquestionably, severe disruption would have occurred in the United States and elsewhere except for cutbacks in United States production under the conservation programs of the various state regulatory bodies.

"The voluntary controls have been and the mandatory controls will be flexibly administered with the twin aims of sharing our large and growing market on an equitable basis with other producing areas and avoiding disruption of normal patterns of international trade."

SECRETARY UDALL'S VIEW, OCTOBER 18, 1967

When former Secretary of Interior Udall testified before the Committee on Finance on October 18, 1967, he emphasized the national security objectives of the Mandatory Oil Import Program in these terms:

"I would like to state here my firm view that, in the present world petroleum situation, oil imports should be controlled in the interests of our national security. I think there has always been a strong case for this and there is today. This is the paramount, the only reason why such imports are controlled. In no sense does this position alter my views with respect to opposing trade barriers generally. But in the case of oil, our security would be jeopardized unless we have a strong, healthy, domestic oil industry, capable of meeting the demands of any conceivable emergency. One only has to look at the Middle East and what happened there a few months ago; Israel had to win or lose a war in a matter of days because of the fact that the mobility of their machines rested on very limited supplies of petroleum and I just use this to underscore what I mean.

"This we could not do if low-cost oil from petroleum-exporting countries were to flood this country, with consequent damage to our own energy-producing industries.

"The relationship between our national security and adequate supplies of oil is clear.

[4] 100 Congressional Record 8873 (1954).
[5] 100 Congressional Record 9114–9115. (1954).

On this score, it suffices to point out that oil is practically the sole source of energy for transportation—both civilian and military, and we are a highly mobile Nation.

"Adequate domestic supplies depend upon exploration and discoveries and these activities will not be carried on in the absence of an adequate market for domestic production."

EXHIBIT 3

HOST GOVERNMENT REVENUES FROM OIL PER BARREL OF PRODUCTION

[Dollars per barrel]

Years	4 Middle East countries [1]	Venezuela
1941–50	0.225	0.526
1951–60	.697	.833
1961–67	.812	.905

[1] Iraq, Kuwait, Saudia Arabia, and Iran.

Source: U.S. Department of the Interior.

EXHIBIT 4

MEMORANDUM: ORGANIZATION OF PETROLEUM EXPORTING COUNTRIES (OPEC)—A SELLER'S CARTEL OF OIL PRODUCING COUNTRIES, MARCH 5, 1969

After World War II, companies extracting oil in the Middle East were placed under great pressure by oil producing countries to subject themselves to a 50 percent income tax. The British Petroleum Company which refused to "voluntarily" submit to this and other pressures saw its property expropriated by the Government of Iran in 1951. Prior to that, the Venezuelan Government in 1948 introduced an income tax law dividing the industries' profits equally between the State and the companies. The 50/50 profit sharing device gained many adherents in other oil producing states. About the same time that the 50/50 profit split became prevalent, oil producing states sought another avenue to increase their revenues from oil production. Oil companies were required to post prices at which they would sell crude oil, and were further required to pay their income tax on the basis of these posted prices.

In 1950, Saudi Arabia became the first to implement the new system, and by 1952 all other important producers in the area had followed suit, with the exception of Iran. These deals proved much more favorable to the governments than even they imagined. In 1950, when the tax agreements were signed, the posted prices were related to the price of oil in the U.S. at the Gulf. At that time, there was a world shortage and the price of refined products was correspondingly high. When, however, a surplus of oil came on the international market in the middle and late fifties and the price of refined products began to fall, the governments refused to allow the posted prices to be reduced. The companies then had to introduce unofficial discounts while continuing to pay their taxes on the basis of higher official posted prices. As a result, the 50/50 profit-split has, in practice, changed into something nearer a 60/40 split.

In 1959–1960, all companies cut their foreign posted prices by 10 to 15 percent. The response of foreign governments was unexpected, sharp and dramatic. Those governments vehemently protested the price reductions and demanded that they be rescinded. They asserted that the oil companies had no right to reduce posted prices without prior government consent. Although the companies stuck to their guns and maintained their reductions, the price of doing so has been high.

On September 5, 1960, the Iraqi government, under General Abdul Kerim Kassem, called a conference of oil producing states in Baghdad. When it opened five days later, in the City Hall, it was found that despite the short notice, the delegates represented the most high-powered collection of senior officials from oil producing states ever brought together around a single table. High officials from Caracas, Iran, Saudi Arabia, Kuwait, and other countries were present. Their aim was to make unilateral price reductions by oil companies impossible in the future. The result of their deliberations was the formation of the Organization of Petroleum Exporting Countries (OPEC), in effect, a producers cartel designed to hold up prices in a falling market, and to harmonize the conflicting interests of its members. Since OPEC was formed, the companies have never tried to reduce their posted prices, even though market conditions have warranted such reductions.

The formation of OPEC united the foreign oil producing nations into a monopsonistic (seller's) cartel, with the expressed goal of preventing any oil company from further reducing its posted prices, has gone even further in its objectives.

In 1965, for example, OPEC resolved to institute *a group boycott* against any company which failed "voluntarily" to accede to changes in concession agreements which were unilaterally demanded and secured by the Government of Libya. OPEC has made it politically impossible for any oil company to consider further reductions in posted prices without prior governmental approval—which simply cannot be had.

That the OPEC nations recognize the difference between tax value and commercial value of oil is clear. In 1964, OPEC, as a bargaining agent for each of its Middle East governments "persuaded"—a better word would be "required"—the companies to amend their concession agreements so that royalties which had previously been creditable against taxes, were required to be deducted against taxes. This resulted in increasing the government's take by one-half the royalty amount, or by 6.25 percent of the posted oil price.

To soften the blow, the governments agreed to allow slight discounts of the posted price which would be phased out gradually. However, when the Suez crisis arose in 1967, Libya exerted pressure requiring that companies immediately eliminate these discounts. This was done on the basis that Libyan crude *had become more valuable* as a result of the closing of the Suez Canal. "More valuable" means they could charge higher prices as the market tightened. There is no question that if the oil import program is abolished, Libya could contend that its oil has become even more valuable and exert still greater pressure to further increase its price.

For certain companies, the further concessions demanded by the Libyan government—pursuant to an amendment to the Libyan petroleum Law made by royal decree on November 20, 1965—more than doubled the amounts they had to pay the Libyan Government on each barrel of oil they exported. Why did these companies accept the 1965 demand? They did so after the Libyan government obtained the approval of its parliament to take whatever action it considered necessary to compel them to accept the ultimatum. The Prime Minister declared that he was prepared to stop exports of any company that would not consent: that is to say, force it out of business in Libya.

There were other sanctions and incentives to back the government's pressure, exerted finally on only six recalcitrant companies, the rest having agreed to alter their concession terms. Libya was considering bids for some further oil concessions that it had to offer, and existing concessionaires were prominent among the many companies interested. The Government made it clear that new concessions would not be granted to any company which did not accept its new formula related to posted prices, both with respect to the concessions they already held, as well as those that might be granted in the future. Moreover, to all concessionaires agreeing to change over, Libya offered a "quit-claim" confirming, without further argument, their income tax returns for previous years over some of which it had threatened to argue very hard indeed. And finally, other governments that are members of OPEC let it be known that they had passed a resolution saying that they would not grant any new concessions in their countries to companies which held out against the new Libyan amendment. When the Libyan Government, with its parliament's consent made the definite threat to stop exports—that is, to act unilaterally in breach of its written contracts—these last recalcitrant companies gave in.

From this moment on, it was only a matter of time until the next "host government" decided to amend its concession terms unilaterally by the same threat of direct action in breach of contract. The doctrine that radicals in such countries have often urged—"legislate, don't negotiate"—had been given a new and considerable boost.

Within a few months, officials in Kuwait, another OPEC member-country, were also threatening to legislate unilaterally. Shortly thereafter the Government of Iran put pressure on the consortium of oil companies responsible for nearly all Iranian production to increase output far more sharply than they had planned. The Shah of Iran hinted ominously at the measures Iran might have to take to protect its national interest if these demands were not met. Before the end of the year, the consortium had agreed: (1) to raise its own output faster than had been planned, (2) to provide the national state-owned company with attractively priced crude that it could sell to Eastern Europe and, (3) to relinquish part of its operating territory several years in advance of the time-table set in the agreement. This is creeping nationalization.

Unilateral actions by all producing countries have become the rule rather than the exception. In 1966, the Government of Syria decided to nationalize 300 miles of pipeline carrying Iraqi oil through its territory. The Government of Iraq, whose oil income was liable to be cut in half by its Arab Socialist neighbors' move, responded by increasing its pressures on companies in its territory to "improve" the financial agreement reached 18 months earlier. In other words, they made these companies pay for their neighbors' illegal act.

In 1966, Venezuela, whose tax payments under the law are based upon actual oil sales realizations, arbitrarily challenged these realizations as being "too low," and after protracted negotiations, extracted some $200 million in back tax payments from producing companies. In addition, the companies had to agree to pay taxes for the future on minimum prices which generally exceed the market value for the crude oil and products sold. The current agreement on minimum prices provides for an annual escalation in the tax-bite regardless of market conditions.

A more recent example of the kind of treatment U.S. companies have received from oil producing nations is the expropriation of the Standard Oil Company of New Jersey's International Petroleum Company by the new military junta in Peru. The military junta, which illegally deposed the elected Government of Peru, has made this American company the whipping boy to stir up nationalist feelings in the country. Almost immediately upon assuming control of the nation's government, the military junta expropriated the International Petroleum Company, without offering a penny of compensation. They then seized all the assets of the company and issued a unilateral and administrative declaration of "no legal title" to the oil fields. Finally, by proclamation

without any judicial determination, the Peruvian authorities had the audacity to claim that the IPC owes Peru $690,524,283 in back taxes. The military government of General Juan Velasco Alvarado is said to have plans to go before the Organization of the American States and accuse the United States of "economic aggression," if the sanctions that are in the Foreign Aid Act and the Sugar Act are applied.

This highanded attitude on the part of the military junta is not an isolated event. The Peruvians claim sovereignty within a 200-mile offshore limit to protect their fishing industry. This is approximately 190 miles more than any other country in the world claims. They shot up American fishing vessels who dared to penetrate the 200-mile limit. Moreover, Peru recently announced a new trade agreement with the Soviet Union, so they could become less dependent upon American aid and trade. The Peruvian actions are indicative of the treatment which American companies have received at the hands of some hot-headed dictators and extremist elements in a number of underdeveloped countries. Such experiences help explain why companies yield to unlawful demands and illegal pressures to pay more than their contracts require.

It is obvious from the actions of the Middle East and other oil producing countries that nationalization of American and other oil companies is being used as a lever to extort exorbitant concessions out of these companies. In several instances outright expropriations have taken place. It is the potential loss of the United States' market and the difficulties of obtaining retail outlets controlled by American companies and shipping subject to American and West European control that prevents expropriations on a mass scale. And only the presence of U.S. productive capacity prevents the wildest kind of price gouging that the oil producing countries could conceive. Let there be no misunderstanding on that point; the oil producing countries have shown a marked disdain for the rights of private property and for the consumer-country interests. Without the existence of U.S. productive capacity, these countries, acting through their cartel, OPEC, would nationalize foreign property, then jack up the prices to the detriment of the U.S. consumer and our nation's balance of payments.

EXHIBIT 5

RETAIL PRICE INDEX FOR GASOLINE, EXCLUDING TAXES, AS COMPARED WITH U.S. CONSUMER PRICE INDEX, 1958-68

[1957-59=100]

	Total United States	Consumer price index
Year:		
1958	99.4	100.7
1959	98.1	101.5
1960	97.2	103.1
1961	95.1	104.2
1962	94.3	105.4
1963	93.1	106.7
1964	92.5	108.1
1965	95.9	109.9
1966	99.9	113.1

EXHIBIT 5—Continued

RETAIL PRICE INDEX FOR GASOLINE, EXCLUDING TAXES, AS COMPARED WITH U.S. CONSUMER PRICE INDEX, 1958-68

[1957-59=100]

	Total United States	Consumer price index
Year:		
1967	104.4	116.2
1968	106.2	121.2

Source: Platt's Oilgram Price Service for Gasoline Price Index; U.S. Department of Labor for U.S. Consumer Price Index.

EXHIBIT 6

RETAIL PRICE OF GASOLINE, EXCLUDING TAXES, 1958-68

[Cents per gallon]

	Total, United States	New England	Midwest
1958	21.47	19.52	21.42
1959	21.18	18.80	21.53
1960	20.99	18.88	21.27
1961	20.53	19.46	21.04
1962	20.36	18.28	20.74
1963	20.11	17.91	20.61
1964	19.98	18.19	19.41
1965	20.70	19.60	21.15
1966	21.57	20.60	22.15
1967	22.55	22.31	23.30
1968	22.93	23.30	23.49
11-year average	21.12	19.71	21.46

Source: Platt's oilgram price service, prices at representative U.S. cities.

EXHIBIT 7

IMPORT QUOTA ALLOCATIONS AS A PERCENTAGE OF REFINERY INPUTS, 1962-69

DISTRICTS I-IV

Average barrels-per-day input	July to December 1962	January to June 1963	July to December 1963	January to June 1964	July to December 1964	January to June 1965	July to December 1965	January to December 1966	January to December 1967	January to December 1968	January to December 1969
0 to 10,000	12.0	12.5	12.5	14.0	15.0	17.0	18.0	18.0	20.0	19.0	19.5
10,000 to 30,000	10.2	10.7	11.5	11.9	11.2	11.6	11.9	11.4	11.4	10.2	11.0
30,000 to 100,000	8.2	8.6	9.2	9.3	8.9	9.2	9.4	8.9	8.0	6.7	7.0
100,000 plus	5.2	5.3	5.4	5.45	5.28	5.53	5.64	5.26	4.28	2.74	3.0
Percentage of last quota under voluntary plan:											
Historic importers	70.0	67.5	65.0	63.0	61.0	59.0	57.0	54.0	51.0	45.0	40.0
Overland importers	70.0	63.75	58.75	55.75	52.75	49.75	46.75	42.25	37.75	33.2	27.25

DISTRICT V

0 to 10,000	52.0	52.0	50.0	52.0	55.0	60.0	53.5	48.5	48.5	45.0	40.0
10,000 to 30,000	34.9	32.0	25.9	29.0	33.0	33.7	25.7	22.0	18.2	11.0	9.3
30,000 to 100,000	15.6	10.5	8.57	9.57	20.0	20.4	14.1	11.9	9.8	5.2	4.3
100,000 plus	11.0	10.5	8.57	9.57	14.08	14.1	9.54	7.3	6.0	2.2	1.9
Percentage of last voluntary quota for historic importers	70.0	67.5	47.0	55.0	53.0	51.0	49.0	46.0	43.0	28.5	23.5

EXHIBIT 8

ESTIMATED NUMBER OF EMPLOYEES IN IMPORTANT SEGMENTS OF THE PETROLEUM INDUSTRY IN 1967

	Crude oil and natural gas production	Petroleum refining	Pipeline transportation
Alabama	360	325	74
Alaska	[1] 1,675	[2]	[2]
Arizona	154	0	32
Arkansas	2,235	1,298	92
California	22,100	25,900	400
Colorado	5,100	400	100
Connecticut	[2]	0	[2]
Delaware	67	1,897	0
Florida	500	150	12
Georgia	11	105	457
Hawaii	[2]	204	[3]
Idaho	1	0	13
Illinois	7,800	8,000	1,100
Indiana	1,200	6,400	200
Iowa	30	0	210
Kansas	10,200	3,700	1,100
Kentucky	2,892	1,061	192
Louisiana	47,300	9,800	950
Maine	[2]	0	166
Maryland	[2]	406	[2]
Massachusetts	2	116	27
Michigan	1,201	1,703	184
Minnesota	66	1,020	300
Mississippi	4,904	827	151
Missouri	100	600	500
Montana	1,558	1,132	150
Nebraska	650	60	140
Nevada	72	6	20
New Hampshire	0	0	12
New Jersey	11	6,500	110
New Mexico	7,248	751	233
New York	1,963	8,645	168
North Carolina	4	8	78
North Dakota	1,284	418	53
Ohio	4,200	5,000	800
Oklahoma	39,600	8,000	2,300
Oregon	[3]	65	[4]
Pennsylvania	3,098	16,270	819
Rhode Island [5]	0	0	1
South Carolina	0	0	40
South Dakota	2	16	53
Tennessee	42	230	34
Texas [6]	97,176	33,502	5,864
Utah	1,002	1,015	52
Vermont	0	0	0
Virginia	107	290	35
Washington	36	1,000	52
West Virginia	3,600	500	200
Wisconsin	4	197	109
Wyoming	5,840	1,740	400
District of Columbia	42	1	0
Total United States	275,437	149,258	17,983

[1] Includes petroleum refining.
[2] Not Available.
[3] Included with petroleum refining.
[4] Included with gas companies and systems.
[5] Data for year 1966.
[6] Data for first 7 months 1967.

AVERAGE CRUDE OIL VALUE PER BARREL AT THE WELL

	1957	1967		1957	1967		1957	1967
Alabama	[1] $2.50	$2.65	Louisiana	$3.32	$3.12	Oklahoma	$3.03	$2.93
Alaska		3.13	Michigan	3.06	2.89	Pennsylvania	4.73	4.49
Arizona	[1] 3.00	2.80	Mississippi	2.91	2.72	South Dakota	[1] 2.40	2.38
Arkansas	2.92	2.70	Missouri	[1] 2.55	[1] 2.50	Tennessee	[1] 3.00	[1] 2.85
California	3.05	2.31	Montana	2.70	2.50	Texas	3.11	3.01
Colorado	3.02	2.29	Nebraska	2.98	2.75	Utah	2.27	2.63
Florida	[1] 2.50	[1] 2.25	Nevada	[1] 3.00	[1] 2.20	Virginia	3.25	[1] 2.45
Illinois	3.12	3.04	New Mexico	2.99	2.92	West Virginia	4.26	4.00
Indiana	3.13	2.98	New York	4.73	4.58	Wyoming	2.66	2.58
Kansas	3.01	3.00	North Dakota	3.13	2.60			
Kentucky	3.13	2.90	Ohio	3.23	3.17	Total United States	3.09	2.92

[1] Estimated by IPAA.

Source: U.S. Bureau of Mines.

EXHIBIT 9

TABLE 4.—TANK CAR PRICES, NO. 2 FUEL (WHOLESALE TO DISTRIBUTOR)

[Cents per gallon]

	New England	Mid-Atlantic	South Atlantic	Midwest	West	Total, United States		New England	Mid-Atlantic	South Atlantic	Midwest	West	Total, United States
1958	10.00	10.10	10.16	10.99	12.13	10.71	1965	9.70	9.75	10.17	9.95	11.37	10.17
1959	10.50	10.54	10.68	10.74	12.32	10.93	1966	10.15	10.20	10.53	10.17	11.33	10.45
1960	9.64	9.72	9.99	10.36	11.70	10.50	1967	10.87	10.79	11.12	10.34	11.58	10.91
1961	10.86	10.87	11.05	10.22	11.45	10.71	1968	11.30	11.16	11.46	10.82	11.83	11.24
1962	10.80	10.72	10.74	10.33	11.33	10.73	Average, 1958–62	10.36	10.39	10.52	10.53	11.79	10.72
1963	9.97	10.02	10.42	10.28	11.41	10.40	Average, 1963–67	10.02	10.04	10.45	10.07	11.39	10.37
1964	9.43	9.46	9.99	9.60	11.28	9.92							

DIFFERENCE—NEW ENGLAND VERSUS OTHER AREA

1958	−0.10	−0.16	−0.99	−2.13	−0.71	1965	−0.05	−0.47	−0.25	−1.67	−0.47
1959	−.04	−.18	−.24	−1.82	−.43	1966	−.05	−.38	−.02	−1.18	−.30
1960	−.08	−.35	−.72	−2.06	−.86	1967	+.08	−.25	+.53	−.71	−.04
1961	−.01	−.19	+.64	−.59	+.15	1968	+.14	−.16	+.48	−.53	−.06
1962	+.08	+.06	+.47	−.53	+.07	Average, 1958–62	−.03	−.16	−.17	−1.43	−.36
1963	−.05	−.45	−.31	−1.44	−.43	Average, 1963–67	−.02	−.43	−.05	−1.37	−.35
1964	−.03	−.56	−.17	−1.85	−.49						

Note: New England includes Portland, Maine; Boston, Mass.; Providence, R.I.; Hartford, Conn.; New Haven, Conn. Mid-Atlantic includes Syracuse, N.Y.; Albany, N.Y.; New York, N.Y.; Montclair, N.J.; Philadelphia, Pa.; Baltimore, Md. South Atlantic includes Washington, D.C.; Richmond, Va.; Wilmington, N.C.; Charleston, S.C.; Jacksonville, Fla. Midwest includes Chicago, Ill.; Detroit, Mich.; Cleveland, Ohio; Minneapolis, Minn.; St. Louis, Mo.; Indianapolis, Ind.; Milwaukee, Wis.; Des Moines, Iowa. West includes San Francisco, Calif.; Portland, Oreg.; Seattle, Wash., and Los Angeles, Calif

Source: Fuel Oil and Oil Heat.

TABLE 5.—TANK WAGON PRICES, NO. 2 FUEL OIL (RETAIL TO CONSUMERS)

[Cents per gallon]

	New England	Mid-Atlantic	South Atlantic	Midwest	West	Total, United States		New England	Mid-Atlantic	South Atlantic	Midwest	West	Total, United States
1958	14.21	13.87	13.79	14.97	14.87	14.40	1965	15.79	15.42	14.72	15.30	15.56	15.35
1959	14.87	14.37	14.36	15.16	15.17	14.87	1966	16.28	15.85	15.22	15.34	15.58	15.62
1960	14.09	13.80	13.72	14.88	15.24	14.41	1967	16.89	16.38	15.83	15.56	15.90	16.05
1961	15.69	15.22	14.97	15.00	15.24	15.21	1968	17.54	17.00	16.31	15.96	15.92	16.44
1962	15.69	15.13	15.06	15.31	15.24	15.28	Average, 1958–62	14.91	14.48	14.38	15.06	15.15	14.83
1963	15.69	15.47	15.06	15.31	15.21	15.34	Average, 1963–67	16.01	15.67	15.00	15.34	15.51	15.49
1964	15.38	15.22	14.16	15.21	15.30	15.07							

DIFFERENCE—NEW ENGLAND VERSUS OTHER AREAS

1958	+0.34	++0.42	−0.76	−0.66	−0.19	1965	+0.37	+1.07	+0.49	+0.23	+0.44
1959	+.50	++.51	−.29	−.30		1966	+.43	+1.06	+.94	+.70	+.66
1960	+.29	++.37	−.79	−1.15	−.32	1967	+.51	+1.06	+1.33	+.99	+.84
1961	+.47	+.72	+.69	+.45	+.48	1968	+.54	+1.23	+1.58	+1.62	+1.10
1962	+.56	+.63	+.38	+.45	+.41	Average, 1958–62	+.43	+.53	−.15	−.24	+.08
1963	+.22	+.63	+.38	+.48	+.35	Average, 1963–67	+.34	+1.01	+.67	+.50	+.52
1964	+.16	+1.22	+.17	+.08	+.31						

Note: New England includes Portland, Maine; Boston, Mass.; Providence, R.I.; Hartford, Conn.; New Haven, Conn. Mid-Atlantic includes Syracuse, N.Y.; Albany, N.Y.; New York, N.Y.; Montclair, N.J.; Philadelphia, Pa.; Baltimore, Md. South Atlantic includes Washington, D.C.; Richmond, Va.; Wilmington, N.C.; Charleston, S.C.; Jacksonville, Fla. Midwest includes Chicago, Ill.; Detroit, Mich.; Cleveland, Ohio; Minneapolis, Minn.; St. Louis, Mo.; Indianapolis, Ind.; Milwaukee, Wis.; Des Moines, Iowa. West includes San Francisco, Calif.; Portland, Oreg.; Seattle, Wash.; and Los Angeles, Calif.

Source: Fuel Oil and Oil Heat.

TABLE 6.—DEALERS' MARGIN, NO. 2 FUEL OIL

[Cents per gallon]

	New England	Mid-Atlantic	South Atlantic	Midwest	West	Total, United States		New England	Mid-Atlantic	South Atlantic	Midwest	West	Total, United States
1958	4.21	3.77	3.63	3.98	2.74	3.71	1965	6.09	5.67	4.55	5.35	4.19	5.18
1959	4.37	3.83	3.68	4.42	2.85	3.94	1966	6.13	5.65	4.69	5.17	4.25	5.17
1960	4.45	4.08	3.73	4.52	3.54	3.91	1967	6.02	5.57	4.71	5.22	4.32	5.14
1961	4.83	4.35	3.92	4.78	3.79	4.50	1968	6.24	5.84	4.85	5.14	4.09	5.20
1962	4.89	4.41	4.32	4.98	3.91	4.55	Average, 1958–62	4.55	4.09	3.86	3.53	4.53	4.11
1963	5.72	5.45	4.64	5.03	3.80	4.94	Average, 1963–67	5.99	5.63	4.55	5.27	5.27	5.12
1964	5.95	5.76	4.17	5.61	4.02	5.15							

DIFFERENCE—NEW ENGLAND VERSUS OTHER AREAS

1958	+0.44	+0.58	+0.23	+1.47	+0.50	1965	+0.42	+1.54	+0.74	+1.90	+0.91
1959	+.46	+.69	−.05	+1.52	+.43	1966	+.58	+1.44	+.96	+1.88	+.96
1960	+.37	+.72	−.07	+.91	+.54	1967	+.55	+1.31	+.80	+1.70	+.98
1961	+.48	+.91	+.05	+1.04	+.33	1968	+.40	+1.39	+1.10	+2.15	+1.04
1962	+.48	+.57	−.09	+.98	+.34	Average 1958-62	+.46	+.69	+1.02	+.02	+.44
1963	+.27	+1.08	+.69	+1.92	+.78	Average 1963-67	+.36	+1.44	+.72	+.72	+.87
1964	+.19	+1.78	−.34	+1.93	+.80						

EXHIBIT 10

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, D.C., February 28, 1969.

To: The Honorable Russell B. Long.
From: Tom Vail.
Subject: Cost of burning fuel oil in public utility plants, by major geographic region.

In accordance with your request, I have asked the Federal Power Commission for statistics concerning the cost of burning fuel oil in public utility plants in the various regions of the United States.

The data sent by the Federal Power Commission on fuel oil burned in 1967 are as follows:

	Average cost per barrel	Average cost cents per million B.t.u.
New England	$1.99	31.80
Southeast	2.05	32.54
Midwest	2.82	44.21
Southwest	2.10	32.89
Far West	2.02	31.58

(The following colloquy, which occurred during the delivery of Mr. LONG's address, is, by unanimous consent printed here at the conclusion of his address.)

Mr. McGEE. Mr. President, would the Senator be willing to yield?

Mr. LONG. Yes; I am happy to yield.

Mr. McGEE. Mr. President, the Senator from Louisiana has cast this question in a broader focus, which I think is important in something that is as personally and emotionally of interest, as this question is. I suppose all of us can understand why the New England area, which our colleagues from that area represent very brilliantly, is so much interested, and that the whole problem of fuel costs is an understandable one. But I think what the Senator has said, about considering the consequences on a much broader vein, and not limiting it to a specific region is most appropriate.

I hope the RECORD will show what this proposal would mean in terms of some of our whole domestic infrastructure, or economic structure.

Would the Senator agree with me that our smaller independent oil refineries in particular would be very materially endangered by this proposal?

Mr. LONG. Mr. President, there is no doubt about it. Without the oil import quota program as we have it presently, a great number of companies—I estimate a hundred independent refineries, and even small refineries owned by major companies—would be put out of business. It is the oil import program that keeps them in business.

As the Senator from Wyoming well knows, one of the reasons why we want them in business is that in the event of a war, we estimate that practically all of the coastal refineries—and we have some coastal refineries in Louisiana—would be destroyed and put out of operation by enemy action. We would have to depend upon the small inland wells and the small inland refineries during the period of the war. That would be particularly the case if the enemy resorted to tactical nuclear weapons, but it could be done even with less than tactical nuclear weapons.

But even if it were not a war situation, but a situation in which we had become completely dependent on cheaper foreign oil as a result of doing away with the oil import program, and then we find that source of supply shut off by another embargo, our planes, our factories, our whole transportation system, would not have the fuel to continue operations.

Mr. McGEE. Is it not also true that in trying to maintain an equitable oil import quota program we are constantly assaulted by piecemeal efforts to disrupt the balance? And is it not true that the moment we nibble at that program with one exception, then another exception, or still another, the real purpose of the quotas is then placed in jeopardy?

Mr. LONG. The Senator is correct. It is all right with me to modify the existing program in a way that would appear to be fair and would treat all competitors equally. I am not opposed to New England having all the refineries that any company wanted to build there. I only ask that New England play by the same ground rules that everybody else does. Someone has suggested that we have a common market with Canada, because Canadian oil—particularly if Canada had a treaty commitment to deliver it to us—could be delivered to us even if we could not get Venezuelan oil. That is all right with me, provided that the Canadians play by the same rules we do.

The Canadians know we have a football league. If we merged our leagues, I would have no objection to playing them, but I would not want to see them play with 12 men on their team.

Mr. McGEE. Some of our teams tried that during the last bowl season.

Mr. LONG. That extra flanker would just kill you, if they have 12 men on the field while you have only 11. It is perfectly all right with me to introduce any reasonable proposal to play the game by the rules which prevail, provided we treat all competitors alike and treat them all fairly.

Mr. McGEE. Probably the situation in my State of Wyoming is far more acute than it is in the Senator's State of Louisiana or other coastal areas that might have refineries. A very large proportion of our exploration activity in the field of oil is undertaken—and, hopefully, with success—by the independent. The independent is a far more marginal participant in our oil-producing economy than are the major companies, for obvious reasons. But in the State of Wyoming, oil production is an overwhelmingly large economic factor. For a State with a population of 330,000 or 340,000, the dimensions of this problem become critical in our view. We are not so fortunate as is Louisiana or as are parts of southern California, where according to a popular TV show some hillbillies can stick a finger in the ground and strike oil.

In Wyoming we have to resort to very deep drilling. It is very expensive, and that makes it almost prohibitive to take the chance. We have marginal operators who are willing to take that chance; but the moment we open up another 100,000 barrels elsewhere, their marginal operation, I am afraid, is economically infeasible and it would have disastrous consequences.

It is not just a question of how we come to grips with the matter of lower fuel costs in New England; it is what, in doing that, we might do to some other area, which might then have economic consequences that would be equally disastrous. Are we then going to have to look from region to region, in an attempt to solve some new problem that has been created because we took one step?

I think it is important that we not make the situation worse elsewhere in order to make one region better. I make the plea for our region of the United States and its current dependents on these marginal exploration activities, which would be jeopardized by the Machiasport proposal.

Mr. LONG. Mr. President, the Senator makes a point which, in my judgment, should be given every consideration by the President and everyone else considering this problem. Probably not one field in Wyoming can compete with Libyan oil. Some of the Libyan fields have a lifting cost of about 5 cents a barrel. Oil cannot be produced in Wyoming for a going price of less than about $3 a barrel.

Mr. McGEE. It is even tough for Wyoming to compete with Louisiana oil.

Mr. LONG. We certainly must recognize the importance of Wyoming for our national survival. Let me point out how enormously important this is.

The oil in Wyoming, small though the wells may be, compared with some of the big ones we have in the tidelands, will be there and will be available to us; and the fact that they are small and are dispersed makes it impracticable for an enemy to knock them out, even in an atomic war.

In a State having the large area of Wyoming, the small wells can provide us with fuel when the big coastal wells are gone. I have shown how easy it would be for submarines or other weapons to knock out the big tidelands wells and how nearly impossible it would be to defend them. Wyoming, by contrast, has small wells and small refineries dispersed throughout the State.

For example, American Oil Co. has a 34,000-barrel refinery at Casper. Empire

State has a 4,000-barrel refinery at Thermopolis. Gordon Refining Co., at Greybull, 300 barrels.

Husky, at Cheyenne, 20,500 barrels. Husky Oil, at Cody, 10,500.

Sage Creek, at Cowley, 500 barrels. Sinclair Refining Co., at Sinclair, 26,000 barrels. Sioux Oil Co., at Newcastle, 7,500. Texaco, at Casper, 20,000.

That does not look like a lot of oil. But when an enemy has knocked out the big refinery we have at Baton Rouge, let us say, and the big refinery we have at Lake Charles, and the big refineries in the Bayonne, N.J., area, and has knocked out the proposed refineries that might be built elsewhere, such as at Machiasport, which are easy coastal targets—when that happens, it will be the small refineries, dispersed across the Nation, on which we will have to rely to see us through to survival.

Moreover, it is the fact that these small refineries are dispersed across the country, and few, if any, could survive if we did not have this oil import quota program. An enemy might be reluctant to knock out the big refineries, because of his awareness that we would still have the small refineries. But if the small refineries go, knocking out the big ones along the seacoast, becomes more advantageous.

If we consider the problem purely on the basis of economics, all the advantages are with refining the cheapest oil, and refining it where the cheapest transportation can be obtained, which would be alongside the few big harbors that can accommodate vessels of 45-foot draft and deeper—vessels which, I may say, even New York Harbor cannot accommodate right now.

If we put the refineries alongside the few big harbors equipped for ships with very deep draft, and bring the oil in where the lowest transportation cost can be had, from the Near East or somewhere else, we must keep two points in mind. First, the foreign government might not be willing to let us have any oil if we had to fight a war. Second, an enemy could cut off the supply anyway, or we could not get the tankers to the refineries because of enemy action.

Mr. McGEE. The Senator is entirely correct. He mentions the small refineries we have in Wyoming; and even the very largest of them are relatively small, They are important to our State, however, and their economic impact at all levels of our life in the State is considerable.

The Senator mentioned one refinery, in particular, that I think helps to explain our concern here today. He mentioned the Mobil refinery at Casper. It is no longer the Mobil refinery. Because of various costs involved in that marginal operation, it was closed down by the Mobil Co., but after much urging, we finally succeeded in getting a Wyoming businessman to take a chance on that operation. It is now a total Wyoming institution. The operator's name is Earl Holding. He runs Little America, which is a motel enterprise. But in the case of this operation, he was willing to take a chance and put his neck out a long way, to try to keep this small refinery going; and he is in the process of doing that now.

The only way that he had even a chance to get the operation going again, and to keep it as a Wyoming enterprise on an independent basis, was due to the success of the import quota arrangement. I am confident that had we not had the stability of that kind of an arrangement, he would not have dared to take the risk in the first place, and if this all comes undone, if it comes unraveled, he will be one of the first forced to go out of business.

I think this matter likewise merits the consideration of Senators from New England. Everyone should consider the consequences for some of the rest of us under this proposal. It is not quite so easy as just deciding that we have a problem in the matter of fuel costs. That is understandable. But what the proposed solution would do to the rest of the country ought to give us all real pause.

Mr. LONG. Mr. President, the proposed Machiasport refinery is estimated to provide 300 to 350 jobs. It will be a very efficient operation, if it is built. As I say, it will be perhaps the largest refinery on the east coast.

But, as I explained in my statement, there is no way on earth we can do this for Occidental without giving similar concessions to Texaco, Gulf, Sinclair, Atlantic, Humble, the Standard Oil family, and others. If we do that, it will mean, for all intents and purposes, that Wyoming, let us say 10 years from now, or 5 years from now, will no longer be an oil-producing and an oil-refining State, and the oil in Wyoming will not be available to us in the event of an emergency. We will not have their refineries, and will not have their wells. They will be closed and sanded over. It would take a lot of reworking to bring them back into operation, and we would not have them for an emergency.

What would that mean to Wyoming? It would mean that Wyoming would lose 5,800 jobs in producing crude oil and natural gas, and would lose 1,740 jobs in the refining of those products.

Wyoming would have a potential loss of 7,500 jobs compared with an immediate gain to Machiasport of let us say, 300 jobs. I would much prefer to pay a premium for Maine lobsters, rather than to see Wyoming put out of business, especially when the Wyoming oil would otherwise be available to see us through an emergency. After all, we cannot say the same things for the Libyan oil. It might well be unavailable to us because the Arabs would not ship it or the Russians could cut it off with their large submarine fleet, in the event we relied upon it.

Mr. McGEE. One other question on the economic issue out in our high-altitude country is what would happen to our exploration activity if the New England proposal were approved. This is exceedingly important to us, and very costly, and very risky. In fact, the high risk element is such that it takes very little to tip the economic scales against it, where it would have to be abandoned.

A considerable part of our State's economy depends not merely upon the work in the fields, not merely upon the refinery itself, but upon the exploratory activity. This activity would go down the drain also. So we must add that to the economic impact of closing down the refineries. When we add it all together, we can begin to measure a very substantial economic disaster that would threaten the high-altitude oil-producing areas of the Rocky Mountain West.

Mr. LONG. Mr. President, my guess would be that if the oil import program were to go by the board, the State which I have the honor to represent in the Senate, the State of Louisiana, could probably stand the impact of that better than almost any other oil-producing State. We are fortunate to have several large tidelands wells. We have big refineries near the coast which enjoy the advantage of cheap transportation and low cost.

The State of Louisiana is in as favorable a position to compete with the world price as is any other oil-producing State in the Nation. By the same token, the first people who would be put out of business if this proposal were to go into effect would be those who would provide our country with fuel in a fight to survive in our Nation.

Wyoming oil and refineries, like Oklahoma oil and refineries and North Dakota oil and refineries, would be the ones that would still be there when the others were destroyed.

It was pointed out in a statement by, I believe, the Governor of Maine, that one big bomb striking Baton Rouge—which is where I happen to live—and one big bomb striking Bayonne, would cause one-third of the oil-refining capacity in this country to be destroyed. That is a correct statement. Many other small refineries in Louisiana would still be in operation because it would be more difficult for the enemy to get to the smaller inland sources of oil.

We have about 270 refineries in this country, and about 10 percent of that number refine well over 50 percent of the oil. But it is the other 90 percent that we should consider. The smaller they are, the more likely they are to be still in operation in the event we have to fight a war for our survival. If they are put out of business, a bigger target will be left for the enemy.

Mr. McGEE. Mr. President, the Senator makes a precise point. For a long time we talked about the strategic deployment of our key industries, and we viewed with very deep concern the fact that part of those strategic industries proliferate in their own immediate environment. Thus we have the southern California complex and the Chicago-Great Lakes-Pittsburgh complex.

In this space age, when we talk about space, sometimes we fail to utilize space to our advantage. We have space in the West—a great deal of it.

I think that this aspect of our dispersal is significant. It ought to be carried much further. We think it would be worth an investment on the part of the national security of our country so that some of the other related strategic industries might be moved into the wide open spaces if for no other reason than to disperse them. We think that this would have a further advantage in that it would tend to draw people out of the areas where problems exist, where people are stacked on top of one another, where we have urban renewal problems and ghetto blight. All of our problems go in that direction, and they all hinge upon dis-

persing the industrial base of the industrial complex.

There is no reason why these refineries should not be used.

Mr. President, I would like to add my voice to that of the distinguished junior Senator from Louisiana in pointing out the disastrous effects which the granting of Machiasport Refinery application would have upon the domestic oil industry, particularly the smaller independent oil operators and producers in the Rocky Mountain West.

I have opposed this application from the time it was made, and I am convinced, that many of those who feel that this proposal should be granted are simply not aware of the basic facts of life in the oil industry.

The issue here is not simply one of whether or not a refinery might be constructed in New England to provide a new source of fuel to that section of the country, but the accomplishment of such an objective calls for the simultaneous granting of a 100,000 barrels-per-day import quota to enable that refinery's operation. Pure and simple, that means that once such a quota were granted, domestic producers would be forced to produce 100,000 barrels per day less than they currently do.

To some people, Mr. President, 100,000 barrels per day might appear to be a drop in the bucket. But those people fail to recognize two basic important facts in the oil production. First, our domestic producers are already operating under an oil import program that over the past few years has been so riddled with special exemptions and grantings of special foreign trade zone applications to accommodate the petro chemical industry that today the oil import program is ramshackle at best and impossible at worst. The further weakening of that oil import quota by the granting of the Machiasport proposal might well be the straw that broke the camel's back.

Second, while it is all very well to believe in and to promote export and import trade—and I count myself among those who believe very strongly in the free trade concept—every barrel of oil which is allowed to come into this country at the cheaper nondomestic cost has the chain-reaction effect of backing domestic oil production right into the ground. This particularly affects the smaller independent operators in my State of Wyoming and the Rocky Mountain West, for how can a man produce and market, on a relatively small investment, a barrel of oil in the State of Wyoming which can be imported in the State of Maine for one-half or less of the cost? The answer is, he cannot.

The granting of the Machiasport application, coupled with the granting of the import license for the oil—when combined with the several other import allocations that have been approved over the past few years—might very conceivably result in a drastic curtailment of the exploration and production of domestic oil. Not only would it disrupt and penalize the very livelihood of many of our citizens in the Rocky Mountain West, but it may sound the death knell of all domestic production. Domestic production, Mr. President, can take place only under an orderly oil import program. And the destruction of that program, which is inherent in the Machiasport proposal, means the destruction of the domestic industry.

I understand the sentiments which have aroused the strong feelings among my New England colleagues, but I suggest, Mr. President, that in this case there is more at stake than the problems of a geographic region of the United States. The issue here simply cannot be regionalized for it affects not only Maine, not only New England, not only the oil-producing States all across the country, but the economic well-being of a large industry whose economic health directly affects millions of Americans in all walks of life.

I cannot emphasize too strongly my opposition to this proposal and commend the Senator from Louisiana for the thoughtful presentation he has made on this issue here today.

Mr. LONG. Mr. President, since the Senator from Wyoming has raised that point, I ask unanimous consent to have printed in the RECORD a list which I have prepared of the inland refineries to show where they are located, and a second list showing where the coastal refineries are located.

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

INLAND REFINERIES—BY STATE, REFINERY, AND CAPACITY

[Capacity in barrels per day]

State and refinery	Location	Crude oil capacity
Alabama:		
Cracker Asphalt Co	Moundsville	2,000
Hunt Oil Co	Tuscaloosa	9,000
Vulcan Asphalt Refining Co	Cordova	3,000
Warrior Asphalt Co	Holt	1,700
Arkansas:		
American Oil Co	El Dorado	43,000
Berry Petroleum Co	Stephens	2,000
Do	Waterloo	1,500
Cross Oil & Refining Co., of Arkansas	Smackover	3,500
MacMillan Ring-Free Oil Co., Inc	El Dorado	36,000
California:		
Kern County Refinery, Inc	Bakersfield	11,000
Mohawk Petroleum Corp	do	17,000
Palomar Oil & Refining Corp	do	
Signal Oil and Gas Co	do	22,000
Standard Oil Co. of California	do	26,000
Sunland Refining Corp	do	5,300
Colorado:		
American Gilsonite Co	Fruita	4,180
Continental Oil Co	Denver	19,500
Do	do	5,000
Lubco Oil & Refining Co	Rangely	5,000
Morrison Refining Co	Grand Junction	700
Oriental Refining Co	Denver	
Tenneco Oil Co	do	11,000
Illinois:		
American Oil Co	Wood River	86,500
Clark Oil & Refining Corp	Blue Island	57,000
Clark Oil & Refining Corp. (formerly Sinclair Refining Co.)	Hartford	29,500
Marathon Oil Co	Robinson	68,250
Mobil Oil Corp	East St. Louis	50,000
Pana Refining Co	Pana	6,000
Richards, M. T., Inc	Crossville	240
Shell Oil Co	Wood River	194,000
Texaco, Inc	Lawrenceville	81,000
Do	Lockport	72,000
Union Oil Co. of California	Lemont	53,000
Wireback Oil Co	Plymouth	1,200
Yetter Oil Co	Colmar	1,000
Indiana:		
American Oil Co	Whiting	241,000
Cities Service Oil Co	East Chicago	56,000
Gladieux Refinery, Inc	Fort Wayne	3,000
Indiana Farm Bureau Cooperative Association, Inc	Mount Vernon	12,500
Laketon Asphalt Refining Co	Laketon	5,500
Mobil Oil Corp	East Chicago	43,000
R. J. Oil & Refining Co., Inc	Princeton	4,500
Rock Island Refining Corp	Indianapolis	22,000
Sinclair Refining Co	East Chicago	113,000
Somerset Oil, Inc	Troy	
Witco Chemical Co., Inc	Hammond	10,000
Kansas:		
American Oil Co	Neodesha	30,800
American Petrofina Co. of Texas	El Dorado	22,500
APCO Oil Corp	Arkansas City	19,000
Century Refining Co	Shallow Water	4,310
CRA, Inc	Coffeyville	28,500
Do	Phillipsburg	16,500
Derby Refining Co	Wichita	22,100
Mid-America Refining Co., Inc	Chanute	3,000
Mobile Oil Corp	Augusta	46,000
National Cooperative Refinery Association	McPherson	40,000
Phillips Petroleum Co	Kansas City	85,000
Skelly Oil Co	El Dorado	65,000
Kentucky:		
Ashland Oil & Refining Co	Catlettsburg	107,000
Kentucky Oil & Refining Co	Betsy Layne	500
Louisville Refining Co., Inc	Louisville	20,000
Somerset Oil, Inc	Somerset	1,500
Louisiana:		
Inland:		
Atlas Processing Co	Shreveport	18,500
Bayou State Oil Corp	Hosston	1,000
Calumet Refining Co., a division of Calumet Industries, Inc	Princeton	2,150
Cotton Valley Solvents Co	Cotton Valley	8,000
Ida Gasoline Co., Inc	Hosston	1,200
Michigan:		
Bay Refining Co	Bay City	15,000
Crystal Refining Co	Carson City	3,000
Delta Terminal Co	Rapid River	
Lakeside Refining Co	Kalamazoo	3,500
Leonard Refineries, Inc	Alma	27,750
Do	Mount Pleasant	
Marathon Oil Co	Detroit	45,000
Mobil Oil Corp	Trenton (Woodhaven)	40,700
Naph-Sol Refining Co	Muskegon	10,000
Osceola Refining Co	West Branch	2,500
Petroleum Specialties, Inc	Flat Rock	
Minnesota:		
Great Northern Oil Co	Pine Bend	62,300
International Refineries, Inc. (subsidiary of Continental Oil Co.)	Wrenshall	16,800
Northwestern Refining Co	St. Paul Park	44,000
Mississippi:		
Lamar Refining Co	Lumberton	1,000
Southland Oil Co	Crupp (Yazoo City)	2,000
Do	Sandersville (Rogerslaw)	6,000
Missouri: American Oil Co	Sugar Creek	83,000
Montana:		
Big West Oil Co. of Montana	Kevin	2,850
Continental Oil Co	Billings	42,000
Diamond Asphalt Co	Chinook	1,500
Farmers Union Central Exchange, Inc	Laurel	26,000

INLAND REFINERIES—BY STATE, REFINERY, AND CAPACITY—Continued

[Capacity in barrels per day]

State and refinery	Location	Crude oil capacity
Montana—Continued		
Humble Oil & Refining Co	Billings	39,000
Jet fuel refinery	Mosby	450
John Wight Inc	Hardin	
Do	Shelby	
Phillips Petroleum Co	Great Falls	4,500
Tesoro Petroleum Corp	Wolf Point	2,200
Union Oil Co. of California	Cut Bank	3,800
Nebraska: CRA, Inc	Scottsbluff	4,000
Nevada:		
Nevada Refining Co	Ely	1,250
Humble Oil & Refining Co	Linden	157,000
New Mexico:		
Beeline Refining Co	Farmington	1,000
Caribou-Four Corners Oil Co	do	1,500
Continental Oil Co.:		
Artesia No. 8	Artesia	5,000
Artesia No. 10	do	11,500
Famariss Oil & Refining Co	Monument	4,500
Plateau, Inc	Bloomsfield	2,200
Shell Oil Co	Ciniza (Gallup)	14,000
New York:		
Frontier Oil Refining Corp. (a division of Ashland Oil & Refining Co.).	Tonawanda (Buffalo)	37,500
Mobil Oil Corp	Buffalo	38,000
North Dakota:		
American Oil Co	Mandan	50,000
Westland Oil Co	Williston	5,000
Ohio:		
East:		
Ashland Oil & Refining Co	Canton	41,500
Union Oil Co. of California (formerly Pure Oil Co.).	Newark	24,000
Western Reserves Refining Co. (a division of Ashland Oil & Refining Co.).	Niles	
West:		
Ashland Oil & Refining Co	Findlay	
Chevron Asphalt Co	Cincinnati	12,500
Gulf Oil Corp	Cleves (Cincinnati)	40,000
Do	Toledo	46,800
Standard Oil Co. of Ohio	Lima	56,000
Do	Toledo	116,500
Sun Oil Co	do	112,000
Union Oil Co. of California (formerly Pure Oil Co.).	Oregon (Toledo)	30,000
Oklahoma:		
Allied Materials Corp	Stroud	4,500
APCO Oil Corp	Cyril	10,000
Bell Oil & Gas Co	Ardmore	27,000
Champlin Petroleum Co	Enid	34,000
Continental Oil Co	Ponca City	77,500
Kerr-McGee Corp	Cleveland	
Do	Cushing	14,000
Do	Wynnewood	24,000
Midland Cooperative, Inc	Cushing	16,000
Okmulgee Refining Co., Inc	Okmulgee	17,000
Sequoia Refining Corp	Ponca City	35,000
Sunray DX Oil Co	Duncan	45,000
Do	Tulsa	90,000
Texaco, Inc	Tulsa	47,000
Tonkawa Refining Co	Arnett	7,500
Trumbull Asphalt Co	Oklahoma City	
Oregon: Chevron Asphalt Co	Portland (Willbridge)	12,0
Pennsylvania:		
West:		
Kendall Refining Co. (a division of Witco Chemical Co., Inc.).	Bradford	5,600
Pennsylvania Refining Co	Karns City	1,400
Pennzoil Co	Oil City (Rouseville)	10,000
Quaker State Oil Refining Corp	Emlenton	3,100
Do	Farmers Valley (McKean)	4,100
United Refining Co	Warren	16,500
Valvoline Oil Co. (a division of Ashland Oil & Refining Co.).	Freedom	5,500
Witco Chemical Co., Inc. (Sonneborn Division)	Franklin	2,000
Wolf's Head Oil Refining Co., Inc	Reno	2,200
Tennessee: Delta Refining Co	Memphis	25,500
Texas:		
Inland:		
Adobe Refining Co. (formerly Premier Oil Refining Co. of Texas).	Abilene	5,850
Adobe Refining Co	La Blanca	5,000
American Petrofina Co. of Texas	Mount Pleasant	26,000
Anderson Refining Co	Tucker (Palestine)	1,300
Chevron Oil Co., Western Division	El Paso	65,000
Cosden Oil & Chemical Co	Abilene-Hawley	
Do	Big Spring	31,500
Do	Colorado City	13,500
Danaho Refining Co	Pettus	
Diamond Shamrock Corp. (formerly Shamrock Oil & Gas Corp.).	Sunray	34,500
Flint Chemical Co	San Antonio	786
Fort Worth Refining Co. (formerly Premier Oil Refining Co. of Texas).	Fort Worth	12,000
Howell Refining Co	San Antonio	3,500
La Gloria Oil & Gas Co	Tyler	24,000
Longview Refining Co. (formerly Premier Oil Refining Co. of Texas).	Longview	4,500
Monarch Refining Co	San Antonio	3,900
Petroleum Refining Co	Lueders	2,278
Phillips Petroleum Co	Borger	85,000
Rado Refining Co	McAllen	1,250
Shell Oil Co	Odessa	24,500
Tesoro Petroleum Corp	Carrizo Springs	3,200
Texaco Inc	Amarillo	19,000
Do	El Paso	16,000
Texas Asphalt & Refining Co	Irving	2,000
Three Rivers Refinery	Three Rivers	1,200
Tydal Co	Gainesville	2,000
Utah:		
American Oil Co	Salt Lake City	37,600
Beeline Refining Co	North Salt Lake	7,500
Caribou-Four Corners Oil Co	Woods Cross	3,500
Chevron Oil Co., Western Division	Salt Lake City	43,000
Phillips Petroleum Co	Woods Cross	20,000
West Virginia:		
Elk Refining Co	Falling Rock	4,000
Quaker State Oil Refining Corp	St. Marys (Ohio Valley)	5,000
Wisconsin:		
Empire Petroleum Co	Sheboygan	
Murphy Oil Corp	Superior	21,000
Wyoming:		
American Oil Co	Casper	34,000
Empire State Oil Co	Thermopolis	4,000
Gordon Refining Co	Greybull	300
Husky Oil Co, Frontier Division	Cheyenne	20,500
Husky Oil Co	Cody	10,500
Mobil Oil Corp	Casper	
Sage Creek Refining Co., Inc	Cowley	500
Sinclair Refining Co	Sinclair	26,000
Sioux Oil Co	Newcastle	7,500
Texaco, Inc	Casper	20,000

Source: U.S. Bureau of Mines.

COASTAL REFINERIES—BY STATE, REFINERY AND CAPACITY

[Capacity in barrels per day]

State and refinery	Location	Crude oil capacity
Alabama:		
Alabama Refining Co., Inc	Theodore	10,000
Chevron Asphalt Co	Mobile (Blakely Island)	6,000
Alaska: Standard Oil Co. of California	Kenai	20,000
California:		
Atlantic Richfield Co	Wilmington	165,000
Beacon Oil Co. (formerly Caminol Co.)	Hanford	11,500
Douglas Oil Co. of California	Paramount	24,000
Do	Santa Maria	6,000
Edington Oil Refineries, Inc	Long Beach	16,000
Edington Oxnard Refinery	Oxnard	2,500
Fletcher Oil & Refining Co	Wilmington	9,600
Golden Bear Oil Co	Oildale	11,000
Golden Eagle Refining Co., Inc	Torrance	9,000
Gulf Oil Corp	Santa Fe Springs	46,900
Lunday-Thagard Oil Co	South Gate	3,000
MacMillan Ring-Free Oil Co., Inc	Long Beach	10,000
Mobil Oil Corp	Torrance	110,000
Newhall Refining Co., Inc	Newhall	6,500
Phillips Petroleum Co	Martinez	120,000
Powerine Oil Co	Santa Fe Springs	23,000
Sequoia Refining Corp	Hercules	25,000
Shell Oil Co	Martinez	86,000
Do	Wilmington	83,000
California—Continued		
Standard Oil Co. of California	El Segundo	150,000
Do	Richmond	190,000
Texaco, Inc	Wilmington	60,000
Union Oil Co. of California	Arroyo Grande	33,000
Do	Rodeo	56,000
Do	Wilmington	101,000
U.S. Oil & Refining Co	Long Beach	
Utility Refining Co	Ventura	8,200
West Coast Oil Co	Oildale	3,000
Delaware:		
Getty Oil Co. (formerly Tidewater Oil Co.)	Delaware City	140,000
Texaco, Inc	Claymont	
Florida: Seminole Asphalt Refining, Ltd	St. Marks	3,300
Georgia:		
American Oil Co	Savannah	6,600
Cracker Asphalt Corp	Douglasville	2,000
Hawaii: Standard Oil Co. of California	Honolulu	35,000
Louisiana:		
Gulf:		
Canal Refining Co	Church Point	1,600
Cities Service Oil Co	Lake Charles	185,000
Continental Oil Co	do	66,50
Evangeline Refining Co., Inc	Jennings	2,50

COASTAL REFINERIES—BY STATE, REFINERY AND CAPACITY—Continued

[Capacity in barrels per day]

State and refinery	Location	Crude oil capacity
Louisiana—Continued		
Gulf—Continued		
Good Hope Refineries, Inc.	Good Hope	6,500
Gulf Oil Corp.	Venice	20,300
Humble Oil & Refining Co.	Baton Rouge	419,000
Murphy Oil Corp.	Meraux	29,000
Shell Oil Co.	Norco	170,000
Tenneco Oil Co.	Chalmette	68,000
Texaco Inc.	Convent	110,000
Maryland:		
American Oil Co.	Baltimore	12,000
Chevron Asphalt Co.	Baltimore (Fairfield)	8,000
Mississippi:		
Gulf Oil Corp.	Purvis	23,800
Standard Oil Co. (Kentucky)	Pascagoula	133,000
New Jersey:		
Chevron Oil Co.	Perth Amboy	80,000
Cities Service Oil Co.	Linden	
Hess Oil & Chemical Corp.	Port Reading (Sewaren)	67,900
Humble Oil & Refining Co.	Bayonne	30,000
Do.	Linden	157,000
Metropolitan Petroleum Co. (a division of the Pittston Co.)	Bayonne	
Mobil Oil Corp.	Paulsboro	79,000
Texaco Inc.	Westville	85,000
New York: Mobil Oil Corp.	Brooklyn	
Pennsylvania:		
East:		
Atlantic Richfield Co.	Philadelphia	155,000
Gulf Oil Corp.	do.	158,300
Sinclair Refining Co.	Marcus Hook	100,000
Sun Oil Co.	do.	153,000
Rhode Island:		
Mobil Oil Corp.	East Providence	7,500
Texaco In.	Providence	
Texas:		
Gulf:		
Adobe Refining Co. (formerly Premier Oil Refining Co., of Texas).	Brownsville	
American Oil Co.	Texas City	241,000
Atlantic Richfield Co.	Atreco (Port Arthur)	84,000
Bayou Refining Co., Inc.	Pasadena	7,200
Coastal States Petrochemical Co.	Corpus Christi	80,000
Crown Central Petroleum Corp.	Pasadena	40,000
Eddy Refining Co.	Houston	2,500
Gulf Oil Corp.	Port Arthur	293,000
Hess Oil & Chemcial Corp.	Corpus Christi	55,000
Howell Refining Co.	do.	10,000
Humble Oil & Refining Co.	Baytown	340,000
Marathon Oil Co.	Texas City	47,000
Mobil Oil Corp.	Beaumont	280,000
Monsanto Chemical Co.	Chocolate Bayou	34,000
Do.	Texas City	
Phillips Petroleum Co.	Sweeny	95,000
Pontiac Refining Corp.	Corpus Christi	52,500
Shell Oil Co.	Deer Park (Houston)	155,000
Signal Oil & Gas Co.	Houston	72,000
Sinclair Refining Co.	do.	200,000
Southwestern Oil & Refining Co.	Corpus Christi	43,500
Suntide Refining Co.	do.	45,000
Texaco, Inc.	Port Arthur	310,000
Do.	Port Neches	45,000
Texas City Refining, Inc.	Texas City	52,500
Union Oil Co. of California (formerly Pure Oil Co.).	Nederland	95,000
Union Texas Petroleum (a division of Allied Chemical Corp.).	Winnie	8,500
Virginia: American Oil Co.	Yorktown (Goodwin Neck).	43,600
Washington:		
Mobil Oil Corp.	Ferndale	45,000
Shell Oil Co.	Anacortes	84,000
Sound Refining, Inc.	Tacoma	4,500
Texaco, Inc.	Anacortes	60,000
U.S. Oil & Refining Co.	Tacoma	12,500
Puerto Rico:		
Caribbean Gulf Refining Corp.	Bayamon	37,800
Commonwealth Oil Refining Co., Inc.	Penuelas	115,000

Mr. LONG. Mr. President, in my judgment the refineries that are listed in the first tabulation—the inland refineries—are all vulnerable, if the import program is destroyed, with the possible exception of one or two of the larger ones. I would say that every one having a capacity of 50,000 barrels or less would be threatened without the oil import program. The American Oil Co. refinery at Mandan, N. Dak., has a capacity of 50,000 barrels. The Westland Oil Co. refinery, Williston, N. Dak., has a capacity of only 5,000 barrels.

I note that Alabama has some small refineries which could be important to our national defense and our national survival. Alabama has the Cracker Asphalt Co. at Moundsville, the Hunt Oil Co., at Tuscaloosa, the Vulcan Asphalt Refining Co. at Cordova, and the Warrior Asphalt Corp. at Holt.

Those companies together represent a considerable amount of employment. Their capacity, individually or even collectively, is not large. However, it could prove to be very important in the event of an emergency. In fact, during the two Arab boycotts in the last 10 years, these independents were the workhorses, which heated the homes in New England, and even supplied fuel to Great Britain.

Mr. STEVENS. Mr. President, it is with great interest and appreciation that I listen to the remarks of the Senator from Louisiana (Mr. LONG). The Machiasport project involves questions of the most serious nature—questions of economic policy and national security. The Senator has presented these questions in a clear and forthright fashion. I commend him for raising this subject.

I was particularly struck by his warning that approval of the construction of a refinery at Machiasport to process foreign oil for the domestic market could begin a process which might well end ultimately in the Balkanization of the American economy.

I too am opposed to such a Balkanization.

If we are to have a trade policy, let us have a national trade policy. If we are to have free trade for one, let us have free trade for all. If we are to protect the regional industries of one part of the country from foreign competition, let us protect equally the regional industries of the other parts of the Nation.

Construction of the Machiasport refinery will give a very definite trade advantage to the oil users of one section of this Nation, an advantage not to be shared by the other sections of our Nation, an advantage dearly bought. I say dearly bought because cheap foreign oil will cost many jobs, many thousands of jobs, in the oilfields, the steel companies, the heavy equipment producers who benefit from a healthy domestic oil industry.

I would like to raise a point which I do not believe the Senator has covered. The Northern States pay less in wholesale prices for their oil than do the Mid-Atlantic and South Atlantic States. They will, if Machiasport is approved, at least initially pay even less for its oil. To obtain these lower prices, we are asked, in essence, to junk our oil quota system. This system has served us well. It has been in part responsible for the vigorous growth and healthy condition of the domestic American oil industry. How important this industry has become is seen in my own State of Alaska where the development of the Kenai-Cook Inlet oil fields plus the extraordinary discoveries on the North Slope mean that at last the State of Alaska has hopes of becoming economically strong, able to cope with the great poverty of its native people, to build roads it does not have, to improve the communications it so badly needs, to move forward together with our sister States as a full and equal member of the Union into the last quarter of the 20th century.

This is threatened by the importation of cheap Libyan oil. It is cheaper, at least in the short run, to drill and produce oil in Libya than it is in Alaska. As we learned so well during the Suez crisis in 1956 and the Arab-Israeli war of last year, it may be cheaper but it is not secure. Many Presidents and many Congresses have recognized the importance of having secure, accessible and sufficient quantities of domestic oil. So, this is a matter of national security. It is also a matter of domestic justice.

Mr. President, I ask unanimous consent that a table may be made a part of the RECORD at this point. This is a table of New England's manufacturing industries listed in rank of their relative importance to the area. The table was prepared by the Federal Reserve Bank of Boston for inclusion in an article published in the New England Business Review by Norman S. Fieleke.

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

TABLE 1.—*New England manufacturing industries included in this study*

[Value added as percent of all value added in New England manufacturing]

Industry:	
1. Aircraft and parts	6.6
2. Communication equipment	3.9
3. Metalworking machinery	3.7
4. Electronic components	3.0
5. Nonferrous rolling and drawing	3.0
6. General industrial machinery	2.9
7. Footwear except rubber	2.8
8. Cutlery, hand tools, hardware	2.6
9. Special industry machinery	2.6
10. Paper mills, except building	2.4
11. Ship and boat building	1.8
12. Cleaning and toilet goods	1.7
13. Lighting and wiring devices	1.7
14. Newspapers	1.7
15. Paper and paperboard products	1.7
16. Dairies	1.6
17. Rubber products, n.e.c	1.5
18. Electrical distribution products	1.4
19. Plastic products, n.e.c	1.4
20. Jewelry and silverware	1.4
21. Mechanical measuring devices	1.4
22. Commercial printing	1.3
23. Costume jewelry and notions	1.2
24. Women's and misses' outerwear	1.2
25. Bakery products	1.1
26. Screw machine products, bolts, etc	1.1
27. Paperboard containers and boxes	1.1
28. Office machines, n.e.c	1.0
29. Miscellaneous textile goods	.9
30. Weaving, finishing mills, wool	.9
31. Toys and sporting goods	.9
32. Household furniture	.8

Mr. STEVENS. The burden of Mr. Fieleke's article is summed up by his sentence:

> There are only a few major New England industries which experience substantial import competition, and they account for a much smaller share of New England's manufacturing output and employment than the industries with large exports. In fact, for the great majority of industries, accounting for about four-fifths of the New England output of the 32 industries studied the value of U.S. exports exceeds the value of competing imports into the U.S.

Of the 32 industries included in the table, competing imports into the United States account for less than 2 percent of the value of U.S. shipments of these industries. In fact, imports as a percent of U.S. shipments exceed 5 percent in only five of the 32 industries listed—textile goods, silverware, costume jewelry, weaving and finishing mills, and toys. Imports of textile goods in 1965 were 20 percent of U.S. shipments, silverware, 17 percent; costume jewelry, 10 percent; wool, 9 percent; toys 6 percent. All the other major industries of New England had less than 5 percent competition from foreign imports.

Of course, not one of these industries has major competition in Alaska. Alaska does not make silverware, aircraft, communications, footwear, or silverware. But Alaska does produce oil.

What is the import situation regarding oil? As the Senator has pointed out, oil imports now—even without the Machiasport refinery—constitute about 25 percent of domestic crude oil and natural gas liquid production. One-quarter of the oil and gas used in the United States comes from abroad—even without Machiasport.

It is true, the oil import system for reasons of national security as well as domestic, economic stability restrict the level of foreign imports. But oil is not the only industry so protected. Take a look at the 32 industries on our list. The so-called voluntary agreement on textiles covers a wide range of cotton products manufactured not only in the North but in many other States as well. This nontariff barrier to trade protects the American cotton textile industry. It is my understanding that efforts are afoot to extend this agreement to wool and manmade fibers as well.

Tariff quotas have been established on a number of items as a result of escape clause actions resulting from studies of the Tariff Commission and the approval of the President. Such a study of stainless steel flatware led to the imposition of tariff quotas. Such a study of carpets led to the imposition of tariffs. Such a study of watches led to the imposition of tariffs.

Furthermore, when it came time to renegotiate the GATT, certain products were exempted from tariff reductions. These products included wool textiles, footwear, leather products, ceramics, glassware, jewelry, electrical instruments, tobacco, and watches. In addition, the so-called American standard price, still in existence, has for years served to protect certain sections of the chemical industry.

As an example of the many laws now on the books which serve to protect or promote regional business and economic interests, I ask unanimous consent that a list prepared for me by the Library of Congress may be made a part of the RECORD at this point.

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

Foreign Trade:

1. Anti-Dumping Act of 1921 (19 U.S.C. 160).
2. Tariff Act of 1930 (19 U.S.C. 1202).
3. Buy American Act of 1933 (41 U.S.C. 10).
4. Trade Expansion Act of 1962 (19 U.S.C. 1801).
5. Agricultural Adjustment Act of 1933. Sec. 22—limiting agricultural imports (7 U.S.C. 624).
6. Webb-Pomerene Act of 1918—anti-trust exemptions for export associations (15 U.S.C. 61).

Agriculture:

7. Principal laws concerned with the stabilization of farm prices and income:

Agricultural Adjustment Act of 1933 (7 U.S.C. 601).

Agricultural Adjustment Act of 1938 (7 U.S.C. 1281).

Commodity Credit Corporation Act of 1948 (15 U.S.C. 714).[1]

Agricultural Act of 1949 (7 U.S.C. 1421).

Food and Agriculture Act of 1962 (7 U.S.C. 1441).

Food and Agriculture Act of 1965 (7 U.S.C. 1306, 1838).

8. Capper Volstead Act of 1922—antitrust exemption for agricultural cooperatives (7 U.S.C. 291, 292).

Ocean Shipping and Fisheries:

9. Merchant Marine Act of 1936—shipping subsidies (46 U.S.C. 1151).
10. Shipping Act of 1916—antitrust exemptions (46 U.S.C. 814).
11. Fisheries Cooperative Marketing Act of 1934—antitrust exemptions (15 U.S.C. 522).

Labor:

12. Fair Labor Standards Act of 1938 (29 U.S.C. 201).
13. National Labor Relations Acts of 1935 and 1947 (29 U.S.C. 141).
14. Railway Labor Act of 1926 (45 U.S.C. 151).

Small Business:

15. Small Business Act of 1953 (15 U.S.C. 631).
16. Small Business Investment Act of 1958 (15 U.S.C. 661).
17. Small Business Set-Aside Program—Section (15) of the Small Business Act (15 U.S.C. 637).

Regional Development:

18. Tennessee Valley Authority Act of 1933 (16 U.S.C. 831).
19. Rural Electrification Act of 1936 (7 U.S.C. 901).
20. Area Redevelopment Act of 1961 (42 U.S.C. 2501).[3]
21. Public Works and Economic Development Act of 1965 (42 U.S.C. 3121).
22. Appalachian Regional Development Act of 1965 (40 U.S.C. Appendix A).

Housing:

23. Federal Housing Administration Home Mortgage Insurance Program (12 U.S.C. 1707).
24. Veterans Administration Home Mortgage Insurance Program (38 U.S.C. 1801).[4]

Mr. STEVENS. It is interesting, Mr. President, how many of these acts, how many of these agreements, how many of these escape clause actions, have served to benefit industry in the areas which now seek to undermine the oil import system.

There is an aspect of the oil quota program which serves to protect and encourage the development of a domestic oil industry. Alaska has benefited and will benefit from the contribution of this program. My point today is a simple one.

Fair is fair. Regional industry has repeatedly been encouraged and strengthened under an umbrella of protection throughout the history of the United States. I do not believe any region of the United States can expect to have it only one way—protective tariffs and nontariff barriers for its industries and free trade for the products it consumes.

Arguments may be made for the benefits of free trade. Arguments can be made for protection. I do not believe that an argument can be made for regional protectionalism.

I do not support Machiasport.

Mr. LONG. Mr. President, I thank the Senator from Alaska. In my judgment, if the Machiasport proposal is agreed to, it could condemn the future of Alaska.

Alaska has tremendous oil reserves. However, that oil must be delivered and

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[1] The Commodity Credit Corporation was organized Oct. 17, 1933, pursuant to E.O. 6360 of Oct. 17, 1933, under the laws of the State of Delaware, as an agency of the U.S. From Oct. 17, 1933 to July 1, 1939, the CCC was managed and operated in close affiliation with the Reconstruction Finance Corporation. On July 1, 1939, the CCC was transferred to the U.S. Department of Agriculture by the President's Reorganization Plan I. Approval of the Commodity Credit Corporation Charter Act of June 29, 1948 . . . established the CCC, effective July 1, 1948, as an agency and instrumentality of the U.S. under a permanent Federal charter.

Source: U.S. Government Organization Manual, 1967–68. p. 272.

[3] Superseded entirely by the Public Works and Economic Development Act of 1965 (42 U.S.C. 2525).

[4] 38 U.S.C. 1801 et seq. applies to farm and business loans as well.

marketed in competition with Lybian oil. And it cannot compete. There would be no incentive to produce that oil so it would be available to us in the case of an emergency. Under today's program that oil could be available to see our country through an emergency or an international crisis such as occurred at the time of the Suez crisis.

Alaska is a big oil developing frontier. Its oil would be lost to us if they had to compete with the Lybian oil.

Mr. STEVENS. Mr. President, I commend the Senator from Louisiana for his comments concerning the economic aspects of the developing oil area of the State I have the honor to represent.

I know that we have to ship our oil in American ships, because of the Jones Act. We purchase our steel from American steel producing companies, and they enjoy protection by law. The import system which we are supporting today is primarily responsible for the development of the oil industry in Alaska.

Mr. LONG. Mr. President, the alternative to what the Senator suggests is that the oil would be purchased from foreign nations and transported in ships made in foreign shipyards from steel produced in foreign steel mills, as compared to ships manufactured in American shipyards with American steel. That should be of great importance to New England. Many ships are built in New England. New England does a fine job and they build good ships, even though their ships are built with a higher wage scale than is prevalent in other countries.

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

Mr. LONG. I yield.

Mr. MUSKIE. I wonder whether the Senator, in considering these figures, has added to the cost, as included in his computation, the cost of heating in New England. I think it tends to close this gap somewhat. It costs a little more, may I suggest to the Senator from Louisiana, to provide a home in New England, to heat it, especially with the prices that are now paid by New England consumers; and perhaps this differential in part accounts for the increased cost of living.

Mr. LONG. I ask the Senator whose fault that is. The Senator very ably represents a great State in New England. Whose fault is it that it costs more to heat in New England?

The PRESIDING OFFICER. The Senator's hour has expired.

Mr. LONG. Mr. President, I ask unanimous consent that I may be permitted to continue for another hour or such part of that hour as I may require to complete my remarks.

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

Mr. LONG. Can the Senator tell me whose fault it is that it costs more to heat in New England?

Mr. MUSKIE. Appreciating the limitations on the Senator's time, and the fact that we have not had the opportunity to give full consideration to the argument he is making, New England Senators intend to cover the questions the Senator has just raised and all the related questions which are discussed in the Senator's statement. We intend to present a formal, orderly case, so that the country may understand it when we get to it.

We in New England challenge many points the Senator has made this morning—the facts, arguments based upon those facts, and conclusions. We intend to get into this. The Senator's speech is the first concentrated attention and concern the oil industry has indicated in New England in the 10 years I have been a Member of the Senate.

I appreciate the Senator's statement and his evidence of concern, and we intend to get into it when the time is more propitious and adequate than it would be if we tried to engage in that kind of exchange this morning.

Mr. LONG. The reason why I ask that question is that in my speech I develop the reason why it costs more to heat in New England. The best I can make of it, I say to the Senator, is that the dealers in his area charge a higher markup than do dealers elsewhere.

Mr. MUSKIE. I say to the Senator that most of the oil distribution in New England is done by the major oil companies. Is the Senator saying that the major oil companies are the gougers?

Mr. LONG. I have been informed by the staff of the Committee on Finance that the major oil companies distribute approximately 25 percent of the oil up there. The other 75 percent is distributed by the local dealers, and their markup is substantially higher than it is in the Middle Atlantic or South Atlantic area; and that is the main reason why it costs more.

I have the figures. You are getting your oil wholesale cheaper than they are. Your dealers are charging more to distribute it.

Mr. MUSKIE. I think we will be able to show that the major oil companies control supply in New England. Senator McINTYRE's hearings have already indicated that, and we will show it at length when we get to it, at the right time. So if it is a gouging operation, the gouging is being done by the industry which the Senator is defending this morning.

Mr. LONG. With 75 percent of the distribution being done by the independents, it comes with poor grace to accuse the major oil companies.

May I say that, as a member of the Subcommittee on Small Business in years past, I have conducted hearings at which these independent distributors complained about the pricing conduct of the major oil companies. Does the Senator know what their complaint has been? Their complaint is that the major companies are not charging enough at retail and that they, in competition with the majors, cannot make enough money, with the result that the price of oil should go up.

I have done what I can to help the small retail gasoline stations get a better price and make a better profit, in order to keep them in business. Their principal complaints have been that the major oil companies will not let them have enough markup; that they have to compete with the major stations. They say that not enough money is made at the marketing end, and that the major companies should arrange their way of doing business so that they make more of their money on the marketing end. That has been a complaint in my hometown, where we have a major refinery; and it has been so in other areas where I have held hearings and talked with independent retailers.

In some instances States have even passed laws to see to it that major companies would not so reduce that retail markup to the point that the independent stations would have difficulty in surviving.

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

Mr. LONG. I yield.

Mr. MUSKIE. Mr. President, I do not wish to interrupt the Senator's discourse, but since he has referred to me specifically in this connection, I would like to make one or two points.

First, the Machiasport proposal does not require the repeal of the import quota system of protecting the oil system. Much of the Senator's argument is based on the assumption that that is the objective. It is not.

Second, the shoe industry has not had that kind of protection. At the present time imported shoes constitute almost 30 percent of the domestic production and not 12.2 percent, which is the protection for the oil industry.

Third, the Senator, as the chairman of the Committee on Finance, has not yet reported, nor to the best of my knowledge has he supported import quota production for shoes or textiles.

Mr. LONG. I shall demonstrate during the course of my speech that if this special advantage is given Occidental Petroleum, which would help Maine, there is no justice denying a similar advantage for Savannah, Ga. Or denying the company that has a foreign trade zone in Pennsylvania, a similar advantage, or denying it to a company in New York or in New Jersey that might want a foreign trade zone for the same purpose. How can we do this for Occidental Petroleum Co., which is a relatively new company, and deny it to the older companies which have made great sacrifices to maintain this Nation in good times and bad times at considerable sacrifice and cost to themselves?

Furthermore, with regard to other low-cost imports, that is a problem which is going to face us in the Senate. The Senator had advocated that there should be protection for the shoe industry of Maine; that they should not be put out of business by low-cost foreign competition.

In my judgment, the time will come when we will have to do something about that, and that time will come in connection with the steel industry. They have to compete with low-cost foreign steel, mainly because of the wage differential. The same thing is going to be true one of these days in connection with the electronics industry. Where American industries have to compete with products from foreign countries where they can get labor much cheaper, or about one-fourth the cost of ours, the problem will become increasingly serious.

I have never asked that we be judged by dual standards. When someone suggested we have a foreign trade zone in Louisiana to manufacture ships or

barges to be sold in foreign areas, I was willing to support that proposal only on the condition that it would be a case of products coming in to be manufactured and then going back out to be used abroad, and that they should not be sold in competition with American manufacturers on the American market. I have been consistent.

If one looks at the overall problem, considering crude oil imports and residual fuel, they are about 25 percent of the market for oil and gas. If a war were to come upon us we could use our old shoes for quite awhile until we had our bare feet on the ground, but that is not true of fuel. It would only last about 30 days. We would have to rely on the refineries and resources we have.

(This marks the end of the colloquy that occurred during the delivery of Mr. LONG's address.)

Mr. MCINTYRE. Mr. President, I listened with great interest to our distinguished friend from Louisiana as he stated the case for the big oil companies as to why and in what manner the Machiasport foreign trade zone would bring down the oil industry and result in the loss of jobs throughout the country.

I simply wish to say, Mr. President, that I have, since December, in the Small Business Subcommittee hearings, been not only frustrated but completely baffled by the administration officials, who have engaged in a game of musical chairs, as it were, in denying to the State of Maine and to New England what that region should have.

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

Mr. MCINTYRE. The Senator from Louisiana charges, Mr. President, that this project is an attempt to help the Northeast section of the country at the expense of the Southeast and the Southwest. All the experts would agree, I believe, that that is an accurate description, in reverse, of what the oil import program now does. The program helps the oil producers of our country, and has forced the concentration of refining capacity in Texas and Louisiana, causing high prices in New England and elsewhere in the Northeast. And I must say this is important to New England. We use 22 percent of the No. 2 fuel oil produced in this country.

Mr. LONG. Will the Senator yield at that point?

Mr. MCINTYRE. Again, the Senator from Louisiana speaks of advantage to one section of the country. That certainly describes the effect of the oil import program. We in New England, I say to the Senator from Louisiana, are not seeking to gain any advantage, but are merely trying to share in the advantages which already exist, but accrue solely to the benefit of one other portion of this country.

As the Senator from Maine (Mr. MUSKIE) has stated, it was agreed that the New England Senators would allow the Senator from Louisiana his full time today, and that we would come back on another day, when I hope we will be joined by the distinguished chairman of the Joint Economic Committee, the Senator from Wisconsin (Mr. PROXMIRE), and we will then try to state our case.

I believe, the more I look into the matter, that New England has a unique case, and the strongest case possible. The more I examine the oil industry, with the concessions being granted to it in the form of tax credits and deductions, I am delighted that the Senator from Michigan (Mr. HART), in his capacity as chairman of the Antitrust and Monopoly Subcommittee of the Committee on the Judiciary, has started his hearings on the matter, because I noticed that while the Senator from Louisiana talked a good deal today about the little fellow, he did not tell us too much about what this oil import program means to the big ones.

We have many, many oil companies in this country with assets in excess of $500 million. Some of them have not paid a corporate income tax for 4 or 5 years. So on another day, we shall be back to present the case for Machiasport and New England.

I yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I associate myself with the remarks of the distinguished Senator from Maine (Mr. MUSKIE) and those of the Senator from New Hampshire (Mr. MCINTYRE), and thank them for their comments here. They have indicated to the Senate that at some time in the very near future, within the next week or 10 days, many of us from the New England area, and I am sure Senators from other parts of the country as well, will have an opportunity to make a very careful review of the comments that have been made today by the distinguished Senator from Louisiana, who has presented his views and the views of the oil industry on this exceedingly important issue.

As the Senator from New Hampshire has pointed out, the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary has been holding hearings on the whole question of the oil importation program, as well as the other kinds of special treatment that are provided to the oil industry in the way of benefits, exemptions, subsidies, handouts, or whatever other phrase one might wish to use.

The one fact that we cannot get away from, Mr. President, and that every American ought to know, is that just this one special program for the oil industry—the import controls—is costing us anywhere from $4 to $7 billion a year. Thus, Mr. President, since the oil importation quota program started some 10 years ago, the consumers of this country have been paying $40 to $70 billion to these special interest groups in the oil industry.

I think the burden of proof certainly lies with the oil industry to show the reasons why we ought to continue such an expensive program, why this is so important in terms of national security, and why they have to be treated so uniquely and so generously under the circumstances that exist today.

Mr. President, with all due respect to the distinguished Senator from Louisiana, that case has not been proved either by his statement, or by the many statements from the leaders of the oil industry. Many of the points that he has mentioned today have, I think, in fact been answered, and answered fully and responsibly, during the course of our hearings in the Anti-Trust Subcommittee these past few days, and have been answered many other times as well.

Mr. President, I welcome, as I know my colleagues from New England welcome, an opportunity to take this program issue by issue, advantage by advantage, subsidy by subsidy, handout by handout, and reveal to the Members of the Senate and to the American people exactly what this is costing not only the consumers of New England but also all the other consumers of our great land.

I associate myself with the remarks of the distinguished Senator from New Hampshire, and I commend the splendid work done by him in the hearings he has held and the information and the comments derived from those hearings which have provided such an insight into the whole broader question of special privileges and advantages to the oil industry.

I also commend the distinguished Senator from Maine for the splendid work he has done. He has really provided a great leadership in this area. He speaks in this matter not only for the State of Maine and for New England, but also in the interest of rendering a great service to the Senate of the United States and the American people.

I commend the New England Senators on the other side of the aisle for their interest in this matter. We all want to show the Senate and the American people what the facts are.

Mr. MCINTYRE. Mr. President, I thank the Senator from Massachusetts. I applaud the emphasis with which he put the question before the Senate and the country today.

This matter may have started in Machiasport, but my own experience has been that as I look at the various aspects of the problem, I realize that I have been sitting here in the past completely ignorant of what the oil industry and the oil barons of this country have been doing and are doing.

I hope that the Senator from Michigan (Mr. HART) will come up with some answers. I know that as far as I am concerned, I will continue to do what I can to let the people know the facts.

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

Mr. MCINTYRE. I yield.

Mr. MUSKIE. Mr. President, I do not want to add more than a word or two to what I said earlier this morning.

I compliment the distinguished Senator from New Hampshire for the hearings held with respect to the Machiasport project. I add my emphasis, as he has, to the hearings of the Hart subcommittee which have already begun.

I ask unanimous consent to have printed at this point in the RECORD an article entitled, "Probe of Oil Price Behavior Promises To Be Illuminating," written by Laurence Stern and published in this morning's Washington Post, which undertakes to outline the scope of the action initiated by the Hart subcommittee.

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

PROBE OF OIL PRICE BEHAVIOR PROMISES TO BE ILLUMINATING

(By Laurence Stern)

It is ten years since the Senate Antitrust and Monopoly Subcommittee conducted its hair-curling investigation into prices and profits of the drug industry. This week the same gadfly group quietly opened up a new inquiry into the price behavior of the American oil industry.

The subcommittee has made a specialty of digging into the subsurface issues of public life that are rarely featured on the front page or the 6:30 television report (its revelations on drug prices having been an exception).

Staff investigators have spent months gathering evidence and witnesses for the new series of hearings. The pattern of evidence suggests that as spectacular as the drug price markups might have been, they don't hold a candle to the excess costs being paid by American oil consumers—thanks in large measure to friendly Government intervention.

Drug products, beyond their economically intangible capacity to save lives and reduce suffering, play an important role in this country's industrial economy. But oil is the colossus of American enterprise. During 1968 the $55 billion in sales by oil companies dwarfed those of the drug industry by more than six-fold.

The drug manufacturers had friends and advocates spotted on strategic committees during the drug act reform battle in 1962 and it was only the thalidomide scandal that prevented them from carrying the day. But oil has entire regions, battalions of legislative allies on Capitol Hill and one of the most pervasive and well-heeled lobbies in Washington.

A commonly voiced criticism of oil's influence in Washington centers on the 27½ per cent depletion allowance that oil producers are able to write off on their taxes. And, in fact, the depletion allowance has proved far more durable than other innovations, such as the war on poverty.

But the antimonopoly subcommittee headed by Sen. Philip A. Hart (D-Mich.) will train its attention on the import quota system which was inaugurated by President Eisenhower and has hardened into concrete along with many other such Federal benefactions to American big business and big labor.

One prominent economist has told Hart's investigators that the oil import quota system costs all U.S. oil purchasers $4 billion annually.

Domestic producers in the Southwest began clamoring for import controls after World War II when lower-cost foreign oil from the Middle East began entering American ports. President Eisenhower finally proclaimed a system of mandatory quotas (a brief period of voluntary controls failed) in 1959 on grounds of national security.

The national security argument was that American dependence on cheaper Middle Eastern oil rendered the country vulnerable to the vagaries of international crisis. It was the Suez crisis in 1956 that led to the eventual adoption of the quota system.

Because of the oil quotas, the price of foreign oil coming into the United States is nearly twice the world level of about $2.10 a barrel. Imports are held down to 12.2 per cent of the total domestic demand.

While the oil industry boasts some of our most vociferous free enterprisers and rugged individualists, few sectors of the American economy are more intertwined with Government at all levels from the State House to the Capitol. The level of oil production is rigorously controlled down to virtually the last drop by a network of interstate, Federal and state agencies operating in close step with the producers. The object of this elaborate regulation is sometimes called conservation but the name of the game is price maintenance.

If the production of frying pans, or baby food were so controlled, the housewives of America would be in a state of rebellion.

Opposition to the import quotas on oil is not limited to impractical free enterprise economists. It encompasses some important big business interests, specifically the Nation's top chemical companies, who claim that the higher price of U.S. oil puts them at a disadvantage with German, British and Japanese competitors. The chemical industry will be heard from during the forthcoming Senate hearings.

All in all, the new investigation comes at a time of heightened public awareness of oil's ubiquitous influence on the American economy and physical environment.

The Santa Barbara oil slick, a result of lax public regulation of underwater drilling, was a major embarrassment to the industry. The fight over the proposed Machiasport, Maine, free trade zone galvanized Senators and Congressmen from New England against the majority of oil companies who sought to scuttle the project.

Also the recent increase in retail gasoline prices will take an estimated $800 million in additional costs from the pockets of gasoline buyers.

And so, it would seem, oil is once again finding its way into troubled waters.

Mr. MUSKIE. Mr. President, much wider questions have been opened up as a result of the Machiasport project.

The Senator from Louisiana in his speech has indicated the danger, as he sees it, of New England's reliance upon foreign oil for its fuel supply.

If this is indeed a danger, then we might consider whether we should repeal the oil depletion allowance which involves drilling for oil in this country and also overseas. It also involves drilling on the Outer Continental Shelf. The oil depletion allowance is used for those purposes as well.

If we are to believe the distinguished Senator from Louisiana, we are using this allowance to produce oil reserves which are vulnerable and would be of little consequence to us in times of national danger.

Mr. KENNEDY. Mr. President, with respect to the whole question brought up by the distinguished Senator from Maine concerning the importation programs, the Senator knows as well as I do that all of the oil consumed in New England comes by way of tanker from the gulf ports.

There is always the question as to why it is so much in the national interest to import that oil from the gulf ports rather than from Venezuela. If an enemy submarine is off the Atlantic coast or off Florida, it will sink a ship coming from the gulf ports as easily as a ship coming from Venezuela. Yet, we hear the statement made that this program, which makes us get our oil from the gulf, will protect our security.

The point the Senator made on oil depletion is fundamental and basic, and we will certainly want to get into this area as well.

Mr. McINTYRE. Mr. President, the Senators from New England will be heard from in due course.

Mr. LONG. Mr. President, I can understand the interest of the Senators from New England, and I applaud them for their interest.

I have been twice referred to as speaking the views of the major oil companies and acting in their behalf.

I make it a point to make such statements about other Senators. I try not to do so. On occasion I have said such things, and I have offered a very contrite apology when I have done so.

It might interest the Senators who have made such inferences that last year I proposed that we write the oil import program into law so that everyone would know what the rules are and where he stands. The reason I did not offer the measure on the floor was that I knew it would not prevail because I knew the major oil companies would oppose it. They wanted to bring in more foreign oil while I wanted to curtail it.

I was speaking for the independent producers in offering an amendment to put the oil import program into the statute. The little companies wanted such a measure, but the major companies did not want it. They would have opposed my suggestion for a firm, rigid limitation of oil imports had I offered it. They would have objected had it gotten out of the committee. I was aware of that.

When I came to the Senate, almost every oil company in my State was opposed to me. I had favored heavy taxes on the oil companies at the State level.

As one who represents a State that has 74,000 jobs in the production and refining of oil and in the service industries, I have as much interest in those 74,000 jobs in Louisiana as the Senator from Maine would have in the 300 jobs in Maine, but that should not be the test.

We should consider the national interest.

I was interested to hear the statement made by the senior Senator from Massachusetts (Mr. KENNEDY). He has now left the Chamber and will not hear me respond to his statement. It was suggested that in a war, for example, it would be just as easy to get the Libyan oil to Machiasport as it would be to get oil produced or refined in the United States, whether in Ohio, Louisiana, Indiana, Texas, New Mexico, or any other State.

Whether the Senator has heard of it or not, we have highways. Oil can be put in a truck and taken anywhere in the United States. We have pipelines. Has the Senator never heard of the Big Inch, or was he aware we built the Big Inch because enemy submarines were sinking the tankers during World War II?

We have since built the intercoastal waterway along the gulf coast to keep the tankers from having to go out where there was danger. The oil can be moved in barges. It can also be moved in railroad tank cars.

We are now building the barge canal across Florida so that the oil can move across the inland waterway along the gulf coast, go across Florida, and then the barges can proceed up an inland waterway as far as New York.

If a barge or ship goes beyond Long Island Sound, however, it has to go out in the ocean where it can be torpedoed.

If this oil refinery is built at Machiasport, once a ship goes outside of the Long Island Sound, and perhaps even in Long

Island Sound, it is subject to being torpedoed.

Mr. McINTYRE. Mr. President, I know that the Senator from Louisiana has broad shoulders. If I have said anything in my remarks to reflect on him personally, I am sorry for doing so.

What I was trying to say today was with reference to the big oil companies, whose arguments the Senator has so ably presented. If there was any personal reflection, I withdraw it.

Mr. LONG. Mr. President, I sought information about this matter from every agency of the U.S. Government which to my knowledge has any information about it, including the antitrust aspects of the matter. I sought information for the speech made here from the Interior Department and from the committees that have studied the matter. Information that I could not secure from these sources I sought from both the major and the smaller oil companies and independent producers. In addition the Library of Congress was consulted.

I also called upon my own personal knowledge of this industry, because I have both made and lost money in the oil business. I know what it is to drill a dry hole, and I know that there is even worse luck possible than drilling a dry hole.

So I do know something about the industry from firsthand exposure to it, and because in Louisiana we have raised more money from this industry—which has not endeared me to the oil companies—than we have from any other single source. I understand something about the problems of the industry and I also know something about the national security, because it has been my privilege to help to protect this great country as a serviceman and as a member of such committees as Armed Services, Foreign Relations, and Finance.

If Senators want to talk about investigating the oil industry, there is nothing new about that, either. I welcome that They can investigate it until Congress runs out, and I will be pleased to learn whatever they can develop.

Mr. TOWER. Mr. President, today my distinguished colleague from Louisiana (Mr. LONG) has presented the facts relevant to the Machiasport project. I wish to compliment him on his thoroughness and to commend him for bringing this matter to our attention today.

The mandatory oil import control program has one purpose, and that is to prevent a veritable flood of foreign oil from undermining the stability of our domestic oil and gas industry, an industry which must remain strong and capable of supplying all our energy requirements in a time of national emergency.

I must point out that despite the oil import control program, this Nation has experienced a steady deterioration in its inventory of recoverable petroleum reserves. Exploration for new domestic reserves is not keeping pace with increased demand. The cumulative result is a decrease in our national petroleum self-sufficiency and severe impairment of our national security.

Two World Wars, the Korean conflict, the Suez crisis of 1956, the Arab-Israel war of 1967, and our current involvement in the Far East have proven beyond question the vital importance of petroleum self-sufficiency to our national security and to our independent survival in a world dependent on energy for existence.

We must recognize there are those persons in American industry who wish only financial advantage over their competitors, and they are willing to use the Foreign Trade Zones Act of 1934 as amended to gain such advantage. Such misuse of the act by any petroleum or petrochemical company might yield a short-term financial advantage for the company over its competitors but would surely result in permanent and severe damage to our petroleum self-sufficiency and impair our national security.

The regulations that govern the orderly and limited flow of foreign oil into the United States effectively channel the monetary benefit of the oil import license to the domestic producer through a broad distribution of oil import licenses to hundreds of refiners and petrochemical manufacturers located throughout the United States.

The creation of a few and then many refining and petrochemical foreign trade zones, with the immense pressure which they would exert upon the import program, would have the effect of removing the benefit of the oil import program from the domestic petroleum industry. The consequence would be to drastically accelerate the further deterioration of our domestic petroleum self-sufficiency and to jeopardize our national security.

I introduced a measure during the last session of the 90th Congress calling for a study of the oil import program. This study would reveal the exact administering of this program and give us the opportunity to make changes, if any, where necessary. President Nixon has seen fit to order a complete review of the oil import program. I am confident this review will proceed in an orderly fashion, and, after its completion, will produce guidelines for strengthening our domestic oil industry.

I wish to reiterate, in closing, that under no condition should any foreign trade zones be considered without viewing them in their entirety as to the effect they would have on our vital national oil industry.

TREATY ON THE NONPROLIFERATION OF NUCLEAR WEAPONS

The Senate resumed the consideration of Executive H, 90th Congress, second session, the Treaty on the Nonproliferation of Nuclear Weapons.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification of the Nuclear Nonproliferation Treaty.

Mr. FULBRIGHT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FULBRIGHT. Are we in executive session?

The PRESIDING OFFICER. We are still in executive session.

Mr. FULBRIGHT. Mr. President, by previous arrangement, I agreed to respond to some questions to be propounded by the distinguished Senator from Virginia.

Mr. SPONG. Mr. President, I should like to clarify several points concerning the relationship between the treaty now before the Senate and the North Atlantic Treaty Organization. I would, therefore, propound these questions to the distinguished Senator from Arkansas.

It is my understanding that, under the treaty, the United States would still be able to place nuclear weapons on the lands of our NATO allies so long as the United States retained final control over the use of those weapons. Is my understanding correct?

Mr. FULBRIGHT. The Senator's understanding is correct. I think it is important to point out that this treaty speaks about actions which are prohibited, and not about those that are permitted. It does not undertake to outline everything that is permitted. It does prohibit the transfer of nuclear weapons and materials to a nonnuclear nation. It does not deal with, and therefore does not prohibit, the United States from placing nuclear weapons in the territory of a NATO ally so long as the United States retains control over the use of these weapons.

Mr. SPONG. Is it also correct that this is the current policy of the United States? In other words, do we not currently follow a policy whereby nuclear weapons are stationed in NATO countries but whereby the United States retains final control over their use?

Mr. FULBRIGHT. Not only is it our policy, but also, it is the law. The law—the McMahon Act—prohibits the transfer of control of nuclear weapons to other countries, and this treaty in a sense merely confirms the law and the legislative intent of Congress.

Mr. SPONG. There is discussion within the NATO alliance, with which the Senator is perhaps familiar, of use of a maritime contingency force in the Atlantic. Would the same policy regarding nuclear weapons which is applicable on land under the treaty be applicable to naval operations? In other words, would it be permissible, under the treaty, for the United States to provide the participating vessels with nuclear weapons so long as the United States retained final control over their use?

Mr. FULBRIGHT. The Senator is correct. The control by the United States upon the use of the weapons is the determining factor, and it is retained.

Mr. SPONG. In 1966, NATO established a Nuclear Planning Group for planning and discussing policy related to the use of strategic nuclear weapons. Is it the Senator's understanding that the treaty would in no way impinge upon the activities of this group?

Mr. FULBRIGHT. Most certainly, it is. It does not deal with the planning or consultation of our allies.

Mr. SPONG. Other than restricting the actual possession of nuclear weapons and the development of such by our NATO allies who now do not have such weapons, is there anything in the treaty which would restrict our NATO allies

from assuming a greater role in the alliance?

Mr. FULBRIGHT. No, there is no restriction on our NATO allies from assuming a greater role, unless they envision that role as acquiring the control of nuclear weapons themselves from the United States. There is a restriction in that sense.

Mr. SPONG. So far as the committee was able to determine, have the NATO members been fully consulted concerning the provisions of the treaty?

Mr. FULBRIGHT. They certainly have. This treaty was under negotiation approximately 4½ years, and at every stage in these negotiations the NATO members were fully consulted concerning the provisions of the treaty. Moreover, some of them participated in the drafting of the treaty. Secretary Rogers, Secretary Laird, and General Wheeler also reiterated the statements of previous administrations that the treaty is consistent with the best interests of the North Atlantic Treaty Organization. Secretary Rusk told us that the United States had worked closely with those allies in the formulation of the treaty and that our allies were fully satisfied with the treaty and it in no way would jeopardize the alliance. I think the committee thoroughly agrees with that evaluation.

Mr. SPONG. I have read conflicting reports as to what would happen under the treaty should Europe unite. One report suggested that a united Europe could assume the same nuclear status which was previously held by one of its components. In other words, if Europe united with either France or Great Britain as part of the new union, the new union could become a nuclear power, succeeding the individual country which had been one. I believe that this was former Secretary of State Rusk's view. I have, however, also read an interpretation which suggests that the nuclear power joining the union would have to retain final control over the weapons. I assume that the committee adheres to Mr. Rusk's view. Is that correct?

Mr. FULBRIGHT. Yes; that is correct. The committee adheres to this view. Although the treaty does not deal with the problem of European unity, we were given to understand that a new federated European state could inherit the nuclear status of one of its former components. This new federated European state would have to control all of its external security functions, including defense. This interpretation, to which the committee subscribes, is part of a question and answer series included in the hearings of last July, on pages 262 and 263. I suggest that the Senator read that, if he wishes to do so.

Mr. SPONG. I am familiar with them; I have them here.

Mr. FULBRIGHT. I might also say that the committee was told by Secretary Rogers that the Soviet Union, as well as other States, has been given the series of questions to which I have referred, and that they have expressed no objection.

Mr. SPONG. Finally, I should like to turn for a moment to the inspection provisions of the treaty. Many questions can, of course, be raised with regard to title III, the inspection title, of the treaty. I would, however, like to focus on one aspect at this time. The treaty leaves open for negotiation between the International Atomic Energy Agency—IAEA—and Euratom an agreement on safeguards within the Euratom nations. The Euratom or Common Market nations, which include many of our NATO allies and France, apparently feel that their safeguards are comparable to those advanced by IAEA. I note in the committee report that certain witnesses were "optimistic" as to chances for the two agencies being able to reach agreement. I am not certain, however, that I share this optimism and I wonder if the Senator could tell us a little more about its source, especially in light of the fact that France may not agree to the treaty.

Mr. FULBRIGHT. Of course, nobody can guarantee that these countries will agree, and no one can guarantee that Euratom and IAEA will reach this agreement. I do believe, however, that the committee looked at this very closely and that these safeguard systems, which are presently used by these two organizations, are compatible. There is no great divergence between them other than their geographical responsibility, and I believe there is a very good opportunity and probability that they will agree.

I hesitate to say that I am optimistic about anything these days, whether it is foreign or domestic. But the significance of this and the danger of not having some restrictions upon the spread of these weapons is such that I think there would be great pressure upon Euratom and IAEA to resolve any differences.

As for France, the committee was told that France does not intend to put any barriers in the way of agreement between Euratom and the international organization, although the French have said they do not intend to sign the agreement. I do not know how seriously it might be said that the French never will. At the present time, their attitude is against doing so. There have been changes in other situations involving France in the last year or two; and these situations also lead to changes in their political attitudes in matters such as this.

The alternative of inadequate control is so threatening that I believe the chances are we can resolve these differences and agree on an inspection program for Europe.

Mr. SPONG. I thank the distinguished chairman of the Committee on Foreign Relations. I know that many Senators share my concern about the effect of the treaty upon the North Atlantic Treaty Organization should it be ratified. I felt that these questions and answers should be in the record of this debate. I thank the Senator very much.

Mr. FULBRIGHT. I thank the Senator. He has rendered a real service in bringing up these questions. There are many ways to clarify these points. I think the procedure the Senator has followed is a very effective one.

Those of us who deal with these matters in committee sometimes overlook or forget the best way to approach some of these questions. We think we have covered the matter as well as we could, but I believe this is a good way to develop these important points, and I appreciate the Senator's contribution.

ORDER OF BUSINESS

Mr. JAVITS. Mr. President, as in legislative sessions, will the Senator yield to me so that I may dispose of one or two small matters?

Mr. FULBRIGHT. I yield.

S. 1522—INTRODUCTION OF A BILL TO ESTABLISH GRADUATED MINIMUM INCOME TAX

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a bill which would establish a graduated minimum income tax, two new types of reports from the Secretary of the Treasury with respect to the cost of tax preferences, liberalize the general and minimum standard deduction to reduce the impact of the tax system on low- and middle-income taxpayers and would reduce the tax advantages presently accorded to minerals, especially for gas and oil.

In order to provide a fuller explanation of the various provisions of the bill, I ask unanimous consent to have printed in the RECORD the full text of my testimony this morning before the House Ways and Means Committee on this subject.

The PRESIDING OFFICER (Mr. EAGLETON in the chair). The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 1522) to amend the Internal Revenue Code of 1954 so as to impose a minimum income tax on persons now allowed certain exclusions and deductions from gross income, to increase the amount of the general standard deduction and the minimum standard deduction allowable to individuals, and for other purposes, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Finance.

The statement, ordered to be printed in the RECORD, is as follows:

STATEMENT BY SENATOR JAVITS BEFORE THE HOUSE WAYS AND MEANS COMMITTEE REGARDING TAX REFORM, MARCH 12, 1969

MINIMUM INCOME TAX: FIRST STEP TOWARDS TAX REFORM

I am honored to have the opportunity to appear before this Committee during its deliberations on tax reform. Congress should come to grips with the tax reform issue this year. At a time of heavy federal, state, and local tax burdens, the American public is greatly concerned about the significant inequities remaining in the tax code.

Tax reform is particularly urgent this year because Congress will have to act before June 30 on whether to extend the tax surcharge. Whether or not there are economic justifications for its extension, it would be extremely difficult to go before the American people and ask them to support this tax, unless they have assurance that there also will be meaningful tax reform this year. A more desirable objective would be to report out tax reform legislation simultaneously with the tax surcharge bill. I believe this is possible, especially if the Committee would begin tax reform by approving a minimum income tax proposal.

Also tax reform actions are needed if we are to consider tax incentives for such vital purposes as retraining the hard core unemployed and rebuilding the slums. If Congress finds that such tax incentives are useful and compatible with the basic purposes of the tax code—and I believe they are—it is

essential that they be added to a tax code which has been freed of substantial inequities.

I am aware that tax reform cannot be accomplished quickly or without a great deal of stress. A new balance must be struck among many powerful interest groups in our society, and that is never an easy task.

However, the process of reforming our tax code has already begun. As a result of an amendment to the Revenue and Expenditure Control Act of 1968, which I had the honor to sponsor last year, the Treasury early last month published comprehensive proposals for tax reform. While this report was not endorsed by President Johnson, it has already exerted great influence in shaping opinion within Congress and by informing the American public of the specific problems that require urgent correction.

I would like to concentrate my testimony on the need for a minimum income tax, and describing my own proposal for such a tax. I will also discuss briefly the other provisions of a tax reform bill which I will introduce in the Senate today, namely: the requirements for an annual report from the Secretary of the Treasury indicating the cost of tax preferences to the Treasury and for a report from the Secretary of the Treasury showing a comparison of tax expenditures with budgetary expenditures; modifications in the general and minimum standard deduction to reduce the impact on low and middle income taxpayers, and reductions in advantages presently accorded to the oil and gas industries.

Minimum income tax

A minimum income tax is needed today because *there are too many people in high income brackets who, because they receive the bulk of their income from sources presently excluded from the Federal income tax, pay little or no tax.* As a result of the preferential treatment given to certain types of income, individuals in the same income bracket but with different sources of income have substantially different tax liabilities while most other taxpayers must pay a higher tax burden to provide the Federal Government with needed revenue.

In 1966, there were 51 individual tax returns filed with the IRS with adjusted gross incomes of $500,000 and over, and representing adjusted gross incomes of $82 million on which no Federal income tax was paid.

In the same year, 34,000 individuals filed tax returns with adjusted gross incomes in excess of $10,000 and paid no Federal taxes. The combined adjusted gross income of these individuals was almost $700,000,000.

In 1965, one U.S. oil company with a net income of $105 million paid no Federal income tax at all.

In principle, Congress should face up to tax preferences—the so-called "loopholes"—and reduce them in the light of new standards of fairness and equity. But this cannot be accomplished quickly or easily, because on examination, some of these preferences may be found desirable to retain for social or economic reasons. When a taxpayer is in the position to take adavntage of a great number of these preferences at one time, the resulting cumulative effect is the real inequity in our tax system. As an interim step, therefore, a minimum tax—below which tax liabilities would not be permitted by reason of these preferences—should be introduced into the system.

My proposal for a minimum income tax covers individuals as well as corporations, and it takes account of the 10% tax surcharge. The minimum would apply only when it exceeds the tax payable under present law. My proposal has the same objective as the minimum income tax proposed by the Treasury Department in its recent Studies and Proposals, with roughly the same revenue effect as far as individuals are concerned: a tax increase for some 40,000 taxpayers resulting in about $400 million of additional tax. The Treasury has not yet been able to give me an estimate of the revenue effects of my proposal on corporations. My proposal differs from that of the Treasury in that it is simpler and more predictable.

This is the way my proposal would work:

1. The taxpayer would start with his taxable income as computed under present law.

2. He would add together five specific existing exclusions and deductions which, under my bill, are included in the tax base for minimum tax purposes. The five items to be included for minimum tax purposes are (a) interest exempt under present law on State and local bonds less expenses and interests allocable to such interest, (b) depreciation taken on real property to the extent it exceeds straightline depreciation, (c) depletion deducted to the extent it exceeds cost depletion, (d) the capital gains deduction, and (e) charitable contributions which exceed 30 percent of adjusted gross income. If the total of these five items is less than $2500 ($5000 in the case of a husband and wife filing a joint return) no further minimum tax computation would be required. If the total of the five items exceeds these limits, the next step will be taken.

3. The taxpayer would reduce the total of the five items by $2500 (or by $5000 in the case of a husband and wife filing a joint return) and add the result to this taxable income under present law. The sum would be his minimum taxable income.

4. The minimum-tax taxable income arrived at in Step 3 would be multiplied by the minimum tax rates which would be 10 percent of the first $30,000, 20 percent of the next $70,000 and 30 percent of the remainder.

5. The result would be the minimum tax which, if it exceeds the tax due under present law, would become the tax in lieu of that otherwise imposed.

These are the principal differences between my bill and that in the Treasury proposals:

1. The minimum-tax taxable income base, under my bill, includes charitable deductions only where the unlimited charitable deduction has been used. The Treasury's proposal calls for inclusion of the appreciation in value of donated property.

2. The minimum-tax taxable income base, under my proposal, is computed with taxable income as a starting point, rather than adjusted gross income, as proposed by the Treasury.

3. If the five income items to be included in the minimum tax base are less than $2500 ($5000 in the case of a husband and wife filing a joint return) no further minimum tax computation is required. Under the Treasury proposal, all the remaining steps would be required.

4. If the five income items to be included in the base exceed $2500 ($5000 in the case of a husband and wife filing a joint return), the minimum tax base is arrived at by reducing the total of the five items by $2500 or $5000. as the case may be, and adding the result to taxable income under present law. Under the Treasury proposals, the unreduced five income-tax items would be added to present law adjusted gross income. The result then must be reduced by personal exemptions and personal deductions with the added feature of an optional $10,000 standard deduction to replace the personal deductions (standard or itemized) taken in the computation of taxable income under present law. This calculation is avoided under my proposal not only to achieve simplicity, but also to avoid surprising and unintentional effects.

Such effects would occur, for example, in the case of two taxpayers with equal minimum tax adjusted gross incomes and personal exemptions, one of whom had $9000 of itemized deductions and the other $4000 of itemized deductions. The new $10,000 standard deduction would be useful to the minimum tax computation, but would give more protection from maximum tax to the latter taxpayer than it would to the former. This would be an irrational result which is avoided under my bill.

New information from the Secretary of the Treasury

My bill also would call for two new types of information to be provided as a regular part of the Secretary of the Treasury's annual report: (1) Estimates of the losses in revenues resulting from income presently excluded from tax under the Internal Revenue Code, from deductions allowed under the Code, from the deferral of the imposition of the taxes imposed by the Code and such other special tax provisions of the Code and other laws as the Secretary of Treasury considers appropriate.

(2) Estimates of how much the government subsidizes such areas as housing, agriculture and natural resources through the income tax laws as compared to direct expenditures through the Federal budget.

Publication of the first type of information is needed to make the public aware of the cost of tax preferences to the Treasury, thereby calling the attention of the Congress to take appropriate action where needed.

For example, such a report might analyze the continued usefulness of such important exclusions and deductions as those which I have included in the minimum income tax base that I am proposing. The cost of these preferences in terms of Federal revenue are as follows:

Interest exempt under present law on State and local bonds less expenses and interests allocable to such interest—$1.8 billion;

Depreciation taken on real property to the extent it exceeds straight-line depreciation—$500 million;

Depletion deducted to the extent it exceeds cost depletion—$1.3 billion;

The capital gains deduction (individual and corporation) $5 billion;

Charitable contributions which exceed 30 percent of adjusted gross income—$45 million.

Also this type of a report would include information such as the impact of married couples filing joint returns on the tax system which would not be included in the second type of report my bill calls for.

The second type of information would be extremely valuable to Congress, and to the Executive Branch by permitting a clearer insight into the allocation of public resources. The Treasury made a first attempt in this direction when Secretary Barr provided some of this data in his testimony before the Joint Economic Committee on January 17, 1969. The Treasury is to be commended for this, and my bill would ensure that such information will be made a regular part of its Annual Report.

Increase in general and minimum standard deduction

These provisions of my bill are identical to the changes proposed by the Treasury and are included because *I believe that the tax burden on taxpayers earning under $5,000 and those earning between $5,000 and $15,000 is unduly high and should be reduced. These two groups of citizens have carried an inordinate share of the burden for too long.*

To help low income taxpayers, my bill would increase the minimum standard deduction from the present $200 plus $100 for each allowable exemption to $600, plus $100 for each allowable exemption, subject to the same overall limit of $1,000 that exists under present law. The Treasury estimates that this provision would put into nontaxable status 1¼ million families and reduce the tax liabilities of an additional 1 million families in poverty states who are presently subject to Federal income taxes. The resulting loss in revenue would be $1.13 billion.

To increase the equity of middle income taxpayers my bill would raise the general standard deduction to 14% of adjusted gross income with a ceiling of $1,800 from the present 10% of adjusted gross income with a ceiling of $1,000. The change would result in about 80% of taxpayers using the standard deduction rather than itemizing their deductions, thereby simplifying record keeping and calculating tax liability for millions of taxpayers and also reducing the auditing problems of the Government. The revenue cost of this reform would be $1.4 billion.

Limitations on intangible drilling cost deduction and on percentage depletion rates

My bill proposes to modify the tax treatment of minerals, particularly oil and gas, in two respects: It would gradually, over a five year period, limit the intangible drilling and development costs deduction to 50% of such costs paid or incurred and it would limit percentage depletion rates after a three year transition period to 20%.

The Treasury Department has given me the following estimates of the revenue effects of these proposals:

Limitation on Deduction of Intangible Drilling and Development Costs will increase tax revenues by:

[In millions]	
First year	$75
Second year	140
Third year	200
Fourth year	280

Limitation of Percentage Depletion Rates will increase tax revenue by:

[In millions]	
First year	$110
Second year	225
Third year	350

Therefore, when in full effect, the first modification would increase tax revenues by $280 million while the second change would increase revenues by $350 million.

I support modification of the tax advantages presently enjoyed by the oil and gas industry principally because I believe that this industry should carry a higher tax burden at a time when millions of Americans are asked to pay higher taxes to pay for the cost of government services. I have supported such a modification in the past on the ground that if the industry would agree to a moderate increase in its federal tax liabilities as I now recommend, it would improve its position in the eyes of the American people without threatening its ability to explore new reserves.

I am aware of some of the literature on this subject, including the supplemental material included in the Treasury's tax reform report on the tax treatment of minerals. I am persuaded by this evidence that this Committee has adequate grounds to explore carefully whether or not there remain adequate justifications from the point of view of the national interest to continue at present levels the two principal benefits now specially available to the oil and gas industry.

Let me make my position clear. *I am not advocating that these tax advantages be eliminated. I believe that the oil and gas industry performs a vital function in the American economy and for national defense. I contend only that, at this time, they should carry a somewhat heavier tax burden.*

Although a minimum income tax is the keystone of my tax-reform proposals, I firmly believe that all my recommendations should be implemented to eliminate the worst inequities of the federal tax system.

THE 50TH ANNIVERSARY OF THE AMERICAN LEGION

Mr. JAVITS. Mr. President, it is appropriate that the Congress should pause in this month of March 1969, to express its congratulations to a great organization commemorating its golden anniversary—the American Legion—and adopt Senate Resolution 163. Since the first meeting of the American Legion, held in Paris, France, 50 years ago this March 15, the Legion has contributed through its various programs a great deal to the welfare of our Nation.

The American Legion has achieved a magnificent record in its legislative activity and direct service to those men and their families who have sacrificed so much for our country. The Legion has moved effectively in the Congress to strengthen and extend veterans' benefits programs—compensation and pension, education and training, hospital and medical care, and vocational rehabilitation. As the Legion looks ahead to 1969—its 50th golden anniversary year—I am confident it will strive to seek to determine what further can be done to broaden and improve patriotism, service to the Nation and to its veterans.

The Legion's legislative accomplishments and personal service to veterans and their dependents serves as a living memorial to the sacrifice offered by those brave young Americans who fell in battle at Belleau Wood, Anzio, Pork Chop Hill, and most recently on the bloody ground around Khe Sanh, to many other shrines to their valor.

As a fellow Legionnaire, as are more than half of the Members of Congress, I say with pride: Congratulations to a great American institution, the American Legion on its golden anniversary.

FOLLOWUP ON U.S. CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

Mr. FULBRIGHT. Mr. President, as an early and strong exponent of the multilateral way of foreign assistance, I found the recent report of the Comptroller General entitled "U.S. Participation in the World Health Organization" somewhat disconcerting.

To illustrate, I ask unanimous consent, as in legislative session, that the GAO's own summary be printed in the RECORD at this point.

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

COMPTROLLER GENERAL'S REPORT TO THE CONGRESS ON U.S. PARTICIPATION IN THE WORLD HEALTH ORGANIZATION, JANUARY 9, 1969—EXCERPT

FINDINGS AND CONCLUSIONS

GAO found that executive agencies have not obtained the specific analytical information relative to proposed and continuing WHO projects and programs needed to identify programs whose justification may be questionable or which could be accomplished with greater economy and efficiency. Budget and operational data furnished to members by the WHO Secretariat has been too sketchy and incomplete to make firm assessments regarding implementation of WHO projects and programs.

The United States has no systematic procedure for evaluating WHO projects and programs. Those attempts which have been made by the United States and by the United Nations agencies have fallen far short of what is required by United States officials to make independent judgments relative to the efficiency and effectiveness of WHO operations.

The General Accounting Office (GAO) does not, nor do I, suggest that the World Health Organization (WHO) is worthless. However, the GAO concludes on the basis of information available to it that it is most difficult to determine how worthwhile WHO programs and projects are and to what extent they serve not only U.S. interests but the interests of other members of the organization as well.

If the GAO study of the World Health Organization indicates conditions that exist in other international organizations it would seem that the flow of information to member governments must be improved. If the U.S. and other members are to place greater reliance on international organizations and if more aid is to be channeled through them, then the constituent governments must have the means to assure themselves that these agencies are effective.

I was encouraged to note in the GAO report that the Executive Branch and officials of the United Nations are aware of this problem and taking steps to bring it under control.

Implicit—but not explicit—in this GAO report (the first of a series) is the thought that what is everybody's business, is nobody's business. It behooves responsible officials in all member governments to exercise reasonable oversight of these institutions which hold so much potential good for mankind.

TREATY ON THE NONPROLIFERATION OF NUCLEAR WEAPONS

The Senate resumed the consideration of Executive H, 90th Congress, second session, the Treaty on the Nonproliferation of Nuclear Weapons.

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

Mr. FULBRIGHT. I yield.

Mr. ERVIN. I direct attention to article VI on page 4 of the message of the President.

Mr. FULBRIGHT. Yes.

Mr. ERVIN. Article VI states:

Each of the Parties to the Treaty undertakes to pursue negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament, and on a treaty on general and complete disarmament under strict and effective international control.

My question is: Have the United States and Soviet Russia not been engaged in negotiations on these matters for a number of years at Geneva, Switzerland?

Mr. FULBRIGHT. There have been discussions in Geneva between our representatives, under Mr. Foster's leadership. They had a variety of matters before them. The first product of significance from the Geneva meetings was the Limited Test Ban Treaty, and now this treaty. I am sure, although I was not present, that the question in article VI has been raised. We ourselves some time ago suggested that we should have negotiations on this matter. It is my understanding that last summer President Johnson was about ready to announce a high-level meeting on this subject when the situation in Czechoslovakia occurred, and that caused the delay.

I would say yes; the answer is "Yes." And I am sure at lower levels than the presidential level there have been discussions.

Mr. ERVIN. Over a great period of years have not there been discussions on this very subject?

Mr. FULBRIGHT. I do not know how to answer. I am sure this subject has been part of the discussion because their representatives and ours have been meeting in Geneva for many months for a number of years. I was not there, but I am sure the subject was brought up but did not get anywhere—not yet. During the last 4½ years, this particular treaty has been their main preoccupation. But I am quite sure, with reference to that area, that they talked about what is in article VI.

Mr. ERVIN. I would like to invite attention to the second sentence or clause of subsection 2 of article IV on page 3, a little below the middle of the page:

> Parties to the Treaty in a position to do so shall also cooperate in contributing alone or together with other States or international organizations to the further development of the applications of nuclear energy for peaceful purposes, especially in the territories of non-nuclear-weapon States Party to the Treaty, with due consideration for the needs of the developing areas of the world.

Am I correct in interpreting that as a promise on the part of the United States to assist all nonnuclear nations that may adhere to this treaty in the development of atomic energy for peaceful uses?

Mr. FULBRIGHT. I would not say it as a flat and unqualified statement, as the Senator put it. I would put it a little differently: That the parties, particularly nuclear powers—which, of course, it has reference to—do agree to be of assistance to the nonnuclear powers for peaceful purposes so long as we, for example, believe this would be consistent with our own national interest. I do not think this is an absolute commitment to be of assistance.

This was gone into and there is a letter from the chairman of the Atomic Energy Commission, and it was discussed at length, to the effect that this is on a basis of consideration to us. It is not a grant. If we undertake to help a nonnuclear power with some peaceful development of atomic energy they will agree to pay us.

On page 10 of the report of the committee the Senator will find Dr. Seaborg's letter on behalf of the administration as to their attitude toward this section.

Mr. ERVIN. Normally, the word "contribute" means giving without monetary or other recompense. That is the primary use of the word "contribute."

I would like to ask the Senator whether in this sentence we are discussing in article IV the word "contributing" has reference to promising to give to these nonnuclear nations assistance in developing nuclear energy for peaceful purposes, and that it implies it is to be done without monetary or other considerations.

Mr. FULBRIGHT. I do not so interpret it at all. What the Senator is talking about here is not unique, but a very restrictive element: nuclear materials. I do not think the word "contribute" has the same connotation as when one contributes to the Red Cross or a charity, when talking about money.

It is not intended to mean and does not mean, in my opinion, that we will give to them this assistance without cost. We will make it available on a cost basis, which is made clear by Dr. Seaborg in his letter.

The Senator from Vermont (Mr. AIKEN) raised that question. In fact, it was his concern last summer, as I understand it, and during the course of succeeding months, it was clarified to his satisfaction, and to the committee's as well, that this would not be a grant program of nuclear materials but that we would be reimbursed on a cost basis for whatever we may furnish for peaceful uses.

Mr. ERVIN. Does not the Senator believe that each nonnuclear nation which may adhere to the treaty could interpret this second clause of the second section of article IV to be a clause which means that the United States as a nuclear power obligates itself to assist them in the development of atomic energy for peaceful purposes?

Mr. FULBRIGHT. If the phrase had "contributing without cost," I think they would. But, in the absence of that, they have no reason or justification to make such an assumption.

Mr. ERVIN. Does the Senator agree or disagree with the Senator from North Carolina that in interpreting a written document, a word is normally interpreted to have its primary and usual meaning?

Mr. FULBRIGHT. I say, in connection with nuclear weapons and nuclear materials, that I do not think it has any such primary or usual meaning. I think the Senator is reading into this the usual meaning when we are talking about a contribution to a charity.

Mr. ERVIN. I think the primary meaning of "contribution" is to contribute something, such as making a gift.

Mr. FULBRIGHT. I do not know.

I think the Senator, for example, makes a great contribution to the discussion of anything on the floor of the Senate. When he does that, I do not say he is making a gift because he is being paid for it, the same as I am.

It would be common to use that word in connection with the Senator's great talents when he contributes to the enlightenment of the Senate, when we use that word. These words do not have any formal meaning. The Senator is a great master of discussion, in matters of elucidating and confusing the meaning of a word. Here he is trying to confine it to one aspect, but if we use it in connection with the Red Cross, say, then I agree, it has no meaning, but when used in the sense of service to the Senate, it is not being done for nothing. It is not free.

Mr. ERVIN. In other words, the Senator takes the position that the word "contribution" means one thing when making a contribution, another thing when, say, we are fixing up our income tax return, and yet another when we make treaties with other nations?

Mr. FULBRIGHT. Since the Senator brings in the income tax, we contribute to the support of the Federal Government by that and I do not consider that to be without cost. We contribute because we have to and because we pay for all kinds of services.

Mr. ERVIN. The word "contribution" as used on the subject of income taxes is in contributing to the Federal Government; that is, to keep ourselves tax free.

Mr. FULBRIGHT. The Senator is not talking about charitable contributions. I do not think the Senator is trying to say that a word has a single meaning under all circumstances, would he, like the word "fast"? Sometimes we tie things fast to a post, and sometimes we run fast. In that connection?

Should that word always mean running fast, or should it sometimes mean tying things fast to a post?

Mr. ERVIN. So does the word "contribution." As someone said, "I shall be present at a particular time and place and I shall present you with a present."

Mr. FULBRIGHT. That is right.

Mr. ERVIN. I am trying to find out what the word "contribution" means.

Mr. FULBRIGHT. I am trying to make it clear in this discussion which the Senator is raising, that this certainly gives a very clear legislative history. Furthermore in the report of the committee, to which I have referred, and in the official letter from the chairman of the Atomic Energy Commission speaking on behalf of the administration, the matter is clarified, is it not?

Mr. ERVIN. Certainly, the testimony of Dr. Seaborg does, but it is not a part of the treaty.

Mr. FULBRIGHT. No, but it contributes to the understanding.

Mr. ERVIN. Gives an opinion about it.

Mr. FULBRIGHT. Well, the Senator gives his. I give my opinion, and the Senator from Vermont (Mr. AIKEN) has given his. The committee has given its opinion, also.

Mr. ERVIN. That is the reason I was somewhat perplexed by the Senator's opposition to my proposal that the Senate—along with Dr. Seaborg and General Wheeler, the Secretary of State and the Committee on Foreign Relations—should not have the right to give its interpretation.

Mr. FULBRIGHT. I said to the Senator that I did not object to the sense of his reservation. That it was largely a procedural matter. It is like one of these other reservations which are interpretations, and I agree should be included in the report. The signatories to the treaty should see them. But I think it is very inappropriate to attach such a statement to the resolution of ratification because it creates misunderstandings and raises questions where there is no need to do so. If there is a really substantive change that the Senator from North Carolina—or any other Senator—wants to make, and he offers a reservation, then that is a proper reservation and should be voted on its merits. I did not oppose what the Senator said yesterday on its merits. I just think it would confuse the situation and the fact that it did not change the meaning, it seems to me, would be misleading.

Mr. ERVIN. Let me ask the Senator if he can cooperate with me in my desire to let the Senate give its interpretation to the treaty in a way that will not have to be attached to the treaty, that I would offer a resolution—it would not be a reservation, it would not be an understand-

ing—but it would be an interpretation by the Senate in the form of a sense-of-the-Senate resolution, that—

That it is the sense of the Senate that the United States, by entering into the treaty on the nonproliferation of nuclear weapons, does not obligate itself to use its armed forces to defend any non-nuclear weapons state, or any member of the United Nations against any acts or threats of aggression even if such acts or threats are accompanied by the use or threatened use of nuclear weapons—

I make this addition because of the argument made by the Senator—

and that such Treaty does not affect in any way any obligation assumed by the United States under any other treaty or the Charter of the United Nations.

Mr. FULBRIGHT. Would the Senator please read the last part again? I raised that question yesterday.

Mr. ERVIN. Yes.

Mr. FULBRIGHT. I raised the question about the effect upon our NATO allies. I certainly do not see any reason which would cause them to feel we are reneging on our obligations under NATO.

Mr. ERVIN. The first part of this proposed sense-of-the-Senate resolution states in substance what was in my reservation, and adds this—which I frankly state was suggested to me by the argument of the distinguished Senator:

And that such treaty does not affect in any way any obligation assumed by the United States under any other treaty or the Charter of the United Nations.

Mr. FULBRIGHT. Offhand, I do not see any objection to it. If the Senator is offering it as a separate resolution, as a sense of the Senate, at the moment I do not see any objection to it. It would not, as I understand it, be submitted to the signatory nations. They would have to look at it and decide what it means and be able to say, rightly, what this does, that it is a sense of the Senate only, and I personally, at the moment, cannot see any objection to it.

Mr. ERVIN. I wonder whether the Senator——

Mr. FULBRIGHT. I cannot accept it as a part of the treaty. The Senator knows that.

Mr. ERVIN. So that I can get it before the Senate, I should like to make a unanimous-consent request that the Senate return for a moment to legislative business, and that I be permitted to offer this proposed sense-of-the-Senate resolution and ask for its immediate consideration. I recognize the right of the Senator to object to its immediate consideration and then it could go over and be printed and be made available to all Senators, or perhaps be acted on before we reach the pending business tomorrow on the treaty.

Mr. FULBRIGHT. Well, I really do not have any objection. I hesitate to agree without the majority leader's being here. I do not know whether he has any views on this. He is a ranking member of the committee. Could the Senator forgo it a minute? I do not have any objection to it. I would not want to foreclose the Senate from having an expression of what I believe to be the truth. We certainly do not want to obligate ourselves to give away this or that, but I also do not want to raise suspicions about our obligations.

Mr. ERVIN. My point was to have it printed and available for Senators.

Mr. FULBRIGHT. I have no objection to that.

Mr. ERVIN. If the Senator prefers, I will withhold it for the time being, before making the request, but I wanted to have it printed.

Mr. FULBRIGHT. I have no objection to that. The Senator does not want to precipitate an argument about it today?

Mr. ERVIN. No.

Mr. FULBRIGHT. I have no objection.

Mr. ERVIN. I want to afford all Senators an opportunity to read it.

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

Mr. FULBRIGHT. I yield.

Mr. GOLDWATER. I have asked the minority leader to be notified to come to the floor, to be advised of any developments in this matter. I believe it would be advisable to have his view.

Mr. FULBRIGHT. I do not see any objection. It is a perfectly proper request to have it clarified. That is what the Senator is trying to do.

Mr. ERVIN. Mr. President, if it turned out that there was no opposition to it, the procedure would permit the resolution's being voted on before we took up the pending business, as I understand the rules.

Mr. FULBRIGHT. In view of the statement of the Senator from Arizona, why does not the Senator from North Carolina defer the request a few moments, and then go back to it?

Mr. ERVIN. I was going to say that, in view of the statement of the Senator from Arizona, I will defer this matter.

Mr. GOLDWATER. Mr. President, I may say that the minority leader is on his way here. It will be only a matter of a moment or two.

Mr. President, needless to say, I have followed the Senate debate on the resolution to ratify the Treaty on Nonproliferation of Nuclear Weapons with a great deal of interest. And because I intend to vote against ratification of this treaty, I wish to outline my position in some detail.

To begin with, let me say that this treaty has been somewhat misrepresented to the American people. I find that many of our citizens believe that the ratification of this treaty would somehow end—or slow down—the arms race and constitute a giant step toward world peace. It would, of course, do neither.

Nothing in this treaty will prohibit any of the nuclear states now possessing nuclear weapons from enlarging their inventories, increasing their weapons yield, or from placing weapons in friendly countries, provided, of course, that control remains with the nuclear nation.

Mr. President, I want it clearly understood at this time that I yield to no man in my heartfelt desire for world peace and in my great yearning for genuine, multilateral disarmament with adequate inspection procedures. This is a desire that all men of good will share equally. It does not belong exclusively to those people who urge ratification of this treaty and promote the idea of possible accommodation with the Soviet Union and other nuclear states. And I hasten to underscore the fact that this treaty has no important bearing on this kind of disarmament.

It does not prevent the United States, Russia, France, and China from pursuing an all-out quest for more and bigger and more powerful nuclear weapons. It does nothing to reduce the present level of nuclear weapons. It provides no machinery whatsoever to check on whether the nuclear powers cheat and secretly send atomic weapons to nonnuclear nations.

Mr. President, I am greatly impressed with what this treaty will not—let me repeat, not—accomplish. Permit me, if you will, to list a few of the additional things it will not do.

First. It will not guarantee that the number of nuclear weapons will be reduced.

Second. It will not guarantee that the 100 nonnuclear nations which are expected to sign this treaty will not change their minds at some later date.

Third. It will not have any effect on any of the so-called threshold nations which today stand on the brink of developing their own nuclear potential and which have all refused to sign the treaty.

Fourth. It will not guarantee disarmaments talks with the Soviet Union, even though article 6 of the treaty calls for the pursuit of such negotiations "at an early date."

Fifth. It will not stop the Soviet Union from continuing to deploy its anti-ballistic-missile system.

Sixth. It will not really halt the proliferation of nuclear weapons.

Mr. President, it does not surprise me that most of the threshold nations have refused to sign this treaty.

We have asked them, in effect, to forgo the possibility of their joining the world club of nuclear nations without providing sufficient promise that nuclear weapons will not be necessary in their futures. And if we do provide such guarantees, we are merely assigning to ourselves the role of "world policeman" and stating, in effect, that we will come to the defense of any nation confronted with a nuclear attack. As I have stated earlier on this subject—and nothing brought out in debate on the Ervin reservation has changed my mind—I believe that the U.N. Security Council Resolution 255 of 1968 on security guarantee and the U.S. declaration made in explanation of its vote for that resolution make that entirely clear. Both of these documents include specific reference to the concerned countries which desire to subscribe to the treaty that "appropriate measures be undertaken to safeguard their security" if they adhere to the treaty.

This expectation of the nonnuclear nations was fed throughout the negotiating stage by the former administration. On at least two occasions President Johnson promised "our strong support against threats of nuclear blackmail." Secretary McNamara went so far as to pooh-pooh the idea of any nation taking time to go through the United Nations. In testimony before the Joint Committee on Atomic Energy, he said:

In case of a nuclear attack by country A on country B, the very survival of country

B would be immediately at issue and it might well require military intervention by one of the great powers immediately, without time for the negotiation and discussion in international forums that would otherwise take place.

The question that disturbs me after having listened to the frequent denials of these new implications is not based upon the conditional question—although this question certainly arises—but, rather, is based upon a question of morality. No one can deny that these statements by McNamara and Johnson were made and that they appeared in the report on the committee hearings. Mr. President, this situation raises several questions. What, for example, will be the reaction of nonnuclear states if we go back on what is to me a statement by our leaders assuring them support if they are threatened or attacked? How long would it be before nonnuclear states signatory to this treaty start to pull out and develop their own weapons when the indications appear that the United States does not intend to carry out the promises of its leaders?

This is a serious question, and I think the Ervin reservation is addressed to it and should have been attached to the resolution for ratification of the treaty. It would not have affected the text of the treaty and it would have stated clearly what the chairman and members of the Foreign Relations Committee have been saying on the floor; namely, that we are not committed to the use of our forces and our weapons in any way as a result of this action.

But the way things stand now, nonnuclear nations may well ask us to run risks on their behalf that we may not be prepared to run. And it could be that the perpetuation of a bilateral power posture might lead both the United States and the Soviet Union to an arms race far exceeding that which might occur if third powers could be wooed back and forth. What I am saying, Mr. President, is that the end result of this treaty might well be one of "proliferation" rather than one of "nonproliferation."

Of course, as I have pointed out, it is being said by the proponents of this treaty that it would not commit the United States to the defense of nonnuclear signatories; that this commitment is not specifically to be found in this treaty. And I say that it does not make any difference whether such a commitment is reduced to actual language in the treaty. By ratifying a pledge by nonnuclear powers not to seek nuclear strength, we are committed by implication and by fact, whether the treaty says so or not. The alternative to noncommitment is to incur the wrath of the signatories and to insure their alinement with our enemies.

Mr. President, I believe that this treaty does commit the United States to a role which could have us fighting Vietnam-type wars in many areas of the world. I feel the commitment of which I just spoke would carry far enough to engage us in the defense of nonnuclear signatories against even the threat of attack by a member of the nuclear club.

In addition, I believe it would play right into the hands of Soviet strategic interests in Europe.

Consider, if you will, that the treaty would commit Russia to refrain from passing atomic weapons secrets to wavering satellites such as Czechoslovakia and untrustworthy puppets like Nasser and Castro. It commits Russia to refrain from doing what she would not consider doing under any circumstances.

In return for a commitment not to do what it would not think of doing, we guarantee to the Soviet what has been called an "atomic cordon sanitaire" running from Norway and Denmark down to Italy in the west, and all around the whole far eastern periphery with the exception of Red China.

This is precisely what the Soviets want. They do not want anti-Communist, Western countries to receive nuclear help from us.

Any way you figure it, this treaty has got to benefit the Soviet Union more than it does the United States. If there ever was a way to drive a wedge into the NATO alliance, this is surely it. In fact, Dr. Robert Strausz-Hupe, director of the Foreign Policy Research Institute at the University of Pennsylvania, says that if this treaty is ratified in its present form, it will "nail down the lid on the coffin of NATO."

Dr. Strausz-Hupe's argument is that the treaty supports what he terms the "thesis of revisionism"—the priority in U.S. foreign policy of bilaterally negotiated arms control and security agreements with the Soviet Union over the maintenance of the Western alliance.

Arrangements between the United States and the Soviet Union, such as this treaty, lend themselves to the growing belief that the usefulness of NATO as a military-strategic arrangement has diminished. Such arrangements lend support to arguments that there are other and better ways for insuring national security and world peace than through NATO. An extension of this argument, of course, says that if NATO is proving to be an obstacle to the "relaxation of tensions" it should be scrapped. This is exactly what the Soviets want.

It is certainly no secret that ever since the founding of NATO the destruction of the Western military alliance has been the main objective of Soviet foreign policy. Consider, for example, the words of Soviet Foreign Minister Andrei Gromyko when he informed the Supreme Soviet of the successful negotiations of the nonproliferation pact. That was on June 27, 1968, and among other things, Mr. Gromyko denounced NATO as an obstacle to arms control and disarmaments agreements, called for the "liquidation of foreign military bases" and singled out West Germany as the would-be disturber of the peace in Central Europe.

Mr. President, I find myself in accord with the argument that first, treaties with the Soviet Union are questionable at best; and, second, such treaties serve to undermine the free world's NATO shield.

There can be no doubt that the Soviet Union is pushing in two directions at the same time. Diplomatically her officials talk of negotiations to end or to slow down the arms race; they deliberately encourage the idea that the Kremlin is "mellowing" and seeking ways to reduce world tensions. At the very same time the U.S.S.R. is pursuing aggressive, warlike actions in almost every area where the interests of East and West meet.

One of these places is Vietnam, where the Russians are supplying the armaments and equipment to prolong the war and kill additional American fighting men.

One of these places is Berlin, where the Russians continue to encourage their East German Communist allies to harass and aggravate relations with the West.

One of these places is the Middle East, where the Russians are busily rearming the Arab world for a possible resumption of its war with Israel.

In addition to the constant agitation in these trouble spots, the Soviet Union is pushing its arms buildup in all categories, nuclear as well as conventional. In fact, the Russians are now ahead of the United States in nuclear missile strength when you add their heavy numbers of IRBM's to their ICBM's. The Russian submarine fleet is growing by leaps and bounds. Its naval influence has reached into the Mediterranean and may soon begin to dominate those strategic waters.

This, then, is the nature of our adversary. And I believe that the nature, the attitudes, and the intentions of treaty partners should become an integral part of the Senate deliberations when it undertakes to advise and consent.

When you consider these worldwide moves of the Soviet Union, and add to them its activities in its own sphere of influence, such as the rape of Czechoslovakia, how can we expect our alliance allies to react kindly to bilateral agreements with Russia? More than that, how can we expect a nation with this kind of a record to engage in profitable negotiations aimed at the reduction of armaments?

I do not hold with the often repeated statement on this floor that we should not offer reservations or changes to a treaty. If the charge contained in the Constitution that the Senate shall advise and consent on treaties has any meaning, then certainly, in its advising, it should act when a consensus of this body holds that a change should be made and the consent withheld until such change is made. If arguments to the contrary hold any water, then why bother the Senate with treaties? Why not just have the Foreign Relations Committee vote them up or down?

This treaty is unsigned by nations which could make it an effective arrangement. It will not bring about world peace or a reduction in nuclear arms. I hope and pray that I will see the day when this Senate does consider a treaty agreed to by all the powers of the world which would result in multilateral disarmament accompanied by the privilege of inspection. This treaty does not even come close to that, so I must vote against it.

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

Mr. GOLDWATER. I yield.

LEGISLATIVE SESSION

Mr. DIRKSEN. Mr. President, I move the Senate return to legislative session.

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

RESOLUTION 164

Mr. ERVIN. Mr. President, I send forth a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the resolution.

Mr. FULBRIGHT. Mr. President, of course, I object to its immediate consideration. I do not object to its being printed.

The PRESIDING OFFICER. The clerk will read the resolution.

The assistant legislative clerk read as follows:

Resolved, That it is the sense of the Senate that the United States, by entering into the Treaty on the Nonproliferation of Nuclear Weapons, does not obligate itself to use its Armed Forces to defend any non-nuclear-weapon state or any member of the United Nations against any acts or threats of aggression even if such acts or threats are accompanied by the use or threatened use of nuclear weapons and that such treaty does not affect in any way any obligation assumed by the United States under any other treaty or the Charter of the United Nations.

Mr. ERVIN. Mr. President, I ask unanimous consent that the resolution may be printed, so it will be available to Senators, and may be brought up for consideration tomorrow.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. FULBRIGHT. Yes; I object to its present consideration.

The PRESIDING OFFICER. Objection is heard. Under rule XIV, paragraph 6, the resolution will go over under the rule.

Mr. FULBRIGHT. I do not object to its being printed and to its being considered, as I said, but, as I apprehended in connection with the Senator's move yesterday, the effect upon the treaty is what disturbs me. I think my committee, and also the State Department, which is vitally interested in this matter, and the President ought to be given an opportunity to consider just what are the implications of the statement. I do not wish anyone to cast any doubt upon our sincerity in accepting the treaty and what we intend to do about it. If it does do that, of course, we will determine our attitude.

I had not heard of the resolution until this minute, and, of course, I am not prepared to make a commitment to support it or otherwise. This is very irregular in the case of a treaty, but, as I said yesterday, it seems to me those who are deeply concerned about the treaty, which has been before us since last summer, should have submitted ideas of this kind to the committee, in order to give the administration and the committee an opportunity to consider them. But I do not object to the resolution being printed and available. That does not mean I am not going to object to its being adopted.

Mr. ERVIN. Mr. President, I certainly am not asking the Senator to commit himself at this time.

Mr. FULBRIGHT. I think the normal thing is to have it go to the committee and give it the normal time to consider it. This is the normal procedure.

Mr. ERVIN. Yes; but it will automatically come up tomorrow.

Mr. FULBRIGHT. Mr. President, did I understand correctly that the result of the unanimous-consent request did not carry with it the obligation to consider this resolution tomorrow?

The PRESIDING OFFICER. The resolution went over under the rule, and is to be printed.

Mr. ERVIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ERVIN. Immediate consideration of the resolution having been moved, and objection having been voiced, I ask if it does not automatically go on the calendar.

The PRESIDING OFFICER. It goes over under the rule, and will come before the Senate, at the conclusion of the regular morning business, on the following legislative day.

Mr. ERVIN. In other words, if there is a recess, it will not come up automatically tomorrow?

The PRESIDING OFFICER. That is correct.

Mr. ERVIN. But it will come up automatically on the next legislative day?

The PRESIDING OFFICER. Yes.

EXECUTIVE SESSION

Mr. DIRKSEN. Mr. President, I move that the Senate return to executive session.

The motion was agreed to; and the Senate resumed the consideration of executive business.

TREATY ON THE NONPROLIFERATION OF NUCLEAR WEAPONS

The Senate resumed the consideration of Executive H, 90th Congress, second session, the Treaty on the Nonproliferation of Nuclear Weapons.

NUCLEAR NONPROLIFERATION TREATY SHOULD BE RATIFIED IMMEDIATELY WITHOUT RESERVATIONS

Mr. YOUNG of Ohio. Mr. President, the importance of the Treaty on the Nonproliferation of Nuclear Weapons cannot be overestimated. The future peace of the world may well be decided by whether or not the Senate ratifies the treaty, without reservation.

I was privileged along with other Senators to have been a guest of President Johnson in the East Room of the White House on July 1, 1968, to witness the signing of this Nuclear Nonproliferation Treaty by top representatives of more than 50 nations including Ambassador Dobrynin of the Soviet Union. This treaty, while not guaranteeing that nuclear weapons will never be used in war, clearly represents a milestone in the long journey toward world peace. The Limited Nuclear Test Ban Treaty achieved by President John F. Kennedy restricted the environment where nuclear bombs could be tested. The outer space agreement limited the areas where they could be stationed. Now, the Nonproliferation Treaty will limit the spread of nuclear weapons. This signing of the draft of this Nuclear Nonproliferation Treaty was a never to be forgotten dramatic, historic event. President Johnson's address ending the ceremony will be regarded by future historians as one of his finest—a historic state paper. In part President Johnson said:

> After nearly a quarter century of danger and fear—reason and sanity have prevailed to reduce the danger and to greatly lessen the fear. Thus, all mankind is reassured. For this Treaty is evidence that amid the tensions, the strife, the struggle and sorrow of these years, men of many nations have not lost the way—or have not lost the will—toward peace. The conclusion of this Treaty encourages the hope that other steps may be taken toward a peaceful world.

The facts which make imperative U.S. ratification are clear enough. Today, only five nations possess nuclear weapons—the United States, the Soviet Union, China, France, and Great Britain. However, many other nations have the resources to become nuclear powers. By spending approximately $200 million any mature industrial country can readily produce one or two atomic bombs or nuclear warheads. With each passing year more nations will be able to do so, and the possibility of nuclear war increases. Therefore, this treaty is of utmost importance in curtailing what former Defense Secretary McNamara termed "the mad momentum of the arms race."

Mr. President, the proposed treaty emerged after years of difficult and painstaking negotiations. In brief, the treaty will decrease international tensions by reducing the threat of accidental nuclear detonation, by eliminating the danger that a limited war between the smaller nations will escalate into nuclear holocaust and by decreasing the risk that nuclear weapons among smaller powers would offset regional balances of power that contribute effectively to the maintenance of international peace and security.

This treaty is not a Soviet invention. For many years both the Soviet Union and the United States have attempted to separate this issue from other issues on which leaders of both nations differ, and to support it as an important common goal. The fact is that the United States is the principal architect of the treaty which we first proposed in 1964. It is based on policies formulated under four administrations and was reflected in the Baruch plan, in the Atomic Energy Act, in the atoms for peace plan, and in the Limited Nuclear Test Ban Treaty.

May I say at this time that every provision of that Limited Nuclear Test Ban Treaty achieved by the late great President John F. Kennedy, due in large part to the fine work of his great Ambassador, Averell Harriman, was lived up to with respect to every obligation from the time it was entered into by the Soviet Union and the United States. The Soviet Union has implicitly lived up to every obligation in that treaty.

Mr. President, the representatives of more than 80 countries have now signed the Nonproliferation Treaty. All representatives of these nations signed in good faith. Indeed, its acceptance by most nations of the world was an inspir-

ing act of faith and imposed an obligation upon the nuclear powers to aid smaller nations faced with aggression and to provide them with necessary nuclear resources so that their people may fully enjoy the blessings of the peaceful uses of nuclear energy. The good faith which is so essential to universal acceptance of this treaty may evaporate in the face of any vacillation upon the part of the U.S. Senate to ratify the treaty.

Throughout our history the United States has played a vital role in the search for international peace and security. The Nuclear Nonproliferation Treaty is another of the many steps on the long journey toward permanent peace. It is evidence amid the tensions and strife of this period of international anarchy that men of many nations have not lost the will to strive toward peace. It encourages the hope that other even more meaningful steps will be taken toward permanent peace in the near future and in years to come.

Many leaders of nations now capable of producing atomic weapons are awaiting our action to determine whether their countries shall become signatories to the treaty. We cannot allow their interest to wane or to indicate in any way our reluctance to accept the provisions of the treaty. Delay now might lead to final rejection of the treaty. Ratification would be an important effort to lift the threat of adding new and fearful dimensions to international tensions and disputes. To delay ratification could have tragic consequences for the future, not only for our Nation, but for all mankind.

EXECUTIVE RESERVATION NO. 1

Mr. TOWER. Mr. President, I call up my reservation.

The PRESIDING OFFICER. The reservation will be stated for the information of the Senate.

The legislative clerk read as follows:

Before the period at the end of the resolution of ratification insert a comma and the following: "subject to the reservation that such treaty shall not be construed as precluding the provision of weapons or other materials for the establishment of nuclear defenses to regional organizations established under Article 52 of the Charter of the United Nations".

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I have discussed the possibility of a time limitation with the distinguished minority leader, the distinguished chairman of the Foreign Relations Committee, the distinguished Senator from Texas, and other interested Senators. I would like at this time to ask unanimous consent that there be a time limitation of 2 hours on the pending reservation, the time to be equally divided between the distinguished Senator from Texas and the distinguished Senator from Arkansas.

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

Mr. MANSFIELD. Mr. President, it is my understanding that the distinguished Senator from Connecticut (Mr. DODD) has two amendments. Whether they are understandings or reservations, at this time I do not know. I make the same request in regard to those two, with his approval—2 hours on each of the proposals, the time to be equally divided between the Senator from Connecticut (Mr. DODD) and the chairman of the Committee on Foreign Relations, the Senator from Arkansas (Mr. FULBRIGHT).

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

The Chair inquires whether the time of the Senator from Vermont will come out of the time covered by this agreement.

Mr. MANSFIELD. No; this refers only to the time when these two amendments are discussed.

Mr. PROUTY. Mr. President, I shall vote in favor of ratifying the Treaty on the Nonproliferation of Nuclear Weapons. I shall do so with the hope it may lead to a world free of nuclear terror, but with the concern that it may lead to crippling delusions.

The treaty tempts rhetoric and renews hope, but glowing phrases and our sincere aspirations must not be allowed to obscure reality.

We must pause to ask ourselves if we see the treaty as it is or as we would wish it to be.

All men of good faith endorse the intent of the Nonproliferation Treaty. Nuclear weapons, with their catastrophic power of destruction, must not be allowed to spread further among the nations of this earth.

Such a design is laudable, yet the treaty fails to carefully delineate the safeguards needed to implement its intentions. Instead, it leaves much to be done to match its performance with its promise. Existing limitations and possible future problems in enforcing the treaty's noble intent must not be ignored.

Instead, the treaty must be viewed in the proper perspective. It is only a small step on a long arduous road to peace. The difficult journey ahead requires clear heads, unclouded by delusions that the road is easy or the distance short.

I have cast myself in the role of the skeptic to warn of delusions and to prod the dreamer. We cannot afford to linger with our reveries of a world without arms. We must be on our way toward disarmament. This treaty must be ratified, then quickly buttressed with adequate safeguards. We must adhere to the course set by article 6 to negotiate in good faith to end the nuclear arms race and to effectuate nuclear and general disarmament. There is much to do, but it must be done, if men are to continue to live upon this earth.

Mr. BYRD of Virginia addressed the Chair.

The PRESIDING OFFICER. The time is now under control.

Mr. TOWER. Mr. President, I ask unanimous consent that the distinguished Senator from Virginia be recognized for as much time as he requires, without the time being charged to either side.

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

The Chair recognizes the Senator from Virginia.

Mr. BYRD of Virginia. I thank the distinguished Senator from Texas.

Mr. President, the Nation's top military officer, Gen. Earle G. Wheeler, appeared before the Committee on Armed Services to discuss and answer questions in regard to the military implications of the Treaty on the Nonproliferation of Nuclear Weapons.

At this point in the debate, I desire to read into the RECORD certain questions I addressed to General Wheeler, and subsequent to that I would like to invite the attention of the chairman of the Committee on Foreign Relations, so that I might ask him several questions to get the thinking of his committee.

Mr. President, on February 27 and 28, General Wheeler appeared before the Committee on Armed Services, and I put these questions, among others, to General Wheeler:

General Wheeler, several of my questions will be repetitious but I do it for emphasis.

My understanding is that you see no military disadvantages to the suggested treaty.

General WHEELER. I do not, sir.

Senator BYRD. My understanding is that that is likewise the unanimous view of the Joint Chiefs of Staff.

General WHEELER. That is correct, Senator.

Senator BYRD. General, on page 1 of your statement you say the Joint Chiefs addressed treaty proposals formally on 19 occasions. Each of these resulted in specific recommendations for strengthening the treaty.

Were the specific recommendations, all of them, accepted?

General WHEELER. Yes, they were.

Then I put these questions to General Wheeler:

Senator BYRD. This treaty would not operate to the disadvantage of the United States or its allies?

General WHEELER. That is my belief, and the belief of my colleagues.

Senator BYRD. This treaty would not involve an obligation for the automatic commitments of the U.S. military forces?

General WHEELER. It does not, sir.

Senator BYRD. And this treaty does not prevent the development and use of an ABM system by the United States?

General WHEELER. It does not, sir.

Senator BYRD. Article VIII of this treaty provides that any party to the treaty may propose amendments to this treaty.

Are there any amendments that you feel should be proposed?

General WHEELER. Not at the present time, sir. I am not aware that any amendments are in the process of being proposed by other signatories.

Senator BYRD. But there are no amendments that the Joint Chiefs of Staff would recommend?

General WHEELER. Not at this time, sir.

Mr. President, another question I put to General Wheeler was this:

General Wheeler, as I understand it, the Joint Chiefs of Staff played an important part in the development of this treaty.

General WHEELER. Yes, sir.

Senator BYRD. And, as I understand it, it is the view of the Joint Chiefs of Staff that its enactment would not involve an obligation for automatic commitment of U.S. military forces.

General WHEELER. That is corrrect, Senator Byrd.

Mr. President, if I may have the attention of the distinguished chairman of the Committee on Foreign Relations, I should like to ask him whether in his judgment this treaty in any way involves an obligation for the commitment of U.S. troops in the event any nonnuclear nation should be attacked.

Mr. FULBRIGHT. I say to the Senator that it does not. This treaty does not affect the disposition of our troops in any way whatever. It does not attempt to deal with that in any respect.

I have read the exchange that the Senator has read from the hearings of the Committee on Armed Services, and I congratulate him on eliciting these very positive statements from the chairman of the Joint Chiefs of Staff. I agree with it completely. Our own hearings reflect exactly the same thing. There is not the slightest doubt, in my opinion—and I believe it is the opinion of all the members of the Committee on Foreign Relations—that what the Senator has just read is in accord with the treaty.

Mr. BYRD of Virginia. It is my understanding—I have not found it in the committee report, but I understand it is in the committee report—that the committee report does not make clear that in the judgment of the Committee on Foreign Relations, and I understand it is the unanimous judgment of the Committee on Foreign Relations, nothing in this treaty would commit, in itself, the use of U.S. troops.

Mr. FULBRIGHT. The Senator is correct. The treaty does not deal with that subject, I may say. It does not prohibit, permit, or do anything about that. It just does not attempt to deal with the question of troops. It deals only with weapons and nuclear materials.

Mr. BYRD of Virginia. I thank the Senator from Arkansas. What the Senator has just stated is the way I understand the treaty.

Mr. FULBRIGHT. The Senator is correct.

Mr. BYRD of Virginia. It is unfortunate, I think, that on June 19, 1968, our Representative in the United Nations made certain declarations. I refer to the declaration which the Senator from North Carolina has called attention to.

I think the Senator from North Carolina was justified in calling attention to the United Nations declaration, which to my way of thinking is a misleading declaration in that it misleads not the Senate, which is considering the treaty, but it misleads other nations, because, as I understand this treaty, and as the chairman of the Committee on Foreign Relations has indicated, and as the Chairman of the Joint Chiefs of Staff has indicated, there is nothing in this treaty that commits the United States to go to the aid of any other country should other countries be attacked with nuclear weapons.

In my judgment, what occurred in the United Nations on June 19, 1968, is very unwise, unfortunate, and very misleading. I wish to congratulate the distinguished senior Senator from North Carolina for focusing attention on that United Nations declaration. I wish to say that I do not propose to be bound by a declaration of some representative in the United Nations.

The threat posed by the possibility of more nations, some under irresponsible leadership, obtaining nuclear warmaking devices is so grave that every reasonable precaution should be taken.

In my judgment, the treaty now before the Senate will not solve many problems; in my judgment, it has been oversold by its proponents.

But ratification of the treaty has been recommended by former President Johnson, by President Nixon, and it has the support of the Chairman of the Joint Chiefs of Staff, the Nation's top military officer, and it has the support of the Chief of Naval Operations, the Chief of Staff of the Army, the Chief of Staff of the Air Force, and the Commandant of the Marine Corps.

General Earle G. Wheeler, Chairman of the Joint Chiefs of Staff, testified that our military leaders played an important part in the development of this treaty.

He testified, too, that its enactment would not involve an obligation for commitment of U.S. military forces. He testified, too, that it is the unanimous view of himself, the Chief of Naval Operations, the Chief of Staff of the Army, the Chief of Staff of the Air Force, and the Commandant of the Marine Corps that there are no military disadvantages to the United States in the ratification of this treaty.

The distinguished senior Senator from North Carolina (Mr. ERVIN) has, quite properly, I think, invited the attention of the Senate to a declaration of the Government of the United States made in the United Nations Security Council June 19, 1968, when our Government noted "with appreciation, the desire expressed by a large number of states to subscribe to the Treaty on the Nonproliferation of Nuclear Weapons."

The Senator from North Carolina called attention to the assertion by the U.S. representative in the United Nations that—

> In conjunction with their adherence to the treaty . . . appropriate measures be undertaken to safeguard their security . . . the United States affirms its intention . . . to seek immediate Security Council action to provide assistance, in accordance with the charter, to any non-nuclear weapon state party to the treaty on the non-proliferation of nuclear weapons that is a victim of an act of aggression or an object of a threat of aggression in which nuclear weapons are used.

The above assertion by the U.S. representative in the United Nations is, I believe, unfortunate in that it misleads the nonnuclear nations.

It does not, however, bind the U.S. Senate nor the Congress. It is not a part of the treaty.

The distinguished chairman of the Foreign Relations Committee has made clear—and the total membership of the Foreign Relations Committee has made clear—the declaration in the United Nations is not a part of the treaty and is in no way binding on the Senate or on the Congress.

I want the record to clearly show, Mr. President, that ratification of this treaty does not in any way associate the Senator from Virginia—or any Member of the Senate for that matter—with the misleading statements made by the U.S. representative in the Security Council of the United Nations.

I shall cast my vote for ratification. The treaty does not appear harmful to our own national interest, and it could prove helpful in preventing the spread of nuclear weapons.

I am hopeful, however, the public will not be lulled into a false sense of security. We must remain militarily alert and strong, and this treaty should be recognized for what it is: Only a hopeful first step in preventing the spread of nuclear weapons.

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

Mr. BYRD of Virginia. I yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I agree with my distinguished friend from Virginia that these remarks were unfortunate. I also think that it is unfortunate that they were placed near the treaty, such as in the report.

I am disturbed about these statements, not necessarily from a constitutional view, although I could be. I think there is a moral question involved with reference to how much influence that statement, plus other strong statements, had on nonnuclear states in getting them to go along with the treaty.

I refer to a statement, which is much stronger than the one we are talking about, which appears on page 169 in the report, quoting President Johnson in a television address on October 18, 1964:

> The nations that do not seek national nuclear weapons can be sure that if they need our strong support against some threat of nuclear blackmail then they will have it (TV address, October 18, 1964) * * * they will have our strong support against threats of nuclear blackmail. (Message to 18 nation disarmament committee, January 27, 1966.)

Does the Senator from Virginia see a moral responsibility in here in connection with this treaty and what these words might mean to countries that sign this treaty?

Mr. BYRD of Virginia. Mr. President, I noted the statement which the Senator from Arizona has just read quoting former President Johnson. I think that tends to mislead these other nations, just as I think the United Nations declaration by our representatives tends to mislead.

But I do not think that either one of those statements can speak for the Congress of the United States and, of course, President Johnson is no longer President.

It may have had an effect on causing some of those nations to sign the treaty which would not have signed otherwise. I would put those statements in the category of campaign oratory, the campaign being to obtain signatures for the treaty.

I think it is unfortunate that in campaigns people are misled on some occasions. I might say that when the distinguished Senator from Arizona was a candidate for President he did not mislead the people, he was completely frank with the people.

Mr. GOLDWATER. I thank the Senator. It did not pay any dividend, I might say.

I agree with the Senator from Virginia. I hope the debate on this subject will make it amply clear that the Congress is not swayed by these statements made before the United Nations or in a television address. That is why I was hoping that the chairman of the committee would permit a vote to be taken on some statement that would not damage the

treaty, to make it clear that these unfortunate statements and what the President stated are not binding on any of us or this body as a whole.

Mr. BYRD of Virginia. Mr. President, I join with the Senator from Arizona in expressing the same hope that he expressed. I do not know whether the resolution introduced by the Senator from North Carolina will or will not come to a vote. I hope it does.

Whether it does or does not come to a vote, I feel that in voting on the treaty, Senators are not in any way bound by assertions made by those who are not Members of Congress, whether by an appointed official in the United Nations, for example, or by an ex-President of the United States.

Mr. GOLDWATER. I agree with the Senator, and associate myself with his remarks. What concerns me is what country or countries feel that those words do have validity to them and had an influence on them in signing the treaty. That is the question in my mind.

Mr. BYRD of Virginia. As I see it, we have no way of knowing; but perhaps some countries were influenced by them.

Mr. MURPHY. Mr. President, will the Senator from Virginia yield?

Mr. BYRD of Virginia. I yield.

Mr. MURPHY. I raised this question, or a similar question, yesterday, but unfortunately all the available time had been used, so the question that I posed on this exact point was not answered.

If, as we are told, there are 80 signatories to the treaty, I am sure that a number of those signatories, just as perhaps many Members of this distinguished body, possibly could have had a misunderstanding of the conditions.

I know that my distinguished colleague and I have both wondered whether the language in the report guaranteed the immediate use of American troops and weapons, the immediate protection, the immediate going to war—if you will—by the United States, in the event any nonnuclear-weapons nation signatory to the treaty was attacked by another nation using nuclear weapons. It was certainly my understanding, at the outset, that this was a condition. I have discussed this with many people, both retired military, and atomic energy experts; and, unfortunately, this seemed to be the consensus, that the statements made by the former Secretary of State, the former President, and the former Ambassador to the United Nations did guarantee military action by the United States of America.

Now, I wonder whether, if the 80 nations presently signatories had had the advantage of hearing the debate which has been carried on in the Senate, had they heard the questions and answers, the explanation of the position of the distinguished chairman of the Foreign Relations Committee, and the explanation of General Wheeler that this was not a commitment, would they have been willing, under these circumstances, with this full knowledge, to sign the treaty, or if they might decide they signed under a misconception or a misunderstanding of the content of the treaty, of the intent of the treaty, or of our moral obligation—if you will—would they still continue to be signatories to the treaty or would they make active the 30-day release notification and withdraw from the treaty.

I wonder whether my distinguished colleague would comment on that, because it has been disturbing me greatly.

Mr. BYRD of Virginia. The Senator from Virginia would not know how to interpret the views of those 80 nations, nor would he have any way of knowing what motivated them to sign the treaty, nor how much the declaration on the part of our representative in the United Nations had in causing one or more of those nations to sign the treaty. Possibly one or more were misled.

Mr. FULBRIGHT. Mr. President, would the Senator from Virginia yield for an observation?

The PRESIDING OFFICER (Mr. CRANSTON in the chair). Does the Senator from Virginia yield to the Senator from Arkansas?

Mr. BYRD of Virginia. I am happy to yield to the Senator from Arkansas.

Mr. FULBRIGHT. I might say that the first committee report, of last summer, was printed before most of the nonnuclear states ever said they would sign the treaty. So they had plenty of notice, or at least had available to them the attitude of the committee and the views of the committee. The first report of the committee last summer made it very clear that the United States is not committed by what happened up there. So, it is not right to say that they had no notice as to the attitude of the committee.

Mr. BYRD of Virginia. I thank the distinguished Senator from Arkansas.

I want to say that, so far as I am concerned, I think we have too many commitments all over the world.

We have mutual defense commitments to 44 nations.

I am not interested in advocating or supporting a proposal which could be, logically, properly, and accurately construed as committing us to additional wars.

We have had too many wars.

This Nation has been engaged in more major wars during the past 50 years than any other nation in history in a comparable length of time.

World War I was a major war. World War II was a major war. The Korean war was a major war; and the Vietnam war is a major war.

I say that we have made too many commitments already around the world.

This treaty does not, however, commit the United States to any future acts. It does not commit the United States to do anything except what it voluntarily is doing anyway; that is, not to give away to other countries nuclear devices for warmaking potential. We are not going to do that, anyway.

Thus, I cannot see that the treaty would be harmful to the United States.

By the same token, I am not sure that it will accomplish very much, but at least it presents, as I see it, a small hope, a small, first step toward trying to keep out of the hands of many nations who do not have nuclear weapons, these terrible warmaking devices.

Mr. TOWER. Mr. President, will the Senator from Virginia yield?

Mr. BYRD of Virginia. I am happy to yield to the distinguished Senator from Texas.

Mr. TOWER. I should like to commend the distinguished Senator from Virginia for his remarks. Although I shall not vote for the treaty unless certain reservations are adopted, the Senator from Virginia has expressed his intention to vote for it. I just wish that more of the proponents and supporters of the treaty could be as frank and candid about it as the Senator from Virginia has been.

I am afraid that too many of those who passionately want to see the treaty ratified have conveyed the impression that it will terminate the prospect for a nuclear holocaust.

I think that we must realistically observe that that simply is not the case. I think the Senator from Virginia has been responsible in enunciating his support for the treaty and pointing out that we must not be lulled into a false sense of security or euphoria.

I further commend him for underscoring the fact that we must still maintain a degree of military superiority over those who have aggressive designs upon the rest of the world.

I thank the Senator from Virginia for his most instructive statement.

Mr. BYRD of Virginia. I am grateful to the distinguished Senator from Texas for his remarks.

Like the Senator from Texas, I think it is very important that the American people have an accurate understanding of just how much this treaty can do and how little it can do, and be governed accordingly.

Mr. TOWER. Mr. President, I ask unanimous consent that the distinguished Senator from Kentucky (Mr. COOK) may proceed, as in legislative session, for 10 minutes without the time being charged to either side.

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

THE ABM SYSTEM

Mr. COOK. Mr. President, I am told that the administration has about eight options available to it in making a decision on the current anti-ballistic-missile controversy. Seven of these alternatives, some of which are variations of the proposed Sentinel system favored by the Johnson administration, would call for deployment of antiballistic missiles in the near future. Some of my colleagues have indicated that their major opposition stems from the outcry of citizens in Seattle, Chicago, Detroit, and Boston over the planned location of bases near those cities.

I would hope today to direct the emphasis of the ABM debate to the larger question, not where shall the installations be placed but, rather, whether they shall be deployed at all.

The outrage expressed by the people of these cities and the subsequent consideration of alternatives raises an all-

important question. What is the purpose of the ABM? Originally we were told the deployment around the cities was essential and that the Sentinel's purpose was damage limitation; that is, to reduce our losses by 40 or 50 million people in the event of nuclear exchange. The problem with this was pointed out by Senator MATHIAS on the floor last week when he asked, "Which people are you going to save?" By deploying in one place and not in another one makes a God-like decision as to who shall live and who shall perish. And besides, can there be any victory when millions die? In the years it would take to deploy the Sentinel, who can say what the offensive capacity of the enemy would become. Then, a fortiori, who can testify to the accuracy of the assumption that Sentinel would reduce casualties by 50 million?

Another justification for deployment of the Sentinel ABM system was that it would protect us against irrational behavior on the part of the Chinese. But as Jerome Wiesner points out:

> We ought to regard the Sentinel as a bad joke perpetrated on us by Mr. McNamara and President Johnson in an election year. It seems to me that their very rationalization—that it was to defend us against the Chinese but we would stop building it if the Russians agreed not to build one—demonstrates that well enough.

One of the strongest arguments against deployment of any ABM system at this time centers around the question of effectiveness. A meaningful defense against nuclear attack must be almost perfect, as opposed to conventional warfare where, for example, one planeload of bombs will not do as much damage as many planes each loaded with the same destructive force.

The very real problem with today's quickly changing technology is that a defense system may well be obsolete before it is finished. It has been estimated that planning and deployment of such systems as we are talking about might take as long as 10 years. Certainly the Nike-Zeus and Nike X systems, if we had decided to deploy them, would now be obsolete. In fact, it is entirely possible that any defense system which depends on projectiles, rather than rays or beams, will be obsolete before completed.

Among the many technical difficulties which Sentinel is not likely to overcome, according to scientific testimony, are employment of penetration aids by an attacker, the possibility of blackout, and destructive fallout if the enemy chooses not to attack our points of defense and makes his missiles land and explode in sparsely populated areas. This latter plan of attack would minimize death from explosion but maximize the dangers of fallout throughout the country. There are a myriad of other possibilities. What all of this adds up to is that no defender is ever really going to know what to expect. The alternatives available to any planner of an offensive system are so many and varied as to give him every possibility of retaining the likelihood of success.

Skepticism about whether the Sentinel would work as designed is so widespread that even some of the contractors who have orders to build certain parts for the system are asking that the ABM not be deployed at this time. A scientist for a company which presently has such contracts with the Department of Defense was in my office the other day and said he had been authorized by his employer to come to Capitol Hill and tell Members of Congress that he and the managers of his company were convinced that Sentinel, in its current state of development, would not work and should not be deployed. Delay in deployment of the system would cost this company hundreds of thousands of dollars but its technical people could not, in good faith, advocate such an expenditure of public money on a project which its scientists felt had little or no chance of performing as it was designed to function. I regret that I am not authorized to divulge the name of this contractor, but quite frankly, the reason I am not at liberty to do so, is because they fear reprisal in the form of lost contracts on other projects.

The theory behind defensive missile systems it seems, is twofold:

First. To limit damage—the deficiencies of this argument have already been explored—and

Second. To enhance our power to deliver a retaliatory blow. The problem with the second justification is that the Pentagon has been telling us for years that we have retaliatory power in abundance. Even if all our land-based power was knocked out, the 646 Polaris missiles to be fired from beneath the seas would totally destroy the enemy.

The opinions I have advanced were drawn from the best scientific minds available and these alone would tend to compel my opposition on the grounds that the system is unlikely to function properly. But there are still other strong reasons for opposing Sentinel, one of which is cost. Senator SYMINGTON on the floor last week pointed out that already $15 billion of the taxpayers' money has been spent on missile systems placed in production, deployed, and then abandoned and that another $4.2 billion was spent on additional missile systems which were discontinued in the research and development stage. He added that the total cost of unworkable or obsolete missiles probably is in excess of $23 billion. Bearing in mind this record of expense and failure, we must ask what cost is anticipated for Sentinel, another missile system, which in all likelihood will also be abandoned or become obsolete before completion? The Johnson administration estimated that deployment of the "thin" Sentinel system designed to protect us against the Red Chinese would cost between $5 and $10 billion. Official cost estimates of a "thick" system designed to protect against Soviet attack range in the $40 billion category. But these estimates are highly suspect. Senator SYMINGTON raised last week the question of how accurate predictions of missile expense by the Department of Defense had been. He pointed out that the 12 major systems developed during the 1950's exceeded their original estimated cost by 220 percent and that at this rate "thick" Sentinel would not cost $40 billion but over $160 billion. Brookings Institute studies indicate that costs have exceeded estimates by from as much as 300 percent to 700 percent. My able colleague from Missouri added further that, based on these studies and recent Department of Defense requests, it was conceivable that the "thin" system would cost $40 billion and the "thick" $400 billion—more than the national debt.

Now, no patriotic American opposes spending what is necessary for the defense of our country. And I am not opposed to continued appropriations for research and development of ABM systems, but I do oppose such astronomical expenditures for a defense system of questionable value, if not positive harm.

The last and most compelling argument against deployment of an ABM system at this time is the effect I believe such action would have on continued attempts to curb the nuclear arms race. Even if the sentinel worked perfectly, which almost no one is willing to concede, it would still have the major defect, in terms of international stability, of assuring an escalation in kind on the part of the Soviet Union. By passing the Nuclear Nonproliferation Treaty, we will be urging other nations not to enter the nuclear arms race. How can we then ignore our own admonition and deploy an ABM system which will almost certainly set off another arms race round between the United States and the Soviet Union. Such an action would not enhance our defense but only increase international tension. It is not insignificant that every one of the last four presidential scientific advisers is against deployment of the Sentinel. Jerome Weisner gave a better summation of my views than I could compose myself so I will quote him in conclusion:

> This is not a matter that anybody can settle with numbers and calculations. It is a judgment. But judgments of this kind are at the heart of the decision to build or not to build an ABM system, not the statistics, the calculations about "cost-effectiveness" or how many people will be killed. These factors are important in the decision, of course. What is most important, however, it the total dynamics and the likely interaction of the policy makers on both sides. I come back to where I began and ask: Can we play this game, which certainly will not buy us a real defense, and at the same time achieve a rational world? My answer is "No."

I thank the Senator from Texas.

Mr. COOPER. Mr. President, my colleague, the distinguished junior Senator from Kentucky, (Mr. COOK), deserves commendation for his thoughtful, reasonable, and incisive speech in opposition to the deployment, at this time, of the Sentinel anti-ballistic-missile system.

He has, I know, studied this complex issue thoroughly for several weeks and has made this decision on the merits giving chief consideration to the security of our country—which is the main consideration of all—whether favoring or opposing deployment. I know that he requested a discussion of this issue with other new members of the Senate, with Senate witnesses distinguished scientists who have testified in the current hearing before the Gore subcommittee of the Senate Foreign Relations Committee.

And, he has asked to hear the arguments and reasoning of those who support deployment in the Department of Defense.

This is another evidence of the attitude of inquiry, of seeking all the facts, of independent and reasoned judgment and decision which characterizes our colleague. His judgment has the support—expressed only yesterday—before Senator GORE'S committee by Drs. Killian, York, and Kistiakowski, prominent scientists who were advisers to former President Eisenhower.

His speech is a valuable contribution to the debate and I congratulate him.

Mr. TOWER. Mr. President, I ask unanimous consent that the distinguished Senator from Florida may proceed, as in legislative session, for 5 minutes, without the time being charged to either side.

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

MAINLAND CANE SUGAR PROBLEMS

Mr. HOLLAND. Mr. President, during the first session of the 89th Congress, Public Law 89–331 was enacted to extend the Sugar Act of 1934 from December 31, 1966 through December 31, 1971.

The extension of this act increased the domestic beet sugar quotas by 375,000 tons above the 1962 quotas to 3,025,000 tons annually and increased the mainland cane quotas by 205,000 tons above the 1962 quotas to 1,100,000 tons. This was in the nature of an advance against the sugar consumption in the United States. It left unchanged the domestic offshore cane quotas for Hawaii, Puerto Rico, and the Virgin Islands of 2,265,000 tons and the Philippine quotas, set by treaty, at 1,050,000 tons. In addition, 2,260,000 tons were allocated to foreign nations. Likewise it provided that deficits in the Puerto Rican, other domestic and foreign nations quotas should go to foreign nations.

Mr. President, the limited quotas for mainland cane established by the Sugar Act have resulted in the accumulation of huge reserves of sugar by our domestic cane sugar producers who, at the specific request of our Government, vastly increased production at the time the Cuban sugar quota was cut off. These surpluses have resulted in the issuance of orders by the Secretary of Agriculture reducing the acreage allotments for mainland cane producers. Therefore, unquestionably when Congress again considers the extension of the Sugar Act, a strong and rightful effort will be made to increase the mainland cane sugar quotas.

I bring this matter to the attention of the Senate for two reasons: First, to demonstrate the need for fairer treatment of our domestic mainland cane producers; and second, to advise the Senate that, at a time of inflated food prices, when the housewife is viewing with alarm the almost daily increases in most commodity prices on the grocer's shelf, and at a time when great stress is being placed on consumer protection, the fact that sugar prices have remained stable because of the legislation above mentioned has perhaps been completely overlooked.

The price of sugar has remained stable even though approximately 40 percent of the sugar consumed in this country comes from foreign sources, and notwithstanding the fact that we recently had a ship strike lasting better than 60 days during which time it was impossible to unload sugar in any port other than the port of Boston and on the west coast. This stability is the result of the Sugar Act which not only guarantees the American consumer an adequate supply of sugar at fair and reasonable prices but also guarantees the American sugar producer a reasonable price for what he produces. This guarantee to the producer is made in the form of payments to the producer from monies derived by levying a tonnage processing tax on the sugar processors and therefore does not require expenditure of Treasury funds or the taxpayers dollars. The payments to producers are greater per produced unit to the small producers than they are to the large producers. The processing tax has produced sufficient revenue to not only make the payments to producers, but also to turn over to the general revenue fund substantial amounts each year, amounting to a total of some $600 million during the life of the Sugar Act and its extensions.

Mr. President, I call this to the attention of the Senate today so that we can realize the value of the Sugar Act, not only to the farmer, but to the American consumer.

Mr. President, I warmly thank my distinguished friend from Texas.

TREATY ON THE NONPROLIFERATION OF NUCLEAR WEAPONS

The Senate resumed the consideration of Executive H, 90th Congress, second session, the Treaty on the Nonproliferation of Nuclear Weapons.

Mr. TOWER. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time consumed by the quorum call not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). Without objection, it is so ordered.

The PRESIDING OFFICER. The time is under control, 1 hour being under the control of the distinguished Senator from Texas and the other hour being under the control of the distinguished Senator from Arkansas.

Mr. TOWER. Mr. President—and I am delighted to call you that, because I was not sure that I would ever have the opportunity—I yield myself 20 minutes.

The PRESIDING OFFICER. The Senator from Texas is recognized for 20 minutes.

Mr. TOWER. Mr. President, if I may have the attention of the distinguished chairman of the Committee on Foreign Relations, I should like to pose a question relative to article I of the treaty, which states:

> Each nuclear-weapon State Party to the Treaty undertakes not to transfer to any recipient whatsoever nuclear weapons or other nuclear explosive devices or control over such weapons or explosive devices directly, or indirectly.

Does this mean that the United States is prohibited from giving nuclear weapons to countries such as the United Kingdom that are already nuclear powers and from submitting control of those weapons to them, I might add?

Mr. FULBRIGHT. It is the control, as I understand it, that is prohibited. This treaty and the article, I think, permits placing nuclear weapons on the real estate of a friendly power with its approval, of course, but retaining control for the United States. That is my understanding.

Mr. TOWER. It would mean, then, that even though the United Kingdom is a nuclear power and might be producing nuclear weapons similar or identical to those produced in the United States, we would be prohibited from improving or enhancing their inventory by giving them additional weapons that we produced which might be either similar or identical to the ones they are producing, and yielding to them control of such weapons.

Mr. FULBRIGHT. Mr. President, it is my understanding that the French objected to special relations with Great Britain. We have never given them what we call nuclear warheads—that is, the weapons. We have given them assistance and technology. As the Senator recalls, there was a great deal of fussing about this by the French some years ago.

If I recall correctly, the McMahon Act, long before this treaty was brought up, prohibited our giving weapons to other countries.

Mr. TOWER. I understand it does just that. As a matter of fact, the McMahon Act, from our point of view, obviates the necessity of the treaty, because we are already prohibited from doing it.

Mr. FULBRIGHT. I agree with the Senator's statement. However, the treaty goes far beyond that. A very important part of the treaty is that the nonnuclear states agree not to receive or to make the weapons.

Mr. TOWER. I understand that. However, the point is that the McMahon Act is a statutory act binding on us, which we can repeal at any time.

Mr. FULBRIGHT. The Senator is correct. However, it has been the policy of the United States since that act not to give control of nuclear weapons to another state. It is still the policy and the law, and this treaty only reiterates that and adds other features.

Mr. TOWER. That is understood, of course. And the McMahon Act does exist. We are prohibited from doing just what article I would prohibit us from doing. The point that I am making is that currently, in the absence of the treaty, we can on our own initiative repeal the McMahon Act and deliver nu-

clear warheads to the United Kingdom, for example.

Mr. FULBRIGHT. Mr. President, I certainly agree with that. If we wish to change our policy and repeal the McMahon Act, we can give them to anybody, if we want to do so. However, I would not advise it.

Mr. TOWER. I do not necessarily advise it, either. However, we are talking about the legal options available to us here.

Mr. FULBRIGHT. The Senator is correct.

Mr. TOWER. Then, if we ratify the treaty, even if we should repeal the McMahon Act, we would not be able to transfer nuclear warheads to friendly nations.

Mr. FULBRIGHT. If we were to do that, we would withdraw from this treaty under the provision of 3 months—I think it is 3 months' notice—which is less than it usually takes to pass an act through Congress. There is no problem about that. If we wish to get away from the restriction of this treaty, we can do it. I hope we do not. But it is feasible. It is 3 months.

Mr. TOWER. Three months; that is correct.

Mr. FULBRIGHT. Very few acts of any significance go through Congress within 3 months.

Mr. TOWER. The point I am trying to make is that with the treaty in force, in the absence of our filing notice to withdraw in 3 months' time, as long as the treaty remains in effective force, we cannot by legislative action breach the provision I just read in article I of the treaty.

Mr. FULBRIGHT. That is correct. But I think the Senator forces me into an area that is somewhat controversial, about the effect of an act being passed subsequent to a treaty which is in conflict. I vaguely recall having quite a discussion about this in years past: If we have a treaty in effect and then Congress passes an act which is in conflict with that treaty, which takes precedence? Can you do it in that fashion? I think this case raises a rather difficult question. I am not sure, until I review it, whether or not it is a constitutional matter—a later expression of Congress, with the President, I suppose, participating and signing the act.

Mr. TOWER. It is my understanding that a treaty, properly ratified by the United States, in effect enjoys essentially the same status as the Constitution; that any legislation that is passed that is not consonant with the treaty will be unconstitutional, or will be so held by the courts.

Mr. FULBRIGHT. The treaty certainly becomes the law of the land.

I did not anticipate this particular question. This question has been up before. I have to wrack by brain about a situation in which an act is passed that is in conflict with it. I shall have to defer a specific answer as to whether or not, subsequent to the treaty, we could pass an act which is in direct contravention of the treaty, whether or not it would not have an effect.

As a practical matter, since we do not belong to a world of law but only of the jungle law, the effect of that would be the same as withdrawal; because nobody is going to be able to enforce the treaty against us, and in the case of war, all bets are off. That is acknowledged. If we have a war, this treaty is no longer applicable.

The Senator is raising a nice point of international law, which at the moment I am not prepared to answer specifically. I will look up the answer. I know that in the past I considered that matter, but I have forgotten the answer. As a practical matter, I do not believe it presents any problem. Who is going to enforce it?

Mr. TOWER. Are there not precedents for the courts striking down laws that are in contravention of treaty agreements?

Mr. FULBRIGHT. There certainly are State laws. I can think of that offhand. This is what I meant: If it is an act of Congress, passed subsequent to a treaty—I have to confess that I have not thought of that. I know that State laws in contravention of a treaty are not valid. We have had many such cases.

Does the Senator know offhand of a Federal case like this, a Federal law? He might be right.

Mr. TOWER. I am asking the distinguished Senator from Arkansas because he is a lawyer, and I am not.

Mr. FULBRIGHT. I am just sort of a lawyer. It has been 30 years since I really gave attention to these fine points of the law. I did not anticipate this particular question today, in which a treaty and an act of Congress passed subsequent to it are inconsistent. I had not thought of it, because the easy way to resolve it is simply to withdraw from the treaty.

Mr. TOWER. Perhaps I should explain why I am following what might appear to be a dubious line of questioning or what might be considered nitpicking. I want to distinguish between what we might be compelled to do by the treaty and what our options might be in the absence of the treaty, even though existing statutory law may prohibit precisely what the treaty prohibits. The question then is one of the preservation of options, and this is why I followed this line of questioning.

Mr. FULBRIGHT. Since we can withdraw from the treaty, I do not see that any significant option would be given up.

Mr. TOWER. But we can only withdraw from the treaty on 3 months' notice. We might want to legislate in a crisis situation in a very short period of time.

Mr. FULBRIGHT. Then, we just violate the treaty.

Mr. TOWER. In other words, the Senator from Arkansas is proposing that if we think it necessary, we should treat the treaty as a scrap of paper?

Mr. FULBRIGHT. Well, when we went into the Dominican Republic, we did exactly that. We had treaties with all of Latin America. Does the Senator mean to say that he thinks the United States has not done that? And it did it apparently with the approval of most of the people—not with my approval, but with the approval of the past administration.

This country does that in an emergency. The Senator from Texas posed an emergency case. I have already said that in case of war, the treaty really would have no applicability—if we want to do what we please in the case of war. The understanding is that in case of war, the treaty is immediately abrogated by both parties—all parties, but certainly by the United States.

The Senator is posing a question of emergency, and I presume that by "emergency" he means a state of war or something equivalent.

I did not advocate, and I criticized very much, the invasion of the Dominican Republic in violation of our treaty, but it was done anyway.

Mr. TOWER. I was thinking about not necessarily an actual outbreak of war but an imminent threat of attack.

Mr. FULBRIGHT. Against us?

Mr. TOWER. No, against a friendly power, against an ally.

Mr. FULBRIGHT. Well, if it is under NATO, if the Senator is contemplating NATO, we have nuclear weapons there. We are in control of them. We can use them, and that is what they are there for; but we have already agreed not to turn the weapons over to them. Why would we want to turn the weapons over to them, in any case?

Mr. TOWER. I should like to ask the distinguished Senator from Arkansas another question.

Mr. FULBRIGHT. Do not make it so difficult. Ask me an easy one.

Mr. TOWER. In withdrawing from the treaty—let us say that we determine it to be in the national interest, or somebody in a position of leadership determines it to be in the national interest, to give the 3 months' notice of withdrawal—what would be the procedure of our withdrawal? Would it require action by Congress? Could the President do it on his own initiative?

Mr. FULBRIGHT. Under the treaty, the President could do it. That is my understanding. The Executive is given that power. I do not believe it takes an act of Congress.

Mr. TOWER. So the President could, on his own initiative, without any action from Congress, serve notice to the signatory powers that we intended to withdraw in 90 days?

Mr. FULBRIGHT. That is correct. That is my understanding. It is the customary notice of withdrawal from or abrogation of a treaty.

Article X reads:

1. Each Party shall in exercising its national sovereignty have the right to withdraw from the Treaty if it decides that extraordinary events, related to the subject matter of this Treaty, have jeopardized the supreme interests of its country. It shall give notice of such withdrawal to all other Parties to the Treaty and to the United Nations Security Council three months in advance. Such notice shall include a statement of the extraordinary events it regards as having jeopardized its supreme interests.

2. Twenty-five years after the entry into force of the Treaty, a conference shall be convened to decide whether the Treaty shall continue in force indefinitely, or shall be extended for an additional fixed period or periods. This decision shall be taken by a majority of the Parties to the Treaty.

This treaty does not impose any real restrictions on the nuclear powers. There is a significant restriction in this treaty that applies to non-nuclear powers who

give up the right which they now have to manufacture weapons, and this is in the interest of everybody, even those powers that we believe—and they believe, I think—will achieve a greater degree of security than they now have.

I do not see that it really impinges upon the freedom of action of this country in any substantial way—certainly not with regard to the use of nuclear weapons. That is the complaint, of course, of the non-nuclear nations. The reason why we have article VI in the treaty is really to try to go some way toward giving the nonnuclear states a good reason for having the treaty.

The reason for the big countries, the so-called superpowers, or nuclear powers, is to take some step to lessen the probability of self-destruction. The desire for survival is a rather fundamental concern of most people. It used to be considered fundamental, at least. Sometimes I wonder if we still harbor that concern, and not only with regard to nuclear materials. When I look at the smog and some other things in this country I do not know whether we are as concerned with it as we used to be or not.

Mr. TOWER. I thank the Senator from Arkansas. I should like to say that I am very much concerned with survival. I reject the arguments that have been raised by many of the proponents of the treaty that this is a major step toward reducing the prospect of a nuclear holocaust or those who suggest that antagonists of this treaty are insensitive to human life.

I might note that I am the father of three daughters. I am a family man. I have no desire to see my children burned up in a thermonuclear attack. I think that the objective of the treaty is a lofty one. I wish we did not have any nuclear weapons at all, or a situation to require the United States to spend vastly more money on conventional weapons and conventional forces because the Soviets, for all practical purposes, have outstripped us in that field.

The only thing that stands between the ambitions of the Soviet Union and the present existence of the free nations of this world is the nuclear deterrent of the United States. It has been suggested that the Russians have the same legitimate fears that we do; that the Russians are concerned about the defense of their own country against possible aggression of the United States and her allies. We have heard that we have to understand that the Russians are just as afraid of us as we are of them.

Mr. President, I do not for 1 minute buy that naive argument, and it is naive at best. We are not an aggressor nation. In modern history we have not been an aggressor nation. We have been in four wars in this century. We have gone into each one of them reluctantly and unprepared to fight aggressors.

Immediately after World War II we demobilized. I can remember when I was an enlisted man in the Navy in Saipan, in the Marianas. It is not a very desirable spot. I could hardly wait until I had enough points to be sent back home and to be discharged from the Navy. If anybody wanted me back home more than I wanted to be back home, it was my mother. She could be multiplied by several million mothers. We demobilized. We virtually abandoned our Armed Forces, but the Soviet Union did not.

The Soviet Union, by pillaging Germany and various Eastern European countries, not only rebuilt her industry but also updated her military forces.

The PRESIDING OFFICER. The Senator's 20 minutes have expired.

Mr. TOWER. Mr. President, I yield myself such time as may be necessary.

The PRESIDING OFFICER. The Senator from Texas may proceed.

Mr. TOWER. Mr. President, in 1948, when it finally became apparent 2 years after Winston Churchill had made his famous speech in Missouri warning us of the Iron Curtain, we came to our senses after the entirety of Eastern Europe had been subjected to the efforts of the Soviet Union. Even after they had closed the autobahn and forced us to use the airlift into Berlin so that city might survive, we acted with restraint. We had nuclear weapons. We could have destroyed them, but we did not.

The Soviets have some knowledge of history. Even though they are terribly unpleasant people, they are not fools. They know we do not have aggressive designs on the rest of the world. They do not fear a resurgence of German militarism. Let us put this matter in its proper perspective. The Soviet Union is an aggressor power. They would prefer not to use military means. They would rather use economic, political, and psychological warfare to achieve their ends.

However, it was brought home to us dramatically last fall that they are prepared to use military force, if necessary, to achieve their ends. I hope we do not hear any more nonsense about the legitimate concerns of the Soviet Union for its own safety. They know we are not going to attack them or any of their allies. Let us get this matter in proper perspective. Why do we maintain this vast resource? It is not so we can initiate attacks against them or their friends; it is not because we desire to bring any territory or any people under our control. It is because we want to provide a climate in this world in which the people can enjoy self-determination and aspire to some real hope of realizing that aspiration.

So we have the nuclear deterrent and we have the North Atlantic Treaty Organization. For all its foibles, weaknesses, shortcomings, and for all its difficulties, had it not been for NATO the Russians would have been to the English Channel long before now.

So NATO itself is a deterrent, because it is a manifestation of the desires of the countries of the Atlantic Community to defend themselves against aggression and against encroachment. So NATO is tremendously important.

Certainly we do not have the conventional force to stop the Russians, should they mount a land war against us in Western Europe, but, as I say, the only thing that prevents such a war is the existence of NATO, wherein a collective decisionmaking process is available to the Atlantic Community nations to defend themselves, and the nuclear deterrent of the U.S. strategic superiority.

In my estimation, we should not now transfer nuclear weapons to Germany, to Italy, to Belgium, to Holland, or to any of our NATO allies. Such weapons should be kept under our control, and that is, indeed, precisely what the McMahon Act prescribes.

But why on earth can we not preserve our options? A time may come when this would seem to be feasible. I have some doubt whether under the provisions of this treaty we could legally establish a unified command structure for the deployment and use of nuclear weapons. We are not talking about strategic weapons; we are talking about the tactical use of the small, clean kind—if we can describe nuclear weapons as clean—weapons that might be needed to preclude and preempt a Russian land war against Western Europe.

Already France is a nuclear power. France has opted out of NATO, and France has opted out of NATO for several reasons, some known only to General de Gaulle himself, but for one reason that I think is very important: That is, the French do not believe that the United States will defend Western Europe. So they are out of NATO. France is a nuclear power on its own. It is not going to sign it.

Several other countries that possibly have the capacity to develop nuclear weapons are not going to sign the treaty. Israel is not going to sign it. India is not going to sign it. Switzerland is not going to sign it. I do not speak for those governments, but that is my belief. I do not know whether Japan will sign the treaty. Japan probably has made great progress in the development of nuclear weapons; but because of the particular intelligence of the Japanese, and because they were attacked by nuclear weapons, Japan might sign the treaty.

The fact of the matter is that there are nations who are independent of possible nuclear weapons who are not going to sign, and nations who possess nuclear weapons that will not sign. We are in the business of trying to revitalize NATO. The Soviets have long wanted to see NATO disbanded. They have long wanted to promote contention among the NATO powers. With this mischievous treaty, they will have done it.

The Germans do not want the treaty. The Italians do not want the treaty. They are our friends. We are discriminating—they use that very word "discriminating." That is a word that, ordinarily, stirs the hearts of Members of the Senate in terms of discrimination as applied to some of our domestic affairs; but, apparently, it does not stir them very much when we talk about our friends and allies in Western Europe.

Yes, the Germans will sign. They will ratify the treaty. The Italians will also ratify it. But they will do so very, very reluctantly, indeed. They are embittered because they feel they are being discriminated against, that they will be forever compelled, at least for the duration of the treaty, which is 25 years, to be forced into the position of being a second-rate power.

France has the bomb. Germany and Italy do not. Indeed, France has chosen to take itself out of the NATO fraternity.

Thus, we have done very little to promote the revitalization of NATO, the improved and enhanced integration of the command structure. We have done nothing to raise the morale of our Western allies by this treaty. We have, in fact, added to their frustrations and, indeed, weakened NATO.

It is for that reason, Mr. President, that I have offered a reservation which will allow us the option—simply the option—of transferring weapons to our Western allies, to NATO, should we choose to exercise that option.

I do not anticipate that we necessarily will choose to exercise that option, even if we have it, but I think the psychological effect on our Western allies would be salubrious, indeed, if we included that kind of reservation.

Remember, this is a bilaterally negotiated treaty. We did not consult our allies about it. We did not take into consideration their fears. It seems to me that we are sometimes more concerned about the welfare of the Soviets than we are of our friends.

Someone has argued that we have to have the treaty because the Russians desperately fear the Germans.

I wonder whether the Russians fear the Germans any more than the Germans fear the Russians.

Because, who has the upper hand right now?

Yes, the Germans will ratify the treaty. I heard a socialist member of the Bundestag say—the Bundestag is the lower house of the German Parliament, and Socialists are pretty liberal guys, great peace lovers—that, "We Germans must ratify the treaty. I wish the treaty did not exist, but it does exist and, therefore, we must ratify it."

How do the Germans feel?

They feel that we are standing over them with a bludgeon, with a blackjack, and that they are being blackmailed into ratification of a treaty which they consider to be contrary to their national interest. They feel it will inhibit their industrial growth, that it will commit them to the position of a second-rate power, not on a par with France or the United Kingdom, and not on a par with their potential enemy.

Now, it has been argued that if the reservation is adopted, it means the same thing will apply to Warsaw Pact nations. That simply is not true, because international law dictates that a reservation attached to a treaty by a ratifying nation applies only to that nation, and the reservation does not extend to another nation which does not adopt it.

Of course, the Russians could, if we adopt this reservation, place a similar reservation which would allow them, if they chose, to transfer nuclear weapons to the Warsaw Pact nations. But, my friends, there is a vast difference between NATO and the Warsaw Pact. Any attempt to compare them is like comparing apples and oranges. They are not the same. Most of the Warsaw Pact nations are, for all practical purposes, under the effective political and military control of the Soviet Union. The nations in NATO are not under the political or military control of the United States. We would not attempt to impose our will upon them by military means. Indeed, it is doubtful that we could, unless we wanted to use the nuclear threat, and that is foolish even to contemplate.

Thus, let us think in terms of what is good for NATO.

I think this reservation would have a salubrious effect on NATO and would contribute to the revitalization of this defense community, which is, I think, so vital to the stability of the free world.

Mr. President, I think one man who has contributed a great deal to the argument for the reservation preserving the NATO option is my distinguished colleague in the other body, Representative PAUL FINDLEY, of Illinois. I should like to read from a memorandum that he prepared for me, and then eventually ask consent to place the memorandum in the RECORD. He says:

> In less than 100 years, three major wars have started in Europe because of the jealousies, hates, and fears of the individual European states. Whatever the faults of NATO and the Warsaw Pact, they have at least had the effect of restraining the old European jealousies which ignited the sparks of war.

I think we do nothing to contribute to the restraint of those jealousies when we elevate the have's for a period of 25 years above the have-nots.

Mr. President, this reservation that I offer is actually a position that was taken by the Eisenhower, the Kennedy, and the Johnson administrations initially when this treaty was being talked about and eventually negotiated. It is a position that we abandoned to the Soviet Union.

Now let us look to the very present possibility that if we fail to adopt this reservation, the Russians are going to try to achieve some accommodation with some of our Western Allies, such as Germany. They can go to Germany and say, "Look, you cannot have nuclear weapons, anyway. So why not agree to a nuclear free zone?"

This is something the Russians have been trying to achieve since 1950—a nuclear free zone. If anything is calculated to pull the teeth of a deterrent to Russian aggression in Western Europe, it will be the creation of a nuclear free zone.

So, Mr. President, I urge the adoption of my reservation.

The PRESIDING OFFICER. Who yields additional time?

Mr. FULBRIGHT. Mr. President, I promised to yield 5 minutes to the Senator from Vermont (Mr. AIKEN).

Mr. AIKEN. Mr. President, when I first gave consideration to this treaty, certain doubts arose in my mind relative to inspection safeguards provided under article III, and also article V, which relates to the extension of economic assistance to non-nuclear signatories to the treaty. I wish to say that those doubts have been resolved to such an extent that I think we would now do well to approve this treaty.

Another factor which influences me in giving my full support to this treaty is the fact that the prestige of the President of the United States would take a nosedive if it were not approved at this time; and certainly we need to have our President have the fullest prestige around the world if we are to succeed in our progress toward a peaceful world.

There is, however, another allied subject on which I would like to speak for 2 minutes, which I believe is very important. It relates to the defenses of the United States and our own national security.

Yesterday Senator PASTORE, the distinguished vice chairman of the Joint Committee on Atomic Energy, placed before the Senate information concerning an amendment to the United States-United Kingdom Mutual Defense Agreement on the uses of atomic energy. In connection with this amendment to the United States-United Kingdom Agreement for cooperation, I note that the British Government undertook, in the original agreement in 1958, not to disclose any naval nuclear propulsion technology obtained from the United States to other governments without the express agreement of the United States.

The United States, for security and other reasons, has limited assistance in naval nuclear propulsion solely to the British Government, and has denied a number of requests by other governments for such assistance. It is natural to assume that these other governments may at some time request naval nuclear propulsion assistance from the British.

I urge the State Department, the Defense Department, and the Atomic Energy Commission to maintain the closest possible contact with the British Government to assure that adequate protection is always afforded the United States in the naval nuclear propulsion technology previously transmitted to the United Kingdom under this treaty, and that the United States is fully apprised and consulted regarding any British plan to assist other governments in the field of naval nuclear propulsion.

I wish to emphasize that, although I do not oppose—in fact, I favor—the provision of limited quantities of enriched uranium and other materials to the British for their own nuclear submarine program, I do oppose additional assistance to foreign governments of naval nuclear propulsion technology.

The recent dramatic improvements which have been made by the Soviets in their nuclear submarine force make it more important than ever that the most stringent protective measures be applied to the technology which provides the United States with its advantage in this field.

I urge the executive branch and the Congress to continue the policy of holding this important technology closely within the U.S. naval nuclear propulsion program.

Mr. President, we are satisfied that other countries, particularly Russia, have been making very rapid gains in overcoming what, up to now, has been United States nuclear submarine superiority. And it is my belief that our Polaris underwater fleet has done as much toward preventing the spread of war over the world as any other factor of our defense program.

I thank the Senator from Arkansas for giving me time, and I want to assure him

that I intend to vote for approval of this treaty. We have gone so far that it would be disastrous not to approve it at this time.

Mr. FULBRIGHT. I thank the Senator. I know his opinion will have great weight with Members of this body.

Mr. President, I yield 12 minutes to the Senator from Idaho.

Mr. CHURCH. Mr. President, almost 25 years ago some of the finest scientific minds of this era huddled in bunkers on a dry mesa near Los Alamos in New Mexico. These men, led by J. Robert Oppenheimer, were the creators of, and witnesses to, the first atomic bomb explosion.

The device itself was installed on a tower platform high above the desert floor. Shorn of its housing the first atomic bomb, according to contemporary accounts, resembled a peeled orange bolted together to make a sphere of some 5 feet in diameter. Inside this curious object was a mere 5 kilograms of plutonium, that potentially deadly byproduct of the fission process in nuclear reactors. These few kilograms of plutonium were of such an exotic and valuable commodity in 1945 that Dr. Oppenheimer was concerned that the United States would have only enough plutonium to test-detonate a single atomic bomb.

I think it would be appropriate, as the Senate considers giving its advice and consent to the pending Nonproliferation Treaty, to recall Dr. Oppenheimer's thoughts and first reactions after the detonation of this new and terrible force. He said:

> A few people laughed, a few people cried, most people were silent. There floated through my mind a line from the *Bhagavad-Gita* in which Krishna is trying to persuade the Prince that he should do his duty: "I am become death, the shatterer of worlds."
>
> I think we all had this feeling more or less.

As Dr. Oppenheimer and his fellow physicists reflected on the meaning of the development of this nuclear weapon, Oppenheimer recalled that "we felt the world would never be the same again."

Dr. Oppenheimer's eloquence and his concern are worth remembering today when we consider that the first atomic bomb which shattered the desert silence in New Mexico and turned the desert floor to glass was made from a mere 5 kilograms of plutonium. Five kilograms. To put the problem squarely of what is at stake as we consider this treaty, compare these hard won few kilograms of plutonium with the estimated production in 1980 of 45,000 kilograms of plutonium from civilian nuclear power reactors located outside of the United States. Another estimate is that the plutonium production of reactors in the Western World alone will, in less than 10 years, run as high as 20 tons of plutonium per year. Twenty tons as compared to the 10 pounds used in the first atomic detonation.

It is the growing world realization that the byproduct of commercial nuclear power is producing enough plutonium to destroy the world many times over, that has given such a strong stimulus to the negotiations which have now led to a treaty to slow the spread of nuclear weapons.

The treaty before us is fundamentally an exchange of pledges. The nuclear weapons states such as the United States, the Soviet Union, and Great Britain pledge, under the provisions of this treaty, not to transfer nuclear weapons or nuclear weapons skills to others. For their part, the nonnuclear states who become parties to the treaty pledge not to receive, manufacture, or to otherwise accept nuclear weapons. For all of the disagreements on the implications arising from U.S. adherence to this treaty, the fact is that the Nonproliferation Treaty is an important, if only half-way and belated, effort to ease the growing threat to world security of a further spread of the materials and skills necessary to build atomic weapons.

Why should the United States as a major nuclear power be concerned about the further spread of these weapons? In the first place, every new addition of nuclear weapons increases the likelihood of an accident involving a nuclear explosion. It required an enormous investment and all of the technological skills of the United States in the field of nuclear weapons safeguards to prevent the collision of two B–52's in the skies over Spain from resulting in the accidental detonation of the nuclear weapons aboard. Imagine how much higher would have been the chances for a massive disaster if the nuclear weapons involved had belonged to a poorer and less technologically developed country than the United States. An adequate investment in devices to prevent accidental detonations is likely to be the first item a parvenu nuclear weapons power will cut back in order to reduce expenses. I think we can anticipate, therefore, that if these weapons spread much further throughout the world, one day there will be an accidental nuclear detonation of tragic proportions.

If the increased likelihood of accidents involving nuclear weapons will be one result of their proliferation, we should also consider the increased risks for the United States if a regional conflict such as the one now smoldering in the Middle East should ever involve nuclear weapons. Imagine the dangers to international peace if either Arab or Israeli now possessed nuclear arsenals. Would we be drawn into such a war? Could we stay out if one or more countries in the Middle East were threatened with total destruction? The treaty before us is designed to retard that spread of nuclear weapons and thereby give the world a better chance to avoid clashes involving nuclear devices.

I believe these nightmares will become realities if the effort is not made to stop, or at least to retard, the further spread of nuclear weapons. Stripped of all the technicalities and semantics, the pending treaty is just such an effort. So much of the public dialog surrounding the treaty has turned on the question of the reliability of the Soviet Union as a party to this treaty, the tragedy of Czechoslovakia, the adequacy of inspection, and the problems of the commercial exploitation of nuclear explosive devices, that the very essence of the Nonproliferation Treaty is sometimes obscured.

These questions of inspection, commercial exploitation, and the like are certainly important and must be dealt with openly and candidly. But at the same time we must not be distracted from considering the essence of this treaty and its alternatives.

As a member of the Committee on Foreign Relations, I endorse the conclusions of the majority report of the committee that the Nonproliferation Treaty represents a beginning, perhaps an important beginning, in controlling the further spread of nuclear weapons. I agree further with the majority position that although there are potential problems in the safeguards field that these problems can be dealt with and that a worldwide, reliable inspection system can be developed.

It must be remembered, moreover, that the proliferation of nuclear arsenals, giving an increasing number of foreign governments the power to trigger off a nuclear war, poses an identical threat to both the United States and the Soviet Union. The extreme danger that such a war would quickly escalate into a full-scale thermonuclear exchange, in which the two nuclear superpowers would inevitably become the principal targets, creates a parallel interest on the part of both nations to keep the number of nuclear triggers loose in the world at a minimum.

This is the purpose of the treaty. It is in no sense grounded upon trusting the Russians, but rather upon a rational recognition that the Soviet Union, as well as the United States, has a vital self-interest in observing the treaty and trying to make it work. Moreover, our intelligence capabilities are such that we could identify any substantial or sustained violation of the treaty by the Russians, should that ever occur.

At the present time, some 40 nations possess operating nuclear reactors which could be used in the development of nuclear weapons at a future date, unless these governments bind themselves to refrain, including submission to subsequent international inspection, as contemplated by the treaty.

Naturally, there is no copper-riveted guarantee that any treaty will be kept. All governments, including our own, have broken treaties when it suited them to do so. The test is whether the risk under the treaty is less than the risk without it. In the application of this test, four American Presidents have concluded that our own best interests would be served by slowing the spread of nuclear weapons.

I have weighed the evidence, over a long period of time, under both Democratic and Republican administrations. Since the treaty affects neither the size nor shape of our own nuclear weapons system, and since it could reduce the danger of a general nuclear conflagration in which we, ourselves, would be consumed, I shall vote in favor of its ratification.

I would also like to make it clear that my support of this treaty is in no way related to my opinion of the Soviet Union's actions in Czechoslovakia. The Russian invasion of Czechoslovakia was an inexcusable intervention born of a pathological fear of change. But Rus-

sian interference in Czechoslovakia, however much we may deplore it, furnishes no rational basis for refusing to subscribe to a treaty that is multilateral in character and solidly rooted in the best interests of the United States. In giving our advice and consent to this treaty, we are not ratifying Soviet behavior in Czechoslovakia but showing our approval and support of a treaty that serves our national needs, and the interest of international peace and security as well.

I suggest, as we consider this treaty, which is intended to slow the spread of nuclear weapons, that Dr. Oppenheimer's quotation from the Bhagavad-Gita remains all to appropriate:

I am become death, the shatterer of worlds.

Atomic energy when used to destroy man and his works can indeed become death and the shatterer of worlds. We have an opportunity by ratifying the Nonproliferation Treaty to at least restrain, if not to finally contain, this potional shatterer of worlds.

Mr. JAVITS. Mr. President, I yield myself 9 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 9 minutes.

Mr. JAVITS. Mr. President, I rise for two purposes—first, to make a general statement on the treaty before us; and, second, to oppose the reservation proposed by my distinguished colleague, the junior Senator from Texas.

In evaluating the reservation, I wish to make clear my respect for his objectivity and the desire of the Senator from Texas to see that the national security of our country is preserved.

I hope the Senator will recognize my remarks as being in that vein.

What we have tried to do is to get at the best bargained arrangement we could with respect to a basic policy decision which is to stop the spread of nuclear weapons. In doing that, each of us—we and the Soviet Union—has assumed awesome responsibilities.

I thoroughly agree with the interpretations which have been made here concerning the United Nations Security Council resolution with respect to the security of non-nuclear-weapon states which sign the treaty is separate and apart from the treaty. Nonetheless, I point out that we do not approve that arrangement here but we do rather approve the treaty as it stands before us; no more and no less.

I think that there is one thing that is clear. We continue to have the obligation of NATO. The very concept of the Nonproliferation Treaty which we are considering encourages greatly the idea of security arrangements, because it is to be noted that this Security Council resolution, which President Johnson in the exercise of his power as the chief negotiator on the part of the United States entered into, reaffirms the inherent right of self-defense.

We have adopted the construction—it has not been challenged—which is incorporated in the documents before us, that if there is a new federated European state, then the nuclear status of one of its components; namely, the United Kingdom, would extend to that federated state. Thus, within the purview of this treaty, NATO countries could still acquire nuclear status through political union. Conversely, it seems to me that the main problem with the reservation is that it would mean killing the treaty. I am against that because I think the treaty is desirable.

Another drawback of the reservation is that if we give nuclear weapons technology to a regional security group, and that group breaks up, each of those powers would then have nuclear weapons status.

We would then be running exactly contrary to the desire to confine the possession of nuclear weapons, which is the purpose of the treaty. I can hardly conceive of this being conducive to our objective with respect to the treaty. It would work exactly in reverse of the fundamental policy of the United States as it pertains to the treaty.

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

Mr. JAVITS. Mr. President, I have only 9 minutes. Would the Senator from Texas indulge me and grant me another minute if I require it?

Mr. TOWER. Yes.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. TOWER. Mr. President, the Senator is saying that if there were a federation in Europe participated in by the United Kingdom, regardless of how many countries are involved, each would be a beneficiary of the nuclear rights under the treaty.

Mr. JAVITS. That is correct, if the federation were to dissolve.

Mr. TOWER. They would all be nuclear powers if they had been parties to the federation.

Mr. JAVITS. I understand. However, the point is that the inducement to enter into the treaty is also an inducement to enter into a regional or collective security arrangement. That is the point I make. Remember that any regional organizations would come after the treaty and not before. Hence, as we stand now, we have a great inducement to do this. If we adopt the reservation of the Senator, it would only relate back to NATO and other security arrangements which now exist. That would expose us to the risk of proliferation of nuclear weaponry and nuclear technology to all of those member powers.

Mr. TOWER. Mr. President, I wonder whether the stultifying effect of a country being compelled to curb its own efforts to develop a self-sufficiency in the defense field through the development of nuclear weapons is really going to be conducive to the unification of Western Europe.

Mr. JAVITS. Of course, this is the essence of the Senator's whole reservation. I gather that. However, I notice with very great interest that he uses the concept of defensive weapons, which is a classic way to get to the point. However, I believe the stultifying effect, as the Senator refers to it, is to be preferred over the more liberating concept which would come by way of this reservation. In my judgment, our cause will be promoted by taking it as it is rather than adding this reservation.

I think if we were to add the reservation, we would go along a new track which I do not think is as desirable and which obviously is not in accord with the policy which induced us to go into this matter in the first place, to wit, the nonproliferation of nuclear weapons.

On the general matter of the Nonproliferation Treaty now being considered by the Senate, the one thing I would like to emphasize very strongly and sharply is the fact that this treaty is a platform which is absolutely essential to put us on the road to further progress toward nuclear arms control, particularly in the antiballistic missile field which is the next step up.

The Nonproliferation Treaty now before the Senate for ratification is important in its own right. But its full significance can be judged only in context of the larger issue at stake. Whether we like it or not, we are engaged in a hectic race to our nuclear destiny. That destiny can be an atomic Armageddon ending in the extinction of the human race; or a world rule of law in which the bounties of nuclear and other technology can eliminate the age-old causes of human misery and deprivation. There is no room for complacency with regard to the earnestness and the relentlessness of this race or of the alternatives.

The Nonproliferation Treaty is a step on the path toward a better chance for a more peaceful world; and gives momentum to our movement toward further arms control and disarmament agreements. And renewed momentum is sorely needed because our progress thus far has been desultory and intermittent.

Meanwhile, the advance of technology has brought us to the brink of a major new escalation of the arms race; as a whole new generation of nuclear weapons systems has reached maturity in the research and development stage.

We must consider this treaty not so much based on the lessons of the past as from the perspective of the requirements of the future. In this light, it is not an end in itself but a significant step forward in a long and urgent journey. We are by no means free to set a leisurely pace for ourselves. As Dr. York pointed out so eloquently in his testimony yesterday before the Disarmament Subcommittee of the Foreign Relations Committee, the deployment of the Sentinel ABM system could move us into a new era in which the decision to fire nuclear weapons would be surrendered from human control to that of preprogramed, high-speed computers. Once we cross that threshold—in which the highest functions of leadership and decisionmaking are usurped by machines—we may find ourselves beyond the point of no return on the road to an eventual atomic Armageddon.

Primarily for this reason, I consider article VI of the Nonproliferation Treaty to be its potentially most important clause. Article VI commits the present nuclear powers, primarily the United States and the U.S.S.R. "to pursue negotiations in good faith on effective measures relating to cessation of nuclear arms

race at an early date." This article would, if the treaty is ratified, be the takeoff point for arms limitations negotiations on the ABM and other offensive and defensive nuclear weapons.

The Nonproliferation Treaty seeks to prevent the proliferation of nuclear weapons to nations not now possessing them. This is an important objective which can have a direct bearing on the prospects for world peace in the last third of the 20th century.

But we should make no mistake about it. The gravest threat to mankind's survival today lies not so much in the dangers of "horizontal" proliferation of nuclear weapons to nonpossessor states as it does in the dangers of "vertical" proliferation of nuclear weapons systems in the possession mainly of the two super powers.

Article VI not only points the way but it places upon us an inescapable responsibility. The provisions of article VI are consistent in every way with the expressed policy of our Government, and with our own urgent national interest.

It is precisely because negotiations with the Soviet Union for limitations on the deployment of strategic offensive and defensive nuclear weapons systems are so urgently in our own national interest that Senators have sought so earnestly to delay deployment of the Sentinel ABM system to give the Senate a chance to act on the treaty and to allow the broader arms limitations discussions to start. We are very anxious that the prospects for negotiations with the U.S.S.R. in accordance with article VI not be prejudiced in advance, as a decision to plunge ahead with Sentinel and other new weapons systems could do.

I am confident that President Nixon appreciates the full dimensions of the issue before us. His decisions with respect to the Sentinel ABM system and with respect to negotiations with the U.S.S.R. are, when coupled with the end of the Vietnam war, apt to be viewed by history as the most portentous of his administration.

Negotiations for the control of nuclear weapons carry us onto new and uncharted seas. The very novelty of this course inevitably produces a certain sense of uneasiness, for we are by nature a habit-loving species. But the great test which challenges us now is our capacity to adjust to an accelerating pace of change. Just as the weapons systems of today and tomorrow require the inventors to "think the unthinkable" in terms of destruction, we who are charged with responsibilities of preserving peace must condition our minds to "think the unthinkable" in terms of new agreements and cooperative arrangements even with our deadliest adversaries.

The PRESIDING OFFICER. Who yields time?

Mr. FULBRIGHT. Mr. President, I yield myself such time as I may require.

Mr. President, all I can say about this is that it is clearly in contradiction to one of the principal purposes of the treaty. It reserves to us the right to give nuclear weapons to a regional arrangement. In our case, it could be NATO. Or, if we wanted to, we or the Russians could give one to the Warsaw Pact countries, because it is considered a regional arrangement, also. I am not sure that the Senator from Texas intends that we give it to them.

In any case, it would require the renegotiation of the treaty. It is absolutely in contravention of the treaty. I do not believe the other members would accept it, because to a great extent it makes a nullity of the entire purpose of the treaty. I hope the Senate will not accept it.

So far as I am concerned, I am ready to vote, if the Senator from Texas is. I ask the Senator from Texas whether he is ready to vote.

Mr. TOWER. I have a few more remarks to make.

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

Mr. FULBRIGHT. I yield.

Mr. HOLLAND. On the point that the Senator has just made, would there be any reason why, under the particular wording now being debated, the United States would not be free to offer nuclear weapons to the members of the OAS?

Mr FULBRIGHT. No. It is a regional organization.

Mr. HOLLAND. Well, is that a thinkable position for us to take?

Mr. FULBRIGHT. I do not think it is. In the first place, it is against our existing law. This provision, in effect, contravenes existing law—I mean the domestic law of this country—and it is against the policy we have followed for 25 years. That is what I said. I know it is not consistent with existing law and with the purpose of the treaty. That is why I believe it is unacceptable, and I hope the Senate will not agree to it.

Mr. TOWER. Mr. President, I yield myself such time as I may require.

Let us be serious. After all, what I am trying to do is to preserve for the United States an option, which it may or may not exercise, at its discretion. I am not suggesting that we proliferate nuclear weapons to the OAS or to SEATO or to CENTO or even to NATO. I am not suggesting that we do that. I am not suggesting repeal of the McMahon Act, which prohibits this. All I am doing is saying that a treaty provision enjoys the status of a provision of the Constitution of the United States, and we cannot legislate in contravention of it. All I am saying is that we should keep the option, so that we can exercise it if we choose. I am sure that the Senate and the House of Representatives, in their usually good judgment, are not going to come in here and start legislating to the effect that we start giving nuclear weapons to everybody.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a correction?

Mr. TOWER. I yield.

Mr. FULBRIGHT. A moment ago I said that I thought my memory was correct. The Senator is not correct in saying that a treaty is the same as a provision of the Constitution. It is not. A law passed by Congress subsequent to a treaty, in contravention of the treaty, takes precedence. It is not like a constitutional amendment. A treaty may create certain obligations in the mind of a foreign country, but domestically it does not. Therefore, a law passed subsequent to this treaty, contrary to the treaty, would be the law of the land.

A treaty is not the same as a provision of the Constitution. A moment ago we discussed this, and I said that I was a little fuzzy about this. I dislike to get into abstruse discussions of constitutional law in the midst of one of these debates, because we can go on forever.

I have consulted the authorities on it, and I am quite sure that the Senator is not correct in saying that it is the equivalent of a provision of the Constitution of the United States. That is not so.

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

Mr. FULBRIGHT. I yield. I am sorry I brought it up, if it will result in a long discussion. I yield.

Mr. ALLOTT. I did not bring it up.

Mr. FULBRIGHT. I did. I apologize.

Mr. ALLOTT. There is no question in the Senator's mind, is there, that if a treaty is partially in contravention of a previously passed statute, the treaty is the supreme law of the land?

Mr. FULBRIGHT. If the treaty is subsequent in time to the law, the treaty of course is the latest expression of Congress, and it takes precedence over the earlier passed law. But if we now pass a law subsequent to approval of the treaty, the law takes precedence. That is the latest expression of Congress, and it does not have to go through the procedures of a constitutional amendment. That is all I was trying to say.

Mr. ALLOTT. That is correct.

Mr. TOWER. What the Senator is saying is that we could, by a joint resolution, perhaps, abrogate a treaty provision at any time.

Mr. FULBRIGHT. I would think so. A joint resolution is a law of the land, signed by the President, in contrast to a concurrent resolution.

Mr. TOWER. Could the Senator cite the precedents on this?

Mr. FULBRIGHT. This is from the "Senate Library, Constitution of the United States of America Annotated, 80th Congress, First Session, 1963," page 470. I shall not read it all, but I shall read enough of it to answer the question:

> In short, the treaty commitments of the United States in no wise diminish Congress' constitutional powers. To be sure legislative repeal of a treaty as law of the land may amount to a violation of it as an international contract in the judgement of the other party to it. In such case, as the Court has said, "Its infraction becomes the subject of international negotiations and reclamations, so far as the injured party chooses to seek redress, which may in the end be enforced by actual war. It is obvious that with all this the judicial courts have nothing to do and can give no redress."
>
> Treaties versus prior acts of Congress: The cases are numerous in which the Court has enforced statutory provisions which were recognized by it as superseding prior treaty engagements.

There is much more to it, but I believe that answers the question.

Mr. TOWER. Would the Senator from Arkansas take lightly the notion of voting for a measure that was in contravention of a treaty provision?

Mr. FULBRIGHT. No, I would not take it lightly, just as I would not take lightly the reservation the Senator has offered, which is contrary to the existing law of the land.

Mr. TOWER. But, of course, if we did, through legislation, violate a treaty provision, we would be subject to whatever sanctions might be provided in the treaty or, let us say, the safeguards that are yet to be negotiated, to which we submitted ourselves.

Mr. FULBRIGHT. The treaty does not submit us or subject us to the safeguards. Those safeguards are for the nonnuclear powers.

Mr. TOWER. Then, if this is the case, what really is the purpose of a treaty, if it can be done away with that lightly?

Mr. FULBRIGHT. The treaty provides for withdrawal on 3 months' notice. That is rather short, I must say. This treaty is a very minor step toward agreements with the other nuclear powers, particularly Russia, toward an effort to deescalate the arms race.

The Senator a moment ago, I believe, overstated the case. Those of us who favor it are not passionately devoted to it as the ultimate step toward peace. None of us thinks it is a panacea for the world's ills. None of us thinks it is a cure for the possibility of nuclear war.

But we do think it is a very small but significant step toward better relations with the world. The only way I can put it is to contrast it with a possible approach of some people who believe that the only way to solve these difficulties is by an all-out war and, therefore, the sooner we confront Russia in an all-out war the better. We take a different view and say that any effort to reconcile our differences is better. This is no different than a fisheries agreement or an Antarctic agreement, or any other agreement where our mutual interests would warrant our moving in that direction.

I do not look forward to this being of great significance but as one step in the right direction. This is the way I would characterize it.

Mr. DODD. Mr. President, will the Senator yield to me for just a few questions?

Mr. TOWER. I shall yield to the Senator in a moment.

Mr. DODD. I thank the Senator.

Mr. TOWER. Mr. President, in the Curtiss-Wright case in 1936 the Supreme Court held that the power to conduct foreign relations was a necessary concomitant of nationality which would vest in the National Government regardless of constitutional provisions.

If this were carried to its logical conclusion I have no doubt it would not be as difficult to strike out any action of Congress under any treaty obligation we had.

I see this as an inhibition in free action on the part of the United States should we determine to repeal the McMahon Act. I do not think we can conceive that is going to happen. I do not know why we are going to deny ourselves the opportunity to legitimately exercise an option if we choose to.

I would say it would be manifestly unwise for us to transfer nuclear weapons to anybody right now. However, we cannot anticipate what is going to happen a few years hence. Thirty years ago would anybody have anticipated that we would be so closely allied with Japan and Germany? I doubt it. Thirty years ago we did not know we would have nuclear weapons, nor did we know it 25 years ago.

I think we better consider the fact that we cannot predict the future, and we should keep our options open when we are engaged in a deadly game of trying to deter the ambitions of aggressive powers. If anyone wants to debate the point as to whether or not the Soviet Union or Red China are aggressor powers I would be delighted to debate that point from now on.

I think we are being extremely naive. Regardless of the statement by the Senator from Arkansas that we do not regard it as a panacea, the fact is that this has been used as an argument. When people talk about a nuclear holocaust and children burning and the only way to stop it is with this treaty, I think we are being lulled into false security. The next thing we will hear will be, "Why do we not start disarming; and if we disarm, the rest of the world will bring moral pressure on the Soviet Union to compel them to do the same thing." If anybody believes that, we are, indeed, in trouble.

I am delighted to yield to my friend from Connecticut.

Mr. DODD. Mr. President, I do not think the Senator was present yesterday when I said:

> As early as September 1960, President Kennedy called for a "new approach to the organization of NATO." He suggested, among other things, that our allies "may wish to create a NATO deterrent, supplementary to our own, under a NATO nuclear treaty."
>
> Two years later, speaking in Copenhagen, Mr. McGeorge Bundy said:
>
> "If it should turn out that a genuinely multilateral European deterrent, integrated with ours in NATO, is what is needed and wanted, it will not be a veto from the Administration in the United States which stands in the way. . . ."

Mr. TOWER. I am glad that the Senator has enlightened us on this history about President Kennedy's attitude. As I noted earlier, President Kennedy took the approach that when we started talking about negotiating this treaty, one of the positions of the United States was that we should preserve the NATO options. This is a position we abandoned about 1967 or about the time the treaty was finally consummated. This was the original position held by Presidents Eisenhower and Kennedy and initially by President Johnson.

Mr. DODD. Would it in any wise strengthen the Senator's proposed reservation if language were added providing that the weapons and materials will be placed in the custody of the nuclear weapons nations who are members of the regional organization in question? I am thinking of NATO. The Senator from Arkansas suggested there might be some other approach, but I find it hard to conceive of one. Perhaps there could be some language such as I have suggested, leaving question of command over the use of these weapons to the individual and collective decision of the member nations of that organization.

Mr. TOWER. I appreciate the thrust of the Senator's statement. My thinking would be that rather than proliferate weapons to nations individually, if we felt there should be a transfer of nuclear weapons, that it would be with an integrated command structure. But again, this might be inhibiting and make it unwieldy because we cannot anticipate what kind of structures we might want to submit to.

I would prefer to keep it in this form. If we fail, we may try something else.

Mr. DODD. The big roadblock seems to be that our present law would prohibit it.

Mr. TOWER. The Senator is absolutely correct. Even if we adopted that reservation, we could do nothing unless we amended or repealed the McMahon act.

Mr. DODD. That answers the question.

Mr. TOWER. Any transfer of weapons will have to be surrendered to the judgment of the Congress. What we are doing is preserving an option.

Mr. FULBRIGHT. I am ready to yield back the remainder of my time.

Mr. TOWER. Mr. President, I am prepared to yield back the remainder of my time.

Mr. FULBRIGHT. Does the Senator wish to request the yeas and nays?

Mr. TOWER. Yes. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to Executive Reservation No. 1. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Washington (Mr. MAGNUSON) is absent on official business.

I also announce that the Senator from North Dakota (Mr. BURDICK), the Senator from Alaska (Mr. GRAVEL), the Senator from Oklahoma (Mr. HARRIS), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from North Dakota (Mr. BURDICK), the Senator from Alaska (Mr. GRAVEL), the Senator from Oklahoma (Mr. HARRIS), the Senator from Washington (Mr. MAGNUSON), and the Senator from Ohio (Mr. YOUNG) would each vote "nay."

Mr. SCOTT. I announce that the Senator from Tennessee (Mr. BAKER) is necessarily absent.

The Senator from Colorado (Mr. DOMINICK) is absent because of illness.

The Senator from Vermont (Mr. PROUTY) is detained on official business.

If present and voting, the Senator from Colorado (Mr. DOMINICK) and the Senator from Vermont (Mr. PROUTY) would each vote "nay."

The result was announced—yeas 17, nays 75, as follows:

[No. 18 Ex.]

YEAS—17

Allen	Fannin	McClellan
Cook	Goldwater	Murphy
Curtis	Gurney	Talmadge
Dodd	Hollings	Thurmond
Eastland	Jordan, N.C.	Tower
Ervin	Long	

NAYS—75

Aiken	Griffin	Muskie
Allott	Hansen	Nelson
Anderson	Hart	Packwood
Bayh	Hartke	Pastore
Bellmon	Hatfield	Pearson
Bennett	Holland	Pell
Bible	Hruska	Percy
Boggs	Hughes	Proxmire
Brooke	Inouye	Randolph
Byrd, Va.	Jackson	Ribicoff
Byrd, W. Va.	Javits	Russell
Cannon	Jordan, Idaho	Saxbe
Case	Kennedy	Schweiker
Church	Mansfield	Scott
Cooper	Mathias	Smith
Cotton	McCarthy	Sparkman
Cranston	McGee	Spong
Dirksen	McGovern	Stennis
Dole	McIntyre	Stevens
Eagleton	Metcalf	Symington
Ellender	Miller	Tydings
Fong	Mondale	Williams, N.J.
Fulbright	Montoya	Williams, Del.
Goodell	Moss	Yarborough
Gore	Mundt	Young, N. Dak.

NOT VOTING—8

Baker	Gravel	Prouty
Burdick	Harris	Young, Ohio
Dominick	Magnuson	

So Executive Reservation No. 1 was rejected.

NPT AND DEFENSIVE PROLIFERATION

Mr. SPARKMAN. Mr. President, I rise in support of Senate consent to ratification of the Nonproliferation Treaty, a treaty which has now been signed by 87 nations, nuclear and nonnuclear, big and small. I personally believe it is quite essential that the Senate not only "consent" to the ratification of this treaty, but in so doing, indicate its firm support for the principles that are embodied in this treaty's text, namely, preventing the further spread of nuclear weapons and striving to bring the nuclear arms race under control, while at the same time promoting the development and availability of the peaceful uses of nuclear energy.

My interest in promoting these objectives stems in part from the fact that, in Senator FULBRIGHT'S absence last summer, I chaired the hearings on the Nonproliferation Treaty and thus had an opportunity to become more familiar with the testimony given than might be the case otherwise.

During the committee's consideration of the treaty last summer, one suggestion put forward was that the treaty should not preclude the United States from transferring to friendly nations custody and control over "purely defensive" nuclear weapons.

Dr. Edward Teller of the Lawrence Radiation Laboratory and chairman of the Divisional Advisory Group of the Air Force Space and Missiles Systems Organization, testified:

> It seems to me, therefore, necessary to declare that weapons which are designed for defense and can be used for defense alone are in the interest of peace. That when and if such defensive systems are properly developed, the necessary steps will be taken to make them widely available for self-defense, and that this will be done even if it requires modification of existing laws or treaties.
>
> I, therefore, explicitly recommend that the Senate make it known that it looks with favor on the development of effective defensive systems, and that by ratifying the treaty the Senate does not intend to preclude the deployment of purely defensive arrangements, if and when these become available.

Senator TOWER has now suggested that a reservation be attached to the treaty to permit the proliferation of defensive weapons to regional organizations established under article 52 of the charter of the United Nations. Such a reservation would, of course, require renegotiation of the treaty and destroy it.

To begin with, there is the imposing fact that as of now there is no such thing as a "purely defensive" nuclear weapon. Dr. Teller's testimony recognized this. And once a missile with a nuclear warhead is in a nation's possession, it can at present be used for attack as well as defense. There is no foolproof way of rigging nuclear weapons to fire only defensivley.

Of course, in theory at least, it may be technically feasible in the future to design tamper-proof systems which would prevent an anti-ballistic-missile warhead from being used as an offensive weapon. However, even should this prove possible, the nation receiving such a tamper-proof defensive weapon could discover the technology of manufacturing offensive nuclear weapons by uncovering the secrets of the defensive weapons in its possession. Once the non-nuclear-weapon state had custody and control of the tamper-proof ABM, it would be possible for that state, by the use of X-rays and other scientific techniques, to develop highly sensitive design information on the warhead even though the warhead case remained intact and untampered with. From such information a nation could manufacture its own offensive thermonuclear weapons and the objective of transferring for defensive uses only would have been negated.

Even were we to assume that nuclear weapons could be designed so that they would be used only for defensive purposes and even if information for use in offensive weapons could not be uncovered through the use of X-ray or other sophisticated devices, there are several political and economical problems which would indicate distinct disadvantages in providing "purely defensive" nuclear weapons.

For one, we have no idea what something not yet developed is likely to cost.

Also, since it would be necessary to "seal" the casing of the ABM warhead so that the country to whom it is transferred cannot get inside the weapon to deactivate the safety device and convert it to offensive purposes or to obtain vital design information, one might ask how the country to whom the ABM was transferred and in which it had invested vast sums of money could be sure that the warhead was in a proper state of maintenance. And how could the United States be absolutely certain that given enough time and patience the receiving country could not devise a means of penetrating the casing?

Of course, again there may be technically feasible answers to these technical questions, but the further one lets his imagination run in this field, the greater the political difficulties in any proposed arrangement seem to become. It basically does not seem realistic to expect a country to go to the great effort and expense of installing an ABM system of its own and yet have the key to that system be a warhead which it is not permitted to maintain and which, under one theory, would be set so as to blow up if tampered with—an arrangement which could hardly add to the ease and sense of security of the recipient.

In addition, from the point of view of a third country which might find itself threatened by one of its neighbors acquiring a nuclear potential, it taxes belief to assume the third country would accept at face value the assertion that the warhead acquired was solely defensive in nature.

Mr. President, I have addressed myself to several of the technical sides of this issue of defensive proliferation to demonstrate its dubiousness from even the technical point of view.

Of course, the most important and telling argument against those who advocate defensive proliferation is the fact that our own domestic laws prohibit it, with or without the Nonproliferation Treaty. I think it bears repeating that the U.S. option to proliferate nuclear weapons of any kind to any other country was foreclosed by Congress in 1946 with the adoption of the McMahon Act. Section 92 of the legislation which succeeded it, the Atomic Energy Act of 1954, as amended, now prohibits the transfer of atomic weapons in foreign commerce. Just such a prohibition on transfer is the heart of the draft Nonproliferation Treaty. It might be noted, by the way, that the agreement on a treaty draft with the Soviet Union reflected, therefore, Soviet adoption of our attitudes—not our adoption of theirs.

The reasons behind the policy against transfer in our domestic legislation have been well stated by Secretaries of State in Republican administrations as well as by those in Democratic. As Secretary of State Herter said:

> The more nations that have the power to trigger off a nuclear war, the greater the chance that some nation might use this power in haste or blind folly.

And Secretary Dulles said:

> Your government believes that this situation can be and should be remedied.

The Treaty on the Nonproliferation of Nuclear Weapons goes a long way toward remedying that situation.

Mr. President, I have dwelled on this question of defensive proliferation because of the various criticisms directed at the treaty which have said that it closes this important option. The truth is that as regards the United States, it does not close that option at all. It already is closed by our own domestic legislation, which has been on the books since 1946. So it is not the treaty that forecloses for the United States the option of "defensive" proliferation or of "selective" proliferation or of "regional" proliferation.

Now, of course, Congress might decide to amend the Atomic Energy Act but as Secretary Rusk said during the

hearings on nonproliferation in 1966 in regards to U.S. domestic legislation outlawing proliferation, "we are not proposing it, and I would predict that you would not amend it," to which the Chairman of the Joint Committee on Atomic Energy replied, "you were never more right in a prediction."

Mr. President, one most important factor in any discussion of the NPT is to note what the treaty prohibits and what it does not. Although defensive proliferation, in the sense of transferring custody and control over defensive nuclear weapons, is forbidden, it is important to note what options the treaty preserves. The treaty does not deal with, and therefore does not prohibit, transfer of nuclear delivery vehicles or delivery systems, or control over them to any recipient, so long as such transfer does not involve bombs or warheads. It does not deal with allied consultations and planning on nuclear defense so long as no transfer of nuclear weapons or control over them results.

And, for our purposes, it is especially relevant to note that the treaty does not deal with arrangements for deployment of nuclear weapons within allied territory as these do not involve any transfer of nuclear weapons or control over them unless and until a decision were made to go to war, at which time the treaty would no longer be controlling. In other words, where appropriate, ABM defenses could be provided other nations as long as we maintained custody and control over them.

Mr. President, we reach the conclusion that this non-proliferation treaty is not foreclosing any proliferation options for the United States. But it will foreclose for other nations an option which we have already discarded in domestic legislation, and which other nations have not.

Raising the risk of nuclear war by increasing the number of players in a game which might become nuclear roulette is certainly not in our interest or in the interest of the rest of the world. It is that risk which this treaty, endorsed by both Democratic and Republican administrations is designed to reduce. I agree that it is in our national interest and that of all mankind. As such, I believe it should have the unanimous support of the U.S. Senate without the attachment of reservations or understandings.

Mr. BAYH. Mr. President, it is my intention to support and to vote for the Treaty on the Nonproliferation of Nuclear Weapons, despite the fact that in my opinion it would have been a more effective instrument if certain provisions could have been strengthened and if additional safeguards could have been added. After careful consideration of all factors, however, I concur in the view of the committee that the treaty represents the "best that can be negotiated at this time." It would be tragic, I believe, if the treaty should be long delayed or possibly even abandoned by insistence now on reservations or modifications requiring further negotiations with an approval by signatory nations.

Certainly few if any will question the basic goal of this treaty. There is no need to dramatize or moralize on the terrible, almost inconceivable destruction and horror which could result from a nuclear conflict. If mankind is to survive, if civilization as we know it is to continue, these weapons must be subjected to adequate, effective, and worldwide controls. The prevention of easy accessibility by all nations, large or small, rich or poor, to nuclear explosive devices must be an essential element in any satisfactory system of controls. It is a truism that, as additional nations acquire nuclear weapons, the danger of a nuclear confrontation becomes that much greater. The possibilities of an accidental "triggering" or of an irrational, irresponsible action by some dictator or leader gone mad, inevitably multiply as the number of nuclear powers grow.

Experts tell us that the knowledge and skills required to develop and construct atomic or hydrogen weapons are no longer secret, and that many nations before long will have the technogical capacity and the materials necessary to build explosive nuclear instruments. Nuclear reactors which, as a by-product, produce plutonium, a major component of atomic bombs, are now operative in more than 40 countries. It appears that even comparatively underdeveloped nations might in the future master the techniques and possess the resources which would enable them to produce nuclear weapons. In my opinion to allow such a risk to go unchecked would be folly indeed.

The Nonproliferation Treaty would ban all signatory states from transferring nuclear explosive devices to other countries or from helping them to manufacture such weapons on their own. It would at the same time stipulate that any nonnuclear nation agreeing to the treaty could not receive nuclear weapons from other countries and could not attempt to produce them on their soil. If the nations of the world all subscribe to this pact, and if the treaty is properly and effectively enforced, these two provisions in combination would stop the spread of nuclear weapons to the "have-not" nations. At present only five countries are known to have developed and tested explosive nuclear devices: the United States, the Union of Socialist Soviet Republics, the United Kingdom, France, and mainland China. Granting that the treaty would not in any way inhibit the production and use of nuclear weapons by these five nations, at least it would have the potential virtue of preventing other nations from following down the same pathway.

Unless positive, meaningful steps to the contrary are taken soon, other nations are likely to believe that their own future interests will require them to embark on a nuclear weapons program. Once the possession of these destructive devices are in the hands of a few more countries, their neighbors and rivals will be confronted by heavy internal and external pressures to become active participants in the nuclear race. History surely proves that once this international game of "keeping up with their neighbors" philosophy starts its course, status, prestige and a sense of self-preservation would force all but the most resolute to succumb. One by one nations which can illafford the enormous required expenditures of time and resources would believe it necessary to acquire or manufacture, as well as to stockpile, nuclear arms. Prospects for world peace would suffer a severe blow if such a frightening development should ever come to pass; the present nuclear "standoff" between major powers would no longer be of great significance as a deterrent if nuclear explosive devices come into the possession of 15, 20, 25 or more countries.

Some criticism has been directed at the inspection and enforcement provisions of the treaty. Under article III, the International Atomic Energy Agency would be allocated the task of determining whether nonnuclear weapon countries have used nuclear facilities or materials for other than peaceful purposes. This would be accomplished through agreements which must be made by IAEA with each country and which would spell out in detail the various safeguards to be observed. The various nuclear weapon states, however, such as the United States and the Soviet Union, would not have their peaceful nuclear activities subjected to international inspection or oversight, unless they volunteered to this inspection, and of course the treaty would in no way affect the future production or use of nuclear weapons by the present "have" nations. Nevertheless, the President of the United States has announced unilaterally that our country would voluntarily accept similar safeguards and inspection on the peaceful uses of nuclear materials and facilities.

There is some fear that IAEA might encounter difficulties in reaching agreements with the various nations for inspection of their nuclear facilities and materials. It has been argued that this might delay the application of satisfactory standards and controls and permit evasion or deceptive practices which could defeat the purposes of the treaty. Question also has been raised about the competence and experience of IAEA in the field of inspection. While these points are well worth noting, they do not seem to me to be unsurmountable. Once the requisite 40 signatory states and the three depositary governments have officially deposited their ratifications of the treaty and it has formally gone into effect, attention will be focused on the task of concluding suitable and effective inspection agreements. It must be assumed that nations which are willing to sign the treaty will do so in good faith and will accept reasonable inspection and control measures. Moreover, their governments will be subjected to the force of public opinion, both at home and abroad, directed toward the establishment of meaningful controls over nuclear weapons. Likewise, IAEA already has had considerable experience in the field of nuclear inspection; any shortcomings it might have now could be remedied by

appropriate increases in manpower, funding and applied research.

There are other significant aspects of the treaty which should not be overlooked. It seems to me that ratification of this instrument would stimulate future negotiations looking toward additional arms control and other international agreements so necessary for the establishment of eventual world peace. Important as limiting the spread of nuclear weapons is to our well-being, it is equally important to begin meaningful discussions on mutual limitation of nuclear delivery systems and conventional weapons of war. Moreover, the peaceful uses of atomic energy and the development of nuclear technology ought to derive concomitant benefits from this pact. Defeat of the Nonproliferation Treaty at this stage might endanger if not defeat any prospects for serious consideration of disarmament measures. If nations can be freed of the inexorable pressure forcing them to expand huge sums for nuclear weapons, they would be able to devote more of their resources to the constructive and invaluable civilian purposes for atomic energy which hold so much future promise of benefits to mankind.

It is well to remember in this connection that the participants to the treaty will bind themselves to the exchange of data, materials and equipment for peaceful uses of nuclear energy. We are still in the infancy of the atomic age. Research and development in future years, if it is to be most beneficial to mankind, should take advantage of the knowledge, skills and abilities of scientists and engineers throughout the world. The treaty should contribute to this desirable goal by making it practicable to disseminate and share with all both present and future discoveries and techniques.

Likewise, the treaty in article V provides assurance to the nonnuclear powers that if they join in this common effort they will be entitled to participate at minimum cost in the use of nuclear explosives for peaceful purposes. This contemplates, in effect, the sale of such devices for useful commercial projects, as canals, harbors, and other large excavation works, but with strict controls over their possession and use exerted by the manufacturing nation. Because the sale price would not include the costs of research and development, I know that some have criticized the economics of this provision. They have expressed fear that it might become a subsidy to private companies, such as mining or oil ventures, which could make use of this service to their advantage. While there may be some truth in this allegation, it seems to me that careful administration can avoid this becoming a troublesome problem. Moreover, guarantee to nonnuclear powers that they would have access on a reasonable basis to nuclear explosive devices for peaceful uses should prove to be a very attractive, if not essential, inducement to obtain their approval of the treaty itself.

One other issue involving approval of the treaty has caused considerable concern, although it is not a part of the treaty itself. The resolution adopted last June 19 by the United Nations Security Council, to which the United States fully subscribed, in effect was a warning to any nation committing or threatening aggression with nuclear weapons that such actions could be "countered effectively," by measures taken according to the United Nations Charter to suppress that aggression. There are those who believe that ratification of the Nonproliferation Treaty as it now stands would imply that the United States was pledging itself to immediately commit its full strength against any nation which resorted to or threatened to resort to nuclear weapons. To counteract this, Senator ERVIN proposed Executive reservation No. 2 as an attachment to the resolution of ratification, asserting that the United States would not obligate itself by the treaty to use armed force to defend a non-nuclear-weapon state which might be attacked or threatened with nuclear aggression.

While I concur with those who contend that the United States should not in advance make such a commitment through this treaty, I am convinced that the Foreign Relations Committee judgment is correct in concluding that the treaty would not have this effect. At no place in the treaty itself is there any such pledge of assistance to another nation. Final approval of the treaty itself would not, in my opinion, mean that the Senate had thereby assented likewise to the full implications of the June 1968 resolution, nor has it waived the requirements of the Constitution with respect to the taking of belligerent action. Despite approval of the treaty, I believe that regular constitutional procedures would have to be fully observed before U.S. Armed Forces or weapons systems could be committed to the defense of any other nation. Whatever the effect of U.S. adherence to the resolution of June 19, 1968 may be under the United Nations Charter, it seems clear that approval by the Senate of the Nonproliferation Treaty would neither fortify nor detract from its authority.

Therefore, I believe that the best interests of the United States and of world peace would be served by the Senate consenting to ratification of the treaty on the Nonproliferation of Nuclear Weapons. We must soon start down the road toward international understanding and trust if we are to avoid the terrible havoc which would result from a war in which nuclear weapons were employed. There is no doubt in my mind that this treaty, while not solving all the problems facing us nor removing completely the dangers of nuclear confrontation, would contribute substantially to reducing world tensions and might lead eventually to even more effective international understanding and agreements. Consequently, I plan to vote for approval of the treaty and hope that it will receive the necessary affirmative support by at least two-thirds of the other Senators.

Mr. MOSS. Mr. President, I have long been on record in support of the Nuclear Nonproliferation Treaty. I announced my support when President Johnson sent it to the Senate as the "most important international agreement since the beginning of the nuclear age" and I agree now with President Nixon that it should be ratified without further delay.

I recognize that the consummation of this treaty will not, in itself, guarantee against the possibility of another nation acquiring nuclear weapons. I recognize also that it is not a perfect instrument. But it is as balanced and safeguarded as it is possible to make it, and the security of the world will be increased proportionately with the ratification and signature of each new nation on it.

The peace of the world will be constantly in danger if we do not take steps to keep nuclear weapons out of the hands of any new belligerent or militaristic regime which may take over any country in any corner of the world. We must be sure that they have at their command only conventional weapons—not weapons which could, at the whim of some unbalanced, power-hungry individual, destroy civilization as we know it.

Opponents of the treaty seem to see in it simply an accommodation to the Soviet Union. Surely, the Soviet Union is just as anxious to protect its people and its cities as we are. They regard this treaty in the same light as the United States does—as a way of protecting their nation from annihilation. We should stop talking of the treaty as an accommodation to the Soviet Union, and to start thinking of it in terms of protecting our own security and, we trust, the peace of the world.

Mr. President, I compliment the members of the Committee on Foreign Relations for bringing the treaty to the floor of the Senate—and with a unanimous vote. It is a long step forward in man's historical drive for arms control, and I hope the Senate will overwhelmingly advise and consent to its ratification.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may yield to the Senator from Connecticut to call up an understanding or a reservation, with the understanding that I may yield without losing my right to the floor.

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

EXECUTIVE UNDERSTANDING NO. 2

Mr. DODD. Mr. President, I call up my understandings Nos. 2 and 3, which are at the desk, and ask that they be made the pending business when the Senate convenes tomorrow.

The PRESIDING OFFICER. Does the Senator wish to have them considered en bloc, or separately?

Mr. DODD. Separately.

The PRESIDING OFFICER. Which one does the Senator wish to be considered first?

Mr. DODD. No. 2 first.

The PRESIDING OFFICER. Understanding No. 2 will be stated.

The legislative clerk read as follows:

Before the period at the end of the resolution of ratification insert a comma and the following: "with the understanding that, after the United States Senate has voted to ratify the treaty, any military attack directed against the independence of another country by a nuclear-weapons State party to the treaty, would be regarded as a violation of the spirit of the treaty and as a threat to

the security of other signatories justifying their withdrawal under the ninety-day clause; and with the further understanding that, after the treaty has the ratifications necessary to enter into force, any military attack directed against the independence of another country by a nuclear-weapons State party to this treaty, will automatically be regarded as an abrogation of the treaty, rendering the treaty null and void".

The PRESIDING OFFICER. Without objection, understanding No. 2 will become the pending business.

Mr. DODD. Mr. President, I ask the majority leader, Is this the appropriate time to ask for the yeas and nays?

Mr. MANSFIELD. Yes; indeed.

Mr. DODD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, for the information of the Senate, there will be no further votes today. Furthermore, it is not anticipated that we will take up the pending understanding until after the Senate convenes, or shortly after 10 a.m., tomorrow.

UNANIMOUS-CONSENT AGREEMENT

At this time, with the concurrence of the distinguished Senator from Connecticut, the distinguished minority leader, the ranking member of the committee, and the chairman of the committee, I ask unanimous consent that the time limitation on the Dodd understandings be reduced from 2 hours to 1 hour each, with the time to be equally divided between the Senator from Connecticut and the Senator from Arkansas (Mr. FULBRIGHT).

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

Mr. MANSFIELD. With the further approval of the Senators previously mentioned, I ask unanimous consent that there be a time limitation of 1 hour on all further understandings and reservations, the time to be equally divided between the chairman of the Committee on Foreign Relations and the sponsor of each understanding or reservation, and that there be a 2-hour limitation on the treaty itself.

The PRESIDING OFFICER. Is there objection?

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. MURPHY. Mr. President, reserving the right to object, I should like to have some time on the treaty itself.

Mr. MANSFIELD. Yes; we will get some.

Mr. MURPHY. I have no objection.

Mr. RUSSELL. Mr. President, reserving the right to object, I have no objection to the limitation on reservations and understandings. I do have some reservations as to the proposed limitation on the treaty itself.

Mr. MANSFIELD. Mr. President, I withdraw the latter part of the request, and request only the time limitation of 1 hour on each understanding or reservation, under the terms specified.

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

The unanimous-consent agreement was subsequently reduced to writing, as follows:

Ordered, That there be a 1-hour limitation of debate on any further reservations or understandings to the pending treaty, with the time to be equally divided and controlled by the Senator from Arkansas (Mr. FULBRIGHT) and the Senator offering the reservation or understanding.

Mr. DODD. Mr. President, I do not know whether it is clear that I intended to call up my second understanding also.

Mr. MANSFIELD. The Senate can only consider one at a time, unless the Senator wanted them considered en bloc, and I understood the Senator to say he wanted No. 2 considered first, and the other one later.

Mr. DODD. That is right.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into legislative session and that there be a period for the transaction of routine morning business.

The PRESIDING OFFICER. Is there objection?

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

NIXON POSITION ON ENFORCED INTEGRATION

Mr. HOLLAND. Mr. President, for years I have had the conviction that compulsory legislation seeking to force the races toward integration was foolish, and would accomplish no useful purpose. I am glad to see that view supported in today's Washington Evening Star, in a column written by Mr. William F. Buckley, Jr., entitled "A Blunt Word Required on Nixon."

Mr. Buckley takes the position that the new President, President Nixon, has now committed himself to the position of forced integration. Whether that be true or not will remain to be seen. However, there are certain comments in this article which I think are well worthy of inclusion in the CONGRESSIONAL RECORD. I refer, for example, to this part of the column:

The truth is that the overwhelming majority of the white population of America associates with white people, even as the blacks associate with blacks, in their homes, at schools, and, though to a lesser extent, professionally. We can and should deplore the obstinacy of these social conventions.

But to attempt to enact and implement laws that forbid these natural associations—as distinguished from altogether desirable laws which attempt to bring advantages to the disadvantaged—is foolish, and bound to bring about consequences everyone deplores.

Mr. President, I ask unanimous consent to have printed in the RECORD the entire column, entitled "A Blunt Word Required on Nixon," written by William F. Buckley, Jr., and published in the Washington Evening Star for today, March 12, 1969.

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

A BLUNT WORD REQUIRED ON NIXON

(By William F. Buckley, Jr.)

The American Conservative Union has come out and said bluntly what is on the minds of those Americans who made possible the election of Richard Nixon. That Nixon's performance, so far, is not altogether reassuring.

There are the complaints which are not altogether fair. It is much too early to know whether Nixon will freeze under the pressure of Communist salients, in Vietnam, at the negotiating table in Paris, in Berlin. Too early to conclude gloomily that Richard Nixon will do nothing to help the community to survive the intimidations of organized labor unions; too early, even, to know whether he will engage the problem of inflation other than rhetorically.

But on one point Nixon appears to have staked out a position, and it is, in the judgment of most of those Americans who reject ideology, the wrong one. It is the position of forced integration.

It does not seem to occur to anyone to remark that the exodus of white middle class families from the cities, the rate of which has trebled in the past three years, is above all things an indication of the lengths to which people intend to go in order to avoid certain conditions.

It is utterly useless to moralize about it: the people who dominate America have written their position on the matter of forcible integration with their feet. The father who is willing to leave the city where he grew up, where he holds down his job, to endure the expenses of moving, of reacclimation, of buying or renting a new home, is expressing himself about as directly as anyone can.

To criticize him for being uncharitable, let alone to attempt to devise laws that would rob him of the economic freedom to make his decision, is as useless as to criticize politicians for seeking to please their constituencies; or to attempt to devise laws which would force politicians to speak the truth.

The truth is that the overwhelming majority of the white population of America associates with white people, even as the blacks associate with blacks, in their homes, at schools, and, though to a lesser extent, professionally. We can and should deplore the obstinacy of these social conventions.

But to attempt to enact and implement laws that forbid these natural associations—as distinguished from altogether desirable laws which attempt to bring advantages to the disadvantaged—is foolish, and bound to bring about consequences everyone deplores. For instance the migration of whites from the cities the widespread rejection of the law, as for instance by the Southern schools; the crystallization of hypocrisy, as for instance by the white population of Washington, D.C. which by day writes laws forbidding segregation and by night returns to its segregated quarters; the rise of resentful black extremism.

Robert Finch is, from all appearances, a child of the old liberalism, which reasoned ("rationalism," Professor Oakeshott observes, "is making politics like the crow flies") that because separation of the races was morally wrong, therefore it should be forbidden by law. One would think that the 15 years that have passed since Brown vs. Board of Education would have convinced us that although it is no less wrong, any government that seeks to end it by force majeure is going to a) make matters worse, and b) impale itself on its abstractions.

We cannot, once again, know for sure whether Finch is going to return us to the bayonet-point integrationism of the post-Warren era. But he and Nixon appear to be quite blunt on the matter of applying Title VI of the Civil Rights Act, which would deny federal funds to school districts which fail to integrate at the speed required by the relevant court.

Now pledged to law and order, the Nixon administration could hardly ignore a national statute. But if the strategy was to enforce the law so as to reveal the law's shortcomings, then Finch would hardly have brought

to his side as Commissioner of Education Dr. James Allen of New York, who did perhaps more than anyone to ignite frustrations, resentments, bitterness, interracial hostility and, finally, the great exodus we all bemoan.

THE QUESTION OF IAEA INSPECTION OF PEACEFUL NUCLEAR FACILITIES IN THE UNITED STATES

Mr. DODD. Mr. President, because I was concerned over the fact that both the Nixon administration and the Johnson administration before it have offered, once the Nonproliferation Treaty goes into effect, to submit all of our peaceful nuclear facilities to the inspection safeguards system of the International Atomic Energy Agency, I addressed a letter on March 5 to Dr. Glenn T. Seaborg, Chairman of the Atomic Energy Commission, for the purpose of obtaining clarification on what was involved.

I ask unanimous consent to insert into the RECORD at this point both the text of my letter to Dr. Seaborg and of the reply I received to the questions posed in the letter.

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

MARCH 5, 1969.

Dr. GLENN T. SEABORG,
Chairman, U.S. Atomic Energy Commission, Washington, D.C.

DEAR MR. CHAIRMAN: The purpose of this letter is to seek guidance and clarification on an important aspect of the Nonproliferation Treaty in advance of the forthcoming Senate debate on the subject.

While the Treaty itself does not require nuclear weapons states to submit their peaceful facilities to IAEA inspection under the terms of Article III, President Johnson and President Nixon have both made it clear that we are willing to accept such inspection for the purpose of allaying the misgivings of some of our allies.

Obviously, in voting for the Treaty, the Senate will not be called upon to approve these consecutive declarations by the Executive branch. Even if it does vote to ratify the Treaty, the Senate would still be free to recommend to the Executive branch that the wisdom of submitting all of our peaceful nuclear facilities to unilateral inspection should be the subject of a careful review.

However, since an Executive commitment on this point would have the force of law when the Treaty is ratified, it would be helpful if the Senate could be informed of the precise implications of this Presidential commitment. Specifically, I should like to ask the following questions:

1. Would all of our peaceful nuclear facilities be open to IAEA inspection? And, if all of them will not be open to such inspection, how many will be?

2. Under what circumstances will such inspections be permitted? Will IAEA inspectors be permitted to stage inspections without notice, as they are occasionally permitted to do under the standard IAEA safeguards system?

3. What kinds of inspection would the IAEA inspectors be able to carry out? Would they, for example, in line with the IAEA safeguards system, have the right and responsibility "to examine the design of specialized equipment and facilities, including nuclear reactors"?

4. How many inspections of each facility would the IAEA inspectors be permitted to carry out each year?

5. How many inspectors would be involved in these inspections?

6. While we would apparently have the right to veto the selection of individual inspectors, could this veto power be applied broadly enough to eliminate potential inspectors from any of the communist countries?

7. Since the Treaty places no internal restraints on nuclear weapons nations regarding the disposition of materials produced in their peaceful nuclear facilities, what purpose is served by voluntarily submitting our nuclear facilities to the IAEA inspection safeguards?

Since it now appears likely that the Treaty will come up for debate during the first part of next week, I would be very grateful if you could let me have your replies to these questions by this coming Monday morning, March 10.

Sincerely,

THOMAS J. DODD.

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., March 10, 1969.

Hon. THOMAS J. DODD,
U.S. Senate.

DEAR SENATOR DODD: I am enclosing AEC's answer to the questions on the Non-Proliferation Treaty listed in your letter of March 5, 1969.

If we can be of any further assistance, please call upon us.

Cordially,

GLENN T. SEABORG,
Chairman.

Question 1. Would all of our peaceful nuclear facilities be open to IAEA inspection? And if all of them will not be open to such inspection, how many will be?

Answer. In connection with the Hearings before the Committee on Foreign Relations during July 1968, the AEC supplied a memorandum (p. 110–112) explaining the offer that when such safeguards are applied under the Treaty, the United States will permit the International Atomic Energy Agency to apply its safeguards to all nuclear activities in the United States—excluding only those with direct national security significance.

The memorandum notes that the date in the future when the offer is to take effect cannot be fixed at this time. It notes further that we will wish to consider the progress being made in gaining adherence to the Treaty and in negotiating and implementing the agreements between non-nuclear-weapon parties and the IAEA, in determining when the U.S. offer will take effect.

The U.S. offer will be fulfilled by the negotiation of a formal agreement, between the IAEA and the U.S. Government, which would identify the U.S. activities in which the IAEA could apply its safeguards. As I stated before the Armed Services Committee on February 28, 1969, the U.S. would have absolute control over the definition of where we draw the line between peaceful facilities and those that have national security implications. In implementing the agreement, the IAEA will determine in which of the listed activities covered by the offer its safeguards are to be applied. It is doubtful that the IAEA will wish to apply its safeguards to all activities listed, nor do we believe that the purpose of the U.S. offer would require that it do so. We believe that rather than apply its safeguards to all the U.S. activities on the list, the IAEA will elect to apply safeguards to a representative number of U.S. activities, at least initially.

The memorandum contained on pages 110–112 of the July 1968 Foreign Relations Committee Hearings includes an illustrative list of facilities, in six categories, which might meet the criteria of the U.S. offer. The number of facilities built, being built, or planned in each of the six categories are:

A. Approximately 55 central-station electric power reactors operating or under construction, and some 30 additional reactors now planned;

B. Two dual-purpose plants now planned;

C. Five experimental electric power reactors currently operable or under construction;

D. Appoximately 100 facilities in the category of test, research and university reactors currently operable or under constuction;

E. Approximately 20 critical assembly facilities currently operable;

F. Approximately 10 fuel fabrication, scrap recovery, and chemical processing facilities currently handling fuel associated with the facilities noted above.

The facilities now in operation, being built or planned which might be included, subject to our review at the time the agreement will be negotiated with the IAEA, total about 200. As noted above, the IAEA may choose to apply safeguards only to a representative number of the activities which will be included in the list at that time. For example, the IAEA would probably choose to apply its safeguards only to a small number of the activities listed in categories A through E above, but to most or all of the fuel fabrication and chemical processing facilities handling the fuel for the nuclear reactors selected.

It should be noted that before a definitive list of the activities or the facilities is included in the agreement to be negotiated with the IAEA, a detailed review will be conducted by the U.S. to assure that none have direct national security significance.

Question 2. Under what circumstances will such inspections be permitted? Will IAEA inspectors be permitted to stage inspections without notice, as they are occasionally permitted to do under the standard IAEA safeguards system?

Answer. Three sets of circumstances will have to be met before such inspections will be permitted.

A. The conditions called for in the offer will have to exist i.e. ". . . when such [IAEA] safeguards are applied under the Treaty, the United States will permit etc. etc. . . ."

B. The activity to be safeguarded will have been thoroughly checked by the U.S. to assure that it does not have direct national security significance.

C. The magnitude of the nuclear operation at the facility will have to be such as to warrant inspection at the level of intensity prescribed in the Agency's safeguards principles and procedures.

The current IAEA safeguards principles and procedures are contained in the Agency's Safeguards System 1965 (INFCIRC/66/Rev. 2), a copy of which is enclosed. This document sets forth a guide as to the maximum frequency of inspections for smaller facilities. For major types of nuclear plants handling strategic quantities of nuclear material, INFCIRC/66/Rev.2 provides that inspectors shall have access at all times. This may be implemented by random unannounced visits and in the case of fuel fabrication and conversion plants, and chemical reprocessing plants handling large quantities of nuclear material may normally be implemented by continuous resident inspection.

Question 3. What kinds of inspection would the IAEA inspectors be able to carry out? Would they, for example, in line with the IAEA safeguards system, have the right and responsibility "to examine the design of specialized equipment and facilities, including nuclear reactors"?

Answer. In making the offer on December 2, 1967, President Johnson noted that ". . . I want to make it clear to the world that we in the United States are not asking any country to accept safeguards that we are unwilling to accept ourselves." Therefore, the intent would be to permit the IAEA to apply to the selected facilities in the US the identical application of safeguards as the IAEA would employ in other countries. This would include, as provided in INFCIRC/66/Rev. 2:

"30. The Agency shall review the design of principal nuclear facilities, for the sole purpose of satisfying itself that a facility will permit the effective application of safeguards.

* * * * *

"32. To enable the Agency to perform the required design review, the State shall submit to it relevant design information sufficient for the purpose, including information on such basic characteristics of the principal nuclear facility as may bear on the Agency's safeguards procedures. The Agency shall require only the minimum amount of information and data consistent with carrying out its responsibility under this section. It shall complete the review promptly after the submission of this information by the State and shall notify the latter of its conclusions without delay."

It has been our definite impression in observing the operation of the Agency's safeguards system that the design review provision has not posed any burden on activities subjected to Agency safeguards and that, in fact, the information which has been provided has been that readily available through other channels.

Question 4. How many inspections of each facility would the IAEA inspectors be permitted to carry out each year?

Answer. As noted in response to Question 2 above and also in INFCIRC/66/Rev. 2 (see paragraphs 56, 57, 58, 60, 64, 68, Annex I paragraphs 3, 4 and 5 and Annex II paragraphs 3, 4, 5 and 6) a guide to the maximum frequency of routine inspections has been determined. In any case, it would depend on the inventory, throughout, input or production potential of nuclear material for the facility during the period in question.

Question 5. How many inspectors would be involved in these inspections?

Answer. It is difficult to give a precise answer to this question. As suggested by our answer to your first question, this will depend on the actual number of facilities that the Agency elects to inspect under the terms of the offer. The number of inspectors would depend on the magnitude and complexity of the operations being safeguarded.

Question 6. While we would apparently have the right to veto the selection of individual inspectors, could this veto power be applied broadly enough to eliminate potential inspectors from any of the communist countries?

Answer. Under the IAEA's procedures, the Director General normally submits a list of inspectors to a nation before any inspection takes place. The nation concerned has the right to reject any of these inspectors without stating a reason and to request that substitute candidates be nominated. This provision was incorporated in the Agency's safeguards system to cover situations where a nation submitting to safeguards might seriously be embarrassed if it had to accept inspectors from a given country. Therefore, we shall have the discretion at the time our agreement with the IAEA is implemented, to determine whether we wish to receive inspectors from Soviet Bloc countries. We could, for example, decide to accept inspectors from Soviet Bloc non-nuclear-weapon countries that have agreed to adhere to the NPT, and who are therefore subject to safeguards, but reject inspectors from the USSR until such time as the USSR also agrees to place its civil atomic energy program under IAEA safeguards.

The IAEA provisions for designation of inspectors are as follows:

"1. When it is proposed to designate an Agency inspector for a State, the Director-General shall inform the State in writing of the name, nationality and grade of the Agency inspector proposed, shall transmit a written certification of his relevant qualifications and shall enter into such other consultations as the State may request. The State shall inform the Director General, within 30 days of receipt of such a proposal, whether it accepts the designation of that inspector. If so, the inspector may be designated as one of the Agency's inspectors for that State, and the Director-General shall notify the State concerned of such designation.

"2. If a State, either upon proposal of a designation or at any time after a designation has been made, objects to the designation of an Agency inspector of that State, it shall inform the Director-General of its objection. In this event, the Director-General shall propose to the State an alternative designation or designations. The Director-General may refer to the Board, for its appropriate action, the repeated refusal of a State to accept the designation of an Agency inspector if, in his opinion, this refusal would impede the inspections provided for in the relevant project or safeguards agreement.

Question 7. Since the Treaty places no internal restraints on nuclear weapons nations regarding the disposition of materials produced in their peaceful nuclear facilities, what purpose is served by voluntarily submitting our nuclear facilities to the IAEA inspection safeguards?

Answer. During discussions of the draft Non-Proliferation Treaty at the Eighteen Nation Disarmament Committee, in the United Nations, and at the North Atlantic Council, some countries asserted that the proposed safeguards article was discriminatory because it called for mandatory international safeguards on all peaceful nuclear activities solely in non-nuclear-weapon states party to the Treaty. They expressed concern that such safeguards might interfere with their peaceful nuclear energy activities and compromise their industrial secrets, thus placing non-nuclear-weapon parties at a disadvantage in the commercial nuclear energy market.

We do not believe that the safeguards called for by the NPT would place non-nuclear-weapon states at any disadvantage. In order, however, to demonstrate the sincerity of this conviction, and that we sought no commercial advantage through the NPT, President Johnson announced, on December 2, 1967 that the US was not asking any country to accept safeguards that we are unwilling to accept ourselves. On December 4, 1967, Disarmament Minister Mulley told the House of Commons that the United Kingdom would take similar action. We believe the offers contributed significantly to our ability to gain acceptance by our allies of Article III of the draft NPT then being considered. Recent conversations we have had with some of our allies have suggested that they continue to ascribe a great importance to the willingness of the United States to take this step.

Mr. DODD. Mr. President, I want to note at this point that, if the Senate votes to ratify the Nonproliferation Treaty, it would not be voting to ratify the administration's unilateral decision to submit all peaceful nuclear facilities in this country to IAEA inspection despite the fact that the Soviet Union has made it clear that it intends to open none of its facilities to international inspection.

Indeed, it is my hope that the administration will reconsider its position at this point.

I want to call the attention of my colleagues to question No. 6 and to the answer given by Dr. Seaborg.

In this question I ask whether the right to veto the selection of IAEA inspectors could be applied broadly enough to eliminate potential inspectors from any of the Communist countries. In his reply to me, Dr. Seaborg said the following:

We shall have the discretion at the time our agreement with the IAEA is implemented, to determine whether we wish to receive inspectors from Soviet Bloc countries. We could, for example, decide to accept inspectors from Soviet Bloc non-nuclear-weapon countries that have agreed to adhere to the NPT, and who are therefore subject to safeguards, but reject inspectors from the USSR until such time as the USSR also agrees to place its civil atomic energy program under IAEA safeguards.

I find this statement anything but reassuring. Indeed, it appears to indicate that my suspicions on this point were well founded and that it would be extremely difficult politically, if not impossible, once we accept IAEA inspection, to put a blanket veto on all inspectors from Communist countries.

Dr. Seaborg appears to believe that nuclear inspectors from other Communist countries would be less dangerous to our security than nuclear inspectors from the Soviet Union.

On the basis of some knowledge of Soviet espionage operations, I am afraid that I cannot go along with this evaluation.

Indeed, I would be willing to place no more trust in a nuclear inspector from Poland or Bulgaria or Hungary or Rumania or even from occupied Czechoslovakia, than I would in an inspector from the Soviet Union.

No matter what his nationality may be, it can be taken as a maxim that any IAEA inspector coming from a Communist country would have an important supplementary function to perform.

I hope that my colleagues will find the time to study Dr. Seaborg's replies to my questions and that they will give due consideration to the many serious problems that may be incurred if the administration goes through with this unilateral commitment, which is not called for by the treaty language.

SENATOR RANDOLPH STRESSES CONCERN OVER SPECIAL CONCESSION CIRCUMVENTING OIL IMPORT CONTROLS

Mr. RANDOLPH subsequently said: Mr. President, a hearing on the pending coal mine health and safety legislation by the Subcommittee on Labor from approximately 9:30 a.m. to approximately 2:15 p.m. kept me occupied and necessitated that I forgo participation in the oil import discussion in the Senate today by the able junior Senator from Louisiana (Mr. LONG), and other Senators.

It is my desire, however, to supplement the discussions today by placing in the RECORD the substance of a message I sent on October 4, 1968, to the then Chairman of the Foreign Trade Zones Board at the U.S. Department of Commerce. In that message I stated that I am a believer in the validity and the necessity of the mandatory oil import program in the interest of national security. This relates to the ability of our fossil fuels industries to retain a viable position in our national defense structure.

I reemphasize now that I share the concern of the independent petroleum industry and many of the integrated oil

companies, as well as the concern of the coal industry, with respect to the application filed with the Foreign Trade Zones Board by the Occidental Petroleum Co. for a foreign trade zone at Machiasport, Maine. Occidental's proposal is to operate a 300,000-barrel per day refinery entirely on foreign oil stocks.

I am informed that this would be a privilege—indeed, a special concession—which no other refinery—no other oil company in the United States—would possess. And I have not received any evidence to refute such information.

If the Occidental application for the establishment of the foreign trade zone at Machiasport were to be approved, I wrote to the Chairman of the Board, it is my judgment that it would be the first major step toward destroying the mandatory oil import program with very serious consequences.

Senators are aware that there is divided sentiment in this forum on the validity of the oil import control program and that the New England region especially resents it. New England does need some fuel cost relief, but turning to foreign sources and perhaps creating economic dislocation in fuel-producing regions of our country is not, in my judgment, the way for the Federal Government to cope with the problem. We must find a better way.

The Government of the United States did not create a special concession for any single electric utility when it built atomic energy plants in Ohio and Indiana, for example. Instead, combinations of power companies were encouraged and authorized to build the powerplants, not a single company in each franchise area, to supply electricity for those atomic energy plants.

VIOLENCE HITS HIGH SCHOOLS

Mr. BYRD of West Virginia. Mr. President, on March 7, 1969, in a floor statement to my colleagues, I warned that black militants and revolutionaries of the new left would seek to spread to our high schools the wave of destruction and defiance which has become prevalent on so many of our college and university campuses.

I was not surprised, therefore, to see a United Press International story in today's Washington Post describing how militants are trying to take over high schools, and even junior high schools, in California, Michigan, and Illinois.

Two schools in Los Angeles have been closed down temporarily because militants are picketing, throwing rocks through windows, and setting fires. Ten persons have thus far been arrested as a result.

Off-duty policemen have been hired to patrol a junior high school at East St. Louis, Ill., because of a student boycott. And 86 students—most of them black militants—have been arrested during a sit-in at a high school in Pontiac, Mich. They were demanding more black studies—a term which has become synonymous with racism in reverse. Police are also guarding the high school at Plainfield, N.J., which was the scene of a black versus white free-for-all on March 3.

The UPI article, Mr. President, goes on to cite instances of campus strife at colleges and universities in seven other States. The story of rebellion on the campuses has become so widespread and so commonplace, in fact, that UPI now covers it in one big wrap-up.

How long, Mr. President, are Americans going to stand by calmly while the Nation's educational system—the backbone of our democratic society—undergoes siege by the militant advocates of minority rule-by-force.

We cannot temporize with troublemakers whose radical demands are disrupting our schools and keeping serious students from acquiring the education which they need.

I say again that the academic community should promptly expel from our high schools and college campuses demonstrators and militants who foment disorder. Where the law is broken, there should be arrests.

The fire of rebellion is burning. I hate to think of the consequences if there is further delay in extinguishing it.

I ask unanimous consent that the UPI article be printed in the RECORD.

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

[From the Washington Post, Mar. 12, 1969]

VIOLENCE HITS HIGH SCHOOLS

Windows were broken, minor fires broke out, and picket lines set up at several Los Angeles high schools and junior highs yesterday on the second day of a student strike called by black militants.

A junior high and a high school were ordered closed for two days and 10 persons were arrested in Los Angeles as the unrest that has plagued college campuses across the Nation spread to the high school level.

At Pontiac, Mich., 86 students, most of them Negro, were arrested during a sit-in at predominantly white Pontiac Northern High School in support of demands for more black history courses and the hiring of more black teachers. They also were protesting the school board's decision to build a new high school in a predominantly white area of the city.

In East St. Louis, Ill., off-duty policemen hired as guards patrolled Rock Junior High School as a student boycott entered its second day.

Police also were posted outside the high school in Plainfield, N.J., where the city's 15 public schools reopened after a weeklong shutdown following a free-for-all between Negroes and whites at the high school March 3.

Elsewhere in New Jersey, a group of Princeton University students, most of them Negro, seized the school's seven-story administration building and barricaded themselves inside for 12 hours in protest of Princeton's financial ties with companies doing business with South Africa, then left. The University has said it could not liquidate these investments, but would not make new ones. The students left after Princeton President Dr. Robert F. Goheen warned they could face expulsion.

Striking militant Negro students in Los Angeles were protesting what they called brutality by police in the way they cleared 200 youths from the hallways of Carver Junior High School Friday.

Los Angeles police denied the brutality charge but the Board of Education ordered Carver and nearby Jefferson High School closed yesterday and today after windows were broken and a rash of small fires erupted at several schools Monday.

Other unrest included:

California—Dikan Karaguezian, editor of San Francisco State College student newspaper, the Gator, defied the suspension of publication ordered by S. I. Hayakawa, acting president of the school.

Karaguezian, in yesterday's edition of the newspaper, said: "if Hayakawa wants to silence us, he'll have to throw his body upon the wheels of our printing presses." Hayakawa had no comment.

Mississippi—Some 53 Negro students at Delta State College and a white sympathizer were scheduled to be arraigned in Cleveland, Miss., on charges of blocking hallways and disturbing classes at the predominantly white college Monday. The protesters, demonstrating in support of 10 demands ranging from the hiring of black instructors to black representation in student government, were jailed overnight in the State Penitentiary in lieu of $200 bonds.

New York—The sit-in by students at the Sarah Lawrence College administration building in Bronxville rolled into its eighth day. At Wagner College on Staten Island, students striking in protest of a planned tuition hike and for the reinstatement of four teachers said they would continue the strike until today when the Board of Trustees is to meet with them.

Wisconsin—About a dozen Negro students at Beloit College removed an Afro-American "culture centre" erected Monday in the administration building after a warning from the school president.

Pittsburgh—About 200 students and faculty members at the University of Pittsburgh began a three-day fast in a move aimed at forcing the Board of Trustees to hold public meetings.

Massachusetts—Four non-students, who had drawn attention to themselves by taking off their clothes in a Harvard dormitory during the weekend, broke up a sociology class and were arrested for trespassing and possession of narcotics.

The hecklers were members of a group of eight men and women who entered the campus both Saturday and Sunday nights and took off their clothes in the dormitory.

Illinois—Classes were cancelled for the third consecutive school day at the Southeast branch of Chicago City College for more talks between administrators and striking black students. Both sides have come to terms on four demands of the black students and were still talking in an attempt to resolve the fifth and final major student demand.

Pennsylvania—About 200 students and faculty members at the University of Pittsburgh began a three-day fast aimed at forcing the school's board of trustees to hold public meetings. The trustees met in executive session at a regular meeting as the fast started.

THE ADMINISTRATION'S VIETNAM PEACE OBJECTIVES

Mr. PELL. Mr. President, I believe it was Sir Winston Churchill who once said that "jaw jaw was better than war war." But, in connection with Vietnam, even though in Paris we are engaged in "jaw jaw," the war is going on at an all too intensive level. Our young men—and Vietnamese young men—are being killed in a never-ending war. In fact, deaths have gone up. If we keep going as we are, in a very few weeks, our young men killed in Vietnam will have exceeded in number those killed in Korea a few years ago.

According to the Department of Defense, 33,629 Americans were killed in combat during the Korean conflict. As of March 1 of this year, the number of combat deaths of Americans in Vietnam totaled 32,376. In the number of wounded American servicemen, the war in Viet-

nam has far exceeded the number wounded in Korea. The total number of Americans wounded in Korea was 103,284, while 204,488 American servicemen have been wounded through March 1 in Vietnam.

My own belief is that, human nature being what it is, whenever conditions seem to be on a fairly even keel or even look up, we tend to escalate our objectives or to sit tight while hoping for certain military breakthroughs.

This seems to be the temptation into which we have presently fallen in connection with Vietnam.

I believe that it is our general wish to give our new President a chance to make his own policies and to give fairplay to his efforts to end the war in Vietnam. But, it would seem as if the new administration may be falling into many of the pitfalls of the old administration—listening to the siren voices of the military and changing our objectives as conditions look up.

In this connection, I was much struck by a statement attributed to Averell Harriman, a man whom I immensely respect, where he was quoted as having said that the present Vietcong offensive is "essentially a response to our actions rather than a deliberate, reckless attempt to dictate the peace terms or torpedo the talks."

I hope the administration will take notice, seek to cool our military activities and deescalate our objectives.

My own impression is that, while young men—white, black, and yellow—are being killed and mangled in this way, our new administration has not yet truly decided on what are its hard, real, minimum Vietnam peace objectives.

Before American public opinion again rises in anger, before a thousand more young Americans are killed, I trust the administration will come to this determination.

I would also hope that the administration will not overreact with a swing toward an even sharper upsurge in military activities. There are many signs on the political horizon that there are those in the administration who lean in this direction. I would hope these portents are incorrect. Rather, I urge the administration to focus on this issue and seek to cool and eventually liquidate it along the lines of reason, competence, and good judgment, which President Nixon has shown these past weeks.

I would ask unanimous consent at this point to have inserted in the RECORD an article from the Washington Post of February 6, quoting some of Mr. Harriman's views; an article by James Reston in the New York Times of March 7, setting forth lucidly the views that I have sought to express; and, finally, an editorial from the New York Times of March 9.

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

[From the Washington Post, Feb. 6, 1969]

HARRIMAN: DON'T ESCALATE AIMS

(By John Maffre)

Between the shafts of pure, vintage Harriman there was the old negotiator's message: Resist the bad national habit of escalating objectives in mid-war, and the U.S. could emerge well enough from the Paris talks.

Moreover, even though Hanoi surely plans to rock many boats in Southeast Asia, Washington could and should work with Hanoi to achieve a "neutral, nonaligned area" that could oppose Peking's southward advances.

"Unless we do reach an agreement," he said, "we never will have peace in Southeast Asia."

This was W. Averell Harriman, 77-year-old statesman extraordinary, rumbling to a National Press Club luncheon yesterday that "you had better get rid of those people who want to escalate our minimum objectives."

LOSS OF MOMENTUM

He didn't say who they were, but he recalled the 1950s when the main objective was to defend South Korea, and then some wanted to "subjugate North Korea, and then we might take on China while we were about it."

It was too bad, he said, that there was a "definite loss of momentum" when Saigon balked last November at sitting in on the Paris peace talks.

"There were bonfires and rejoicing when (Henry Cabot) Lodge took my place," he said.

Then there were troubles with the State Department. Often he found himself laboring at all hours not only because Paris was six hours ahead, but because Washington "was so badly organized they often didn't get down to problems until 6 p.m. their time."

SENATOR SALUTED

Backgrounders? He "abhorred" them for public men, who should speak out or keep silent. But he conceded they had their uses for press officers "to answer questions by you people who are too lazy to find out the answers yourselves."

On his left at the head table he saluted "my favorite Republican Senator"—John Sherman Cooper (R-Ky.) a leading dove on the Senate Foreign Relations Committee—then turned to his right to welcome that Committee's new recruit, hawkish Sen. Gale McGee (D-Wyo.) with this observation:

"Maybe the Senate Foreign Relations Committee will make some sense from now on."

Harriman intends to live here, and said he would stand by to help the new Administration—"but I'm sure nobody's going to consult me"—and said he was dubious about writing his memoirs.

"I wasn't always right," he confessed, "and I don't want to write a book on when I was wrong".

[From the New York Times, Mar. 7, 1969]

MR. NIXON AND THE VIETNAM CASUALTIES

(By James Reston)

In a few weeks, at the present casualty rate, more Americans will have been killed in Vietnam than in any other conflict in U.S. history except the Civil War and the two World Wars.

Last week, 453 Americans were killed in Vietnam and 2,593 wounded. This brought the total U.S. combat dead to 32,376—very close to the 33,629 total for the entire Korean War.

In the face of this terrible waste and killing, the urgent need for a new and creative effort to end the fighting is manifest. The negotiators are stuck in Paris. The new government in Washington is following the same old policies. The language of the war is lower but the cost is higher.

THE DEATHS TALK

In fact, 9,425 Americans have been killed in Vietnam since the preliminary peace talks began in Paris last May 13, and 2,319 of these have died since South Vietnam joined the enlarged talks last Dec. 7.

The carnage among the Vietnamese meanwhile is almost beyond comprehension. On the enemy side alone, according to the official U.S. command in Saigon, at least 457,132 Vietcong and North Vietnamese soldiers have been killed since the beginning of 1961 when the United States entered the war, and nobody has the heart to estimate the dead among the civilian population, North and South.

The reaction to all this is remarkably casual. Even expressions of pity are now seldom heard. The enemy continues his rocket attacks on Saigon. Ambassador Henry Cabot Lodge says in Paris that "the consequences of these attacks" are the enemy's responsibility. President Nixon says that if the attacks go on, he will make "some response that is appropriate." And Secretary of Defense Laird says in Saigon: "We will not tolerate any enemy escalation of the war."

There is not even any agreement on the terms of the Paris peace talks or on whether the enemy was first to step up the military pressure, or vice versa. Washington says it had an "understanding" that there would be no enemy attacks on the cities if it stopped the bombing of North Vietnam. Hanoi says there was no such understanding. Hanoi says the U.S. kept up the bombing pressure and the search-and-destroy raids early this year; Washington says it did so in response to the enemy's increasing pressure.

Meanwhile, despite all the recent expressions of mutual understanding between President Nixon and officials of the Soviet Union and the Western European countries, the efforts of London, Paris, Moscow and even the United Nations to bring about a cease-fire have virtually ceased.

THE CRITICAL POINT

In this situation, it is fairly clear that President Nixon is not going to get a settlement without a shift in policy. He has apparently been hoping that by sounding reasonable toward both Saigon and Hanoi, the enemy will come forward with the compromise President Johnson could not get, but this is not forthcoming.

The sticking point for the enemy is his doubt that the United States intends to withdraw from that peninsula. Hanoi simply cannot believe that the United States would sacrifice over 32,000 lives and spend over $30 billion a year in defense of a principle, then make peace and take its men back home.

In actual fact, there is reason for believing that if Mr. Nixon could get a negotiated peace, he would be willing to do precisely that, but he has not made the point clear, and so long as the enemy is in doubt about this critical point, the chances are that the war will go on indefinitely.

If this intention were emphatically stated instead of merely being discussed around the White House as a likely objective of U.S. policy, then it might be possible to bring the influence of the world community, including the Soviet Union, to bear on the Paris talks.

THE WISHFUL WAITING

But the President hesitates. He is still hoping the old policy will work simply because it is in new hands and is being expressed in different language. He is back on the brink again of one more military response to the enemy's attacks, though there is no evidence that the enemy, having lost over 450,000 men, will hesitate to keep on sacrificing until it is sure American power will definitely be removed as part of any settlement.

Sooner or later, Mr. Nixon will probably have to come to this decision, and the longer he waits, the harder it will be to make the switch, the greater the danger of one more round of escalation, and the higher the death tolls.

[From the New York Times, Mar. 9, 1969]

THE PRESIDENT'S VIETNAM TEST

The challenge confronting President Nixon in the current Vietcong offensive is to resist the Lyndon Johnson tendency to react, in the words of one high official of the old Administration, "as if his manhood were at stake."

The sudden doubling of American casualties in South Vietnam is a bitter new indication of the high price of this dismal war, one that makes clearer than ever the necessity for ending it with maximum speed. That endeavor will not be aided by another rash of self-defeating responses dictated by frustration and anger.

In his foreign policy news conference last week, President Nixon confirmed that the Communist attacks in South Vietnam have been "primarily directed toward military targets." Only "technically," in his phrase, do they contravene the American warning that attacks against major cities would make it impossible to maintain the bombing halt.

Several factors need consideration before an Administration decision on what to do about the present attacks. The first is that experience at all stages of the war indicate that Communist offensives soon run out of supplies and that their duration is not significantly affected by bombing North Vietnam.

Before President Johnson ordered the halt last Nov. 1, it had become abundantly clear that attempts at aerial interdiction of supply routes through North Vietnam were incapable of stopping the tortuous flow of arms and equipment into the South. Nor has the punishment and economic damage inflicted on the North ever visibly shaken Hanoi's will to fight.

The most predictable effect of precipitate resumption of the bombing would be to alienate world opinion again and hamper negotiations on Vietnam and other critical issues with the Russians. It certainly would halt the Paris talks, prolong the war and escalate the fighting, thus increasing instead of reducing the ultimate cost in American casualties.

Moreover, as former Ambassador Harriman last week told James A. Wechsler of The New York Post, the present Vietcong offensive is "essentially a response to our actions rather than a deliberate, reckless attempt to dictate the peace terms or torpedo the talks." General Abrams after the Nov. 1 bombing halt was instructed by Washington to maintain "all-out pressure on the enemy" in South Vietnam.

Pentagon figures show that from November to January the number of allied battalion-sized operations increased more than one-third, from 800 to 1,077. Of these 919 were South Vietnamese, 84 American and 74 combined. Meanwhile, the North Vietnamese pulled all but three of their 25 regiments in the northern sections of South Vietnam back across the borders. This freed more than a full division of American troops to join in maximum military pressure further south as a means of maintaining morale there and encouraging Saigon to get into the Paris talks.

American spokesmen have heralded successes on the battlefield and in renewed pacification efforts as improving both the allied bargaining position in Paris and the Saigon Government's chances for surviving a peace settlement. There have even been repeated claims that an allied military victory was ripe for the taking.

The United States simply cannot have it both ways. It cannot demand the right to press the fighting with increased vigor itself while charging doublecross whenever the Communists do the same. The sad fact is that the Paris talks have been left on dead center while Ambassador Lodge awaits a White House go-ahead for making new peace proposals or for engaging in private talks out of which the only real progress is likely to come. Everything has been stalled while the Nixon Administration completes its military and diplomatic review.

Now that the Communists have responded with a new military offensive in South Vietnam, the United States will simply have to grit its teeth and see the battle through. Hanoi as well as Washington and Saigon must once again learn the hard way that military victory is an impossibility for both sides, that the sole real hope lies in ending the drift in the peace talks. Anything either side does to retard progress there simply condemns more life and treasure to destruction in the bottomless pit that is the Vietnam war.

DEMONSTRATIONS IN ALABAMA

Mr. ALLEN. Mr. President, we have been informed by sources in Alabama that plans are afoot again to use the citizens of Selma, Ala., and the State of Alabama in a most shocking and ironic scheme to exploit the memory of Martin Luther King in a fundraising scheme.

The sometime preacher, Ralph David Abernathy, has stated that he expected to lead a bunch of mules and wagons on a march to Montgomery, Ala., and that as a result of the attendant publicity he hopes to create boycotts, school walkouts, work stoppage, peace demonstrations, student protests, rent strikes, hunger marches, and other disruptive demonstrations as a means of commemorating the memory of Martin Luther King.

The people of Alabama strenuously object to the bitterly ironic and callous plan called for by Ralph Abernathy.

Mr. President, a so-called peaceful demonstration of this nature appeals to the human flotsam in our society. It attracts hoards of sullen, unclean, uncouth, unwashed, and wild-eyed radicals together with their motley crew of professional camp followers. It attracts "reverend" hypocrites—pseudopreachers, if you please—who are all too ready to walk through the filth, crime, corruption, poverty, decadence, and stench in their own backyards to travel to Selma and Montgomery, Ala., to lecture our people on morals and to demonstrate the art of making a fast buck by prostituting their professions.

Mr. President, it has been amply demonstrated that these people are led, directed, and supervised by a core of disciplined Communists, anarchists and syndicalists, who aim only to create violence and disrupt the duly constituted government. The agitation, confrontations, lawlessness, and disruptive tactics employed are deliberately designed to create divisiveness, ill will, and strained relationships.

What we have here, Mr. President, is an extension of "Lynch Law." Extralegal measures are executed by mobs against entire communities. This is the essence of their tactics. This virulent extension of "Lynch Law" has been sanctioned by the U.S. Supreme Court as a "right" protected by the first amendment of our Constitution. Police of the State and community must be diverted from their normal tasks of protecting life and property of law-abiding citizens and committed to protecting a lawless rabble. Streets and highways are diverted from their proper uses and converted into arenas for use of despicable riffraff, prostitutes, bums, and hucksters to ply their trades.

It has been observed that these callous leaders are the first to arrive on the scene and the first to depart. Having conned the public, these disciples of violence and discord leave responsible white and Negro citizens the difficult task of restoring order and picking up the shattered pieces of constructive race relations in the communities.

On behalf of the people of Alabama, I deplore this potentially explosive action and express the hope that it will not take place.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDING OFFICER laid before the Senate the following letters, which were referred as indicated:

REPORT OF OFFICE OF CIVIL DEFENSE

A letter from the Deputy Secretary of Defense, transmitting, pursuant to law, the seventh annual report of the Office of Civil Defense covering civil defense functions assigned to the Secretary of Defense, for the fiscal year 1968 (with an accompanying report); to the Committee on Armed Services.

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on improvements made or to be made in the acquisition and management of nonexpendable personal property overseas, Department of State, dated March 12, 1969 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on an examination of financial statements, Commodity Credit Corporation, fiscal year 1968, Department of Agriculture, dated March 12, 1969 (with an accompanying report); to the Committee on Government Operations.

PETITION

A petition was laid before the Senate and referred as indicated:

By the PRESIDING OFFICER:

A resolution of the Legislature of the State of Minnesota; to the Committee on Post Office and Civil Service:

"RESOLUTION 1

"A resolution memorializing the President and Congress of the United States to issue a Postage Stamp commemorating the establishment of Fort Snelling

"Whereas, the corner stone of Fort Snelling was laid September 10, 1820; and

"Whereas, Fort Snelling was constructed at the confluence of the Mississippi River and the Minnesota River as the guardian of the Northern Frontier of the United States; and

"Whereas, the construction of Fort Snelling marked the beginning of modern civilization in what were the most distant territories of the Old Northwest; and

"Whereas, the one hundred and fiftieth anniversary of that historic event will be marked in 1970; now, therefore,

"Be it Resolved, by the legislature of the State of Minnesota that the Post Office Department of the United States be urged to issue a Commemorative Postage Stamp on or about September 10, 1970, in honor of the establishment of Fort Snelling and the beginning of modern civilization in the area now known as the Upper Midwest.

"Be it further resolved, that the Post Office Department of the United States be urged to have first day ceremonies for the stamp in or near Fort Snelling.

"Be it further resolved, that the Secretary of State of the State of Minnesota transmit copies of this resolution to the President of the United States, the Postmaster General of the United States, the Commtitee on

Post Office and Civil Service of the United States House of Representatives, the Committee on Post Office and Civil Service of the United States Senate and the Minnesota Representatives and Senators in Congress.

"L. L. DUXBURY,
"Speaker of the House of Representatives.

"JAMES B. GOETZ,
"President of the Senate.

"Passed the House of Representatives this third day of February in the year of Our Lord one thousand nine hundred and sixty-nine.

"EDWARD A. BURDICK,
"Chief Clerk, House of Representatives.

"Passed the Senate this seventh day of February in the year of Our Lord one thousand nine hundred and sixty-nine.

"H. Y. TORREY,
"Secretary of the Senate.

"Approved February 14, 1969.

"HAROLD LEVANDER,
"Governor of the State of Minnesota.

"Filed February 14, 1969.

"JOSEPH L. DONOVAN,
"Secretary of the State of Minnesota."

CONVENTION ESTABLISHING THE WORLD INTELLECTUAL PROPERTY ORGANIZATION AND PARIS CONVENTION FOR THE PROTECTION OF INDUSTRIAL PROPERTY—REMOVAL OF INJUNCTION OF SECRECY

Mr. BYRD of West Virginia. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from Executive A, 91st Congress, first session, the convention establishing the World Intellectual Property Organization and the Paris Convention for the Protection of Industrial Property, as revised at Stockholm on July 14, 1967, transmitted to the Senate today by the President of the United States, and that the conventions, together with the President's message, be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the RECORD.

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

The message from the President is as follows:

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, (1) a copy of the Convention Establishing the World Intellectual Property Organization, signed at Stockholm on July 14, 1967, and (2) a copy of the Paris Convention for the Protection of Industrial Property, as revised at Stockholm on July 14, 1967. I transmit also, for the information of the Senate, the report of the Secretary of State with respect to the Conventions.

The Conventions remained open for signature until January 13, 1968. During that period the Convention Establishing the World Intellectual Property Organization was signed on behalf of 51 States, including the United States, and the Paris Convention was signed on behalf of 46 States, including the United States. Both Conventions remain open for accession.

(1) *Convention Establishing a World Intellectual Property Organization.* Two significant services will be rendered by the new organization. First, it will provide a coordinated administration for the various intellectual property Unions presently administered by the Secretariat, the United International Bureaus for the Protection of Intellectual Property, and through such administration, render an economical and efficient service to the Member States and the interests protected by the Unions. Second, it will promote the protection of intellectual property, not only for Member States of the intellectual property Unions, but also for the States which, while not members of the Unions, are parties to the World Intellectual Property Organization Convention. This is of particular importance since a forum will thus be provided for the advancement of industrial property and copyrighted protection on a worldwide basis.

(2) *Revision of the Paris Convention For the Protection of Industrial Property.* Administrative and structural reforms in the Paris Convention have long been overdue, and the modernization of the Union which has been accomplished by the Stockholm revision will be of importance in expanding the protection of industrial property.

A limited amendment to one substantive provision of the Paris Convention was also effected at the Conference. This amendment would accord to applications for inventors' certificates of the Eastern European countries the right of priority presently accorded to patent applications, provided that the Eastern European countries maintain a dual system of both inventors' certificates and patents and that both are available to foreign nationals. Inclusion of this provision is considered helpful to furthering industrial property relations with Eastern European countries.

The Stockholm Act of the Paris Convention and the World Intellectual Property Organization Convention will make a significant contribution to the protection of the foreign intellectual property rights of American nationals. I recommend that the Senate give early and favorable consideration to the Conventions submitted herewith and give its advice and consent to their ratifications.

RICHARD NIXON.

THE WHITE HOUSE, *March 12, 1969.*

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Walter H. Annenberg, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary to Great Britain;

Jacob D. Beam, of New Jersey, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to the Union of Soviet Socialist Republics;

John S. D. Eisenhower, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary to Belgium;

David M. Kennedy, of Illinois, to be U.S. Governor of the International Monetary Fund; U.S. Governor of the International Bank for Reconstruction and Development; and a Governor of the Inter-American Development Bank; and

David M. Kennedy, of Illinois, to be U.S. Governor of the Asian Development Bank.

Mr. FULBRIGHT. Mr. President, from the Committee on Foreign Relations, I also report favorably sundry nominations in the Diplomatic and Foreign Service. Since these names have previously appeared in the CONGRESSIONAL RECORD, in order to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

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

The nominations, ordered to lie on the desk, are as follows:

Lloyd C. Burnett, of Florida, and sundry other officers for promotion in the Foreign Service;

Alfred L. Atherton, Jr., of Massachusetts, and sundry other officers, for promotion in the Foreign Service;

Gilbert F. Austin, of Washington, and sundry other officers, for promotion in the Foreign Service; and

John E. McGowan, of New Jersey, and sundry other persons, for appointment in the Foreign Service.

By Mr. GOODELL, from the Committee on Commerce:

Kenneth N. Davis, Jr., of New York, to be an Assistant Secretary of Commerce.

By Mr. PASTORE, from the Committee on Commerce:

Paul W. Cherington, of Massachusetts, to be an Assistant Secretary of Transportation;

Secor D. Browne, of Massachusetts, to be an Assistant Secretary of Transportation;

James D. Braman, of Washington, to be an Assistant Secretary of Transportation;

C. Langhorne Washburn, of the District of Columbia, to be the Director of the U.S. Travel Service;

James T. Lynn, of Ohio, to be General Counsel of the Department of Commerce;

Andrew E. Gibson, of New Jersey, to be Maritime Administrator, Department of Commerce;

Albert L. Cole, of Connecticut, to be a member of the board of directors of the Corporation for Public Broadcasting;

James D. O'Connell, of California, to be an Assistant Director of the Office of Emergency Preparedness;

Donald L. Jackson, of California, to be an Interstate Commerce Commissioner; and

James M. Beggs, of Maryland, to be Under Secretary of Transportation.

Mr. PASTORE. Mr. President, from the Committee on Commerce, I also report favorably sundry nominations in the Environmental Science Services Administration. Since these names have previously appeared in the CONGRESSIONAL RECORD, in order to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

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

The nominations, ordered to lie on the desk, are as follows:

Eugene A. Taylor, and sundry other persons, for appointment in the Environmental Science Services Administration.

TREATY ON THE NONPROLIFERATION OF NUCLEAR WEAPONS—EXECUTIVE UNDERSTANDING NO. 4

Mr. ERVIN submitted an understanding, intended to be proposed by him, to

Executive H, 90th Congress, second session, the Treaty on the Nonproliferation of Nuclear Weapons, which was ordered to lie on the table and to be printed.

BILLS INTRODUCED

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

By Mr. STEVENS:

S. 1503. A bill for the relief of Per Einer Jonsson; to the Committee on the Judiciary.

By Mr. PROXMIRE (for himself, Mr. SPARKMAN and Mr. BENNETT):

S. 1504. A bill to enable the Federal Reserve Banks to extend credit to member banks and others in accordance with current economic conditions, and for other purposes; and

S. 1505. A bill to enable Federal Reserve Banks to invest in certain obligations of foreign governments; to the Committee on Banking and Currency.

(See the remarks of Mr. PROXMIRE when he introduced the above bills, which appear under a separate heading.)

By Mr. TYDINGS (for himself, Mr. EAGLETON, Mr. GOODELL, Mr. HATFIELD, Mr. MAGNUSON, Mr. MONDALE, Mr. MUSKIE, Mr. SCOTT, Mr. STEVENS, and Mr. YARBOROUGH):

S. 1506. A bill to provide for improvements in the administration of the courts of the United States, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. TYDINGS when he introduced the above bill, which appear under a separate heading.)

By Mr. TYDINGS (for himself and Mr. EAGLETON):

S. 1507. A bill to improve judicial machinery by amending provisions of law relating to the retirement of justices and judges of the United States; to the Committee on the Judiciary.

(See the remarks of Mr. TYDINGS when he introduced the above bill, which appear under a separate heading.)

By Mr. TYDINGS:

S. 1508. A bill to improve judicial machinery by amending provisions of law relating to the retirement of justices and judges of the United States;

S. 1509. A bill to improve judicial machinery by providing for the appointment of a court executive for each judicial circuit;

S. 1510. A bill to improve judicial machinery by providing for the filing of financial reports by the judges and justices of the United States;

S. 1511. A bill to improve judicial machinery by providing benefits for survivors of Federal judges comparable to benefits received by survivors of Members of Congress, and for other purposes;

S. 1512. A bill to improve judicial machinery by amending provisions of law relating to the retirement of justices and judges of the United States;

S. 1513. A bill to improve judicial machinery by amending provisions of law relating to assignment of judicial duties to retired judges;

S. 1514. A bill to improve judicial machinery by amending provisions of law relating to membership on judicial councils;

S. 1515. A bill to improve judicial machinery by amending the provisions of law relating to the selection of circuit chief judges and district court chief judges; and

S. 1516. A bill to improve judicial machinery by creating a Commission on Judicial Disabilities and Tenure, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. TYDINGS when he introduced the above bills, which appear under a separate heading.)

By Mr. MANSFIELD (for himself and Mr. METCALF):

S. 1517. A bill to set aside certain lands in Montana for the Indians of the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Montana; to the Committee on Interior and Insular Affairs.

By Mr. JACKSON (by request):

S. 1518. A bill to increase the lease term to ninety-nine years on Indian allotment numbered MA–10, commonly known as Wapato Point; to the Committee on Interior and Insular Affairs.

By Mr. YARBOROUGH:

S. 1519. A bill to establish a National Commission on Libraries and Information Science, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. YARBOROUGH when he introduced the above bill, which appear under a separate heading.)

By Mr. INOUYE (for himself, Mr. ALLEN, Mr. ALLOTT, Mr. BAKER, Mr. BAYH, Mr. BELLMON, Mr. BENNETT, Mr. COOK, Mr. CRANSTON, Mr. EAGLETON, Mr. FANNIN, Mr. FONG, Mr. GOLDWATER, Mr. HARRIS, Mr. MAGNUSON, Mr. MOSS, Mr. MURPHY, Mr. PACKWOOD, Mr. RANDOLPH, Mr. SCHWEIKER, Mr. SCOTT, Mr. TOWER, Mr. WILLIAMS of New Jersey, Mr. SAXBE, and Mr. YARBOROUGH):

S. 1520. A bill to exempt from the antitrust laws certain combinations and arrangements necessary for the survival of failing newspapers; to the Committee on the Judiciary.

(See the remarks of Mr. INOUYE when he introduced the above bill, which appear under a separate heading.)

By Mr. PACKWOOD:

S. 1521. A bill to authorize the Secretary of the Interior to establish the John Day Fossil Beds National Monument in the State of Oregon, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JAVITS:

S. 1522. A bill to amend the Internal Revenue Code of 1954 so as to impose a minimum income tax on persons now allowed certain exclusions and deductions from gross income, to increase the amount of the general standard deduction and the minimum standard deduction allowable to individuals, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. McGEE:

S. 1523. A bill for the relief of Michael Tzoros;

S. 1524. A bill for the relief of Vincenzo Venosi; and

S. 1525. A bill for the relief of Yu Shu Chan (also known as Chin Fang); to the Committee on the Judiciary.

By Mr. SYMINGTON:

S. 1526. A bill for the relief of Dr. Zeliha Bilsel; and

S. 1527. A bill for the relief of Dr. Yilmaz Bilsel; to the Committee on the Judiciary.

By Mr. NELSON:

S. 1528. A bill for the relief of Chung Hwa Chow; and

S. 1529. A bill for the relief of Enoch Shih; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself and Mr. MURPHY):

S. 1530. A bill to authorize the appropriation of additional funds necessary for acquisition of land at the Point Reyes National Seashore in California; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. CRANSTON when he introduced the above bill, which appear under a separate heading.)

By Mr. SCOTT:

S. 1531. A bill for the relief of Chi Jen Feng; to the Committee on the Judiciary.

By Mr. GURNEY (for himself, Mr. BELLMON, Mr. BENNETT, Mr. EASTLAND, Mr. FANNIN, Mr. JORDAN of Idaho, Mr. JORDAN of North Carolina, Mr. HOLLAND, Mr. HOLLINGS, Mr. MURPHY, Mr. THURMOND, and Mr. TOWER):

S. 1532. A bill to amend the National Labor Relations Act to make certain secondary boycotts, regardless of motive, an unfair labor practice, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. GURNEY when he introduced the above bill, which appear under a separate heading.)

By Mr. BOGGS:

S. 1533. A bill to amend subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement; to the Committee on Post Office and Civil Service.

By Mr. McCARTHY (for himself and Mr. MONDALE):

S. 1534. A bill to amend the Act entitled "An Act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River at or near Baudette, Minn.," approved December 21, 1950; to the Committee on Foreign Relations.

S. 1504 AND S. 1505—INTRODUCTION OF AMENDMENTS TO THE FEDERAL RESERVE ACT

Mr. PROXMIRE. Mr. President, at the request of the Board of Governors of the Federal Reserve System, I am introducing two bills to liberalize and modernize the operations of the Federal Reserve System. Both of these bills have passed the Senate in the 89th and 90th Congress.

The first bill would broaden the definition of eligible paper required from member banks to secure advances from the Federal Reserve discount window. In the absence of this broader definition, member banks are required to pay a penalty rate of one-half of 1 percent whenever advances are secured by paper not meeting the narrow technical requirements of the Federal Reserve Act.

The second bill would authorize Federal Reserve banks to invest in securities which are direct obligations of or fully guaranteed by any foreign government or monetary authority and which have maturities from date of purchase not exceeding 12 months and payable in any convertible currency. This measure is designed to increase the flexibility of Federal Reserve Board foreign currency operations and to permit the Federal Reserve to earn a higher rate of interest on idle foreign currency balances.

The chairman of the full committee, JOHN SPARKMAN and the ranking Republican member, WALLACE BENNETT are joining me in sponsoring these two bills.

Mr. President, I ask unanimous consent that the bills be printed at this point in the RECORD.

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

The bills (S. 1504) to enable the Federal Reserve Banks to extend credit to member banks and others in accordance with current economic conditions, and for other purposes; and (S. 1505) to enable Federal Reserve Banks to invest in certain obligations of foreign governments, introduced by Mr. PROXMIRE (for

himself and other Senators), were received, read twice by their titles, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

S. 1504

A bill to enable the Federal Reserve banks to extend credit to member banks and others in accordance with current economic conditions, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following new section is inserted in the Federal Reserve Act immediately preceding section 14:

"SEC. 13A. (a) Any Federal Reserve bank may make advances to any of its member banks secured to the satisfaction of such Federal Reserve bank, subject to such limitations, restrictions, and regulations as the Board of Governors of the Federal Reserve System may prescribe.

"(b) In making advances pursuant to this section, each Federal Reserve bank shall give due regard to the maintenance of sound credit conditions and the accommodation of commerce, industry, and agriculture. Each Federal Reserve bank shall keep itself informed of the general character and amount of the loans and investments of its member banks with a view to ascertaining whether undue or inappropriate use is being made of bank credit for the speculative carrying of or trading in securities, real estate, or commodities, or for any other purpose inconsistent with the maintenance of sound credit conditions; and, in determining whether to grant or refuse advances, the Federal Reserve bank shall give consideration to such information. Whenever the Board of Governors of the Federal Reserve System, in the light of any reports made to it by a Federal Reserve bank, determines that any member bank is making such undue or inappropriate use of bank credit, the Board may, in its discretion, after reasonable notice and an opportunity for a hearing suspend such bank from the use of the credit facilities of the Federal Reserve System and may terminate such suspension or may renew it from time to time.

"(c) Any Federal Reserve bank may make advances in exigent circumstances to any individual, partnership, or corporation on its promissory notes, secured to the satisfaction of such Federal Reserve bank, subject to such limitations, restrictions, and regulations as the Board of Governors of the Federal Reserve System may prescribe."

SEC. 2. The following provisions of the Federal Reserve Act are hereby repealed: section 10(a) (12 U.S.C. 347a); section 10(b) (12 U.S.C. 347b); section 11(b) (12 U.S.C. 248(b)); the second, third, fourth, fifth, sixth, eighth, tenth and thirteenth paragraphs of section 13 (12 U.S.C. 343, 344, 345, 346, 347, 347c); section 13a (12 U.S.C. 348-352); and the last sentence of the third paragraph of section 24 (12 U.S.C. 371).

SEC. 3. The eighth paragraph of section 4 of the Federal Reserve Act (12 U.S.C. 301) is amended to read as follows:

"Said Board of Directors shall administer the affairs of said bank fairly and impartially and without discrimination in favor of or against any member bank or banks."

SEC. 4. The thirteenth paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 330) is amended by changing the colon after "member banks" in the second sentence to a period and by striking, commencing with *"Provided, however,"*, the remainder of the paragraph.

SEC. 5. The last sentence of section 11(m) of the Federal Reserve Act (12 U.S.C. 248(m)) is amended by changing "of all rediscount privileges at Federal reserve banks" to read "from the use of the credit facilities of the Federal Reserve banks".

SEC. 6. The second paragraph of section 12 of the Federal Reserve Act (12 U.S.C. 262) is amended by changing "discount rates, rediscount business" to read "advances under section 13A of this Act, rates of interest charged by the Federal Reserve banks on such advances".

SEC. 7. The first paragraph of section 14 of the Federal Reserve Act (12 U.S.C. 353) is amended to read as follows:

"Any Federal Reserve bank may, subject to the regulations of the Federal Open Market Committee, purchase and sell in the open market, at home or abroad, either from or to domestic or foreign banks, firms, corporations, or individuals, cable transfers, bankers' acceptances, and bills of exchange, with or without the indorsement of a member bank."

SEC. 8. Section 14(c) of the Federal Reserve Act (12 U.S.C. 356) is amended by striking "arising out of commercial transactions, as hereinbefore defined".

SEC. 9. Section 14(d) of the Federal Reserve Act (12 U.S.C. 357) is amended to read as follows:

"(d) To establish from time to time, subject to review and determination of the Board of Governors of the Federal Reserve System, rates of interest to be charged by the Federal Reserve bank on advances under section 13A of this Act, which shall be fixed with a view of accommodating commerce, business, and agriculture, and of maintaining sound credit conditions; and different rates may be fixed for different classes of paper or according to such other basis or bases as may be deemed necessary in order to accomplish such purposes; but each such bank shall establish such rates every fourteen days, or oftener if deemed necessary by the Board;".

SEC. 10. The third sentence in the second paragraph of section 16 of the Federal Reserve Act (12 U.S.C. 412) is amended to read: "The collateral security thus offered shall be notes of member banks or others acquired under the provisions of section 13A of this Act, or bills of exchange or bankers' acceptances purchased under section 14 of this Act, or gold certificates, or Special Drawing Right certificates, or direct obligations of the United States."

SEC. 11. The second sentence of section 19(e) of the Federal Reserve Act (12 U.S.C. 374) is amended by changing "discounts" to read "advances".

SEC. 12. The proviso to the first sentence in the second paragraph of section 23A of the Federal Reserve Act (12 U.S.C. 371c) is amended by striking out "drafts," and "for rediscount or".

SEC. 13. The third sentence of section 201(e) of the Act of July 21, 1932 (12 U.S.C. 1148), is amended by striking out "various Federal reserve banks and".

S. 1505

A bill to enable Federal Reserve banks to invest in certain obligations of foreign governments

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14(e) of the Federal Reserve Act (12 U.S.C. 358) is amended to read as follows:

"(e)(1) With the approval or upon the direction of the Board of Governors of the Federal Reserve System and subject to such regulations as the Board may prescribe:

"(A) to establish and maintain accounts in foreign countries and to appoint correspondents and establish agencies in such countries;

"(B) to buy and sell through such correspondents or agencies (i) bills of exchange and acceptances arising out of actual commercial transactions that have not more than ninety days to run, exclusive of days of grace, and that bear the signatures of two or more responsible parties, and (ii) any securities that are direct obligations of, or fully guaranteed as to principal and interest by, any foreign government or monetary authority and that have maturities from date of purchase of not exceeding twelve months and are denominated payable in any convertible currency; and

"(C) to establish and maintain accounts for such foreign correspondents or agencies, for foreign banks or bankers, or for foreign states as defined in section 25(b) of this Act.

"(2) Whenever any Federal Reserve bank establishes an account or agency or appoints a correspondent pursuant to this section, any other Reserve bank, with the approval of the Board, may be permitted to conduct, through the Reserve bank establishing such account or agency or appointing such correspondent, any transaction authorized by this section, subject to such regulations as the Board may prescribe."

S. 1506, S. 1507, S. 1508, S. 1509, S. 1510, S. 1511, S. 1512, S. 1513, S. 1514, S. 1515, AND S. 1516—INTRODUCTION OF THE JUDICIAL REFORM ACT AND RELATED BILLS

Mr. TYDINGS. Mr. President, last February I introduced a bill, entitled "The Judicial Reform Act," which was developed on the basis of a study begun in October 1965 by the Subcommittee on Improvements in Judicial Machinery of which I am chairman. With some modifications which I will discuss, today on behalf of myself, the Senator from Missouri (Mr. EAGLETON), the Senator from New York (Mr. GOODELL), the Senator from Oregon (Mr. HATFIELD), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MONDALE), the Senator from Maine (Mr. MUSKIE), the Senator from Pennsylvania (Mr. SCOTT), the Senator from Alaska (Mr. STEVENS), and the Senator from Texas (Mr. YARBOROUGH), I am reintroducing this bill as the "Judicial Reform Act." The act represents an attempt to solve some of the critical problems confronting the Federal judiciary. Although it deals with a wide range of judicial administration issues, its primary feature is the establishment of machinery within the judiciary to deal with judges who through their actions have failed to meet the standard of "good behavior" required by article III of the Constitution, or who are unable to perform judicial duties because of disabling mental or physical infirmities.

Courts, like all public institutions, are bodies of men, and the confidence they inspire depends upon the human qualities of these men. The American people have maintained their confidence because the members of the Federal judiciary have continued to inspire it. The strength of our courts has been only as great as the strength of those who have manned them. It is justly a source of great pride that Federal judges for the most part have always been men of exceptional ability and integrity.

But just as human qualities of imagination and courage are the strength of the Federal courts, so are human frailties the primary cause of those weaknesses that have appeared from time to time. We are all realistic enough to recognize that judges like the rest of us can fall prey to these frailties. Although the Federal bench has rarely been occupied by

the unfit judge, instances of unfitness are not unknown. Some of us have encountered the lazy judge. Others have known the judge who becomes ill and fails to recognize that he is no longer capable of performing his duties properly. Some judges, after many years of distinguished service, become senile. Others drink too much and some—very few—have fallen prey to temptation by selling justice to the highest bidder. Justice is denied whenever any of these conditions prevail and, equally important, one or two unfortunate instances can sully the reputation of the entire judiciary. Moreover, when the fitness of a judge is in doubt, the appearance of justice is impaired and the faith of the people may be shaken. The judiciary, like Caesar's wife, should be above suspicion. For these reasons, the pride we share in the historical quality of the Federal bench must not lead us to ignore the occasional case that threatens to mar the record.

Consistent with the high quality of its performance, the Federal judiciary has not been unmindful of the problems of unfitness that occasionally plague its ranks, and there are notable instances in which fellow judges have been able to deal with these situations by persuading unfit colleagues to leave the bench or, where appropriate, to accept a lightened caseload. Informal techniques of persuasion, however, are not always adequate to the occasion, and, by contrast, the formal congressional mechanism of impeachment is cumbersome at best and wholly inappropriate in some cases.

With these considerations in mind, the Judicial Reform Act would create a Commission on Judicial Disabilities and Tenure, with power to investigate complaints of misconduct or physical or mental disability on the part of any judge of the United States, to recommend the removal of misbehaving judges, and to effect the involuntary retirement of physically or mentally incapacitated judges who do not retire voluntarily. The Commission is a modified version of the Commission on Judicial Qualifications established by the State of California in 1960 and since adopted in a number of other States.

Other important but, perhaps, less dramatic portions of the act deal with liberalized retirement, judicial conflicts of interest, the selection of chief judges, the composition of judicial councils, and judicial survivorship benefits.

When I introduced the Judicial Reform Act in 1968, I said that it was my hope that its introduction would bring about a spirited and rigorous dialog on every aspect of the bill: on the need for such legislation, the philosophy of the bill, the soundness of its provisions, and alternative solutions to the problems that it recognized.

After its introduction the Judicial Reform Act was circulated to interested laymen and to leading lawyers, judges, professors, and court administrators, many of whom responded in depth to a request for comments, criticisms and suggestions. In addition, the subcommittee held 6 days of hearings and received testimony from, among others, such jurists as the Honorable J. Edward Lumbard, chief judge of the second circuit; the Honorable John Biggs, Jr., and the Honorable Albert Branson Maris, senior judges of the third circuit; and the Honorable Richard H. Chambers, chief judge of the ninth circuit. Ernest C. Friesen, Director of the Administrative Office of the United States Courts and Andrew E. Ruddock, Director of the Bureau of Retirement and Insurance, U.S. Civil Service Commission, and other experts testified on some of the more technical aspects of the act. Knowledgeable laymen, such as Glenn Winters, executive director of the American Judicature Society, and Joseph Borkin, author of "The Corrupt Judge," also testified in the hearings.

The hearings, correspondence, and conferences arising out of the introduction of the Judicial Reform Act in 1968 served not only to illuminate the problems that the legislation was designed to meet, but also to produce important suggestions for the improvement of the legislation. On the basis of those suggestions I have made a number of changes in the act. The Judicial Reform Act which I am introducing today embodies those revisions.

Title I of the act, which I am introducing today, is similar to title I of the bill which I introduced last year. It is this title which would create a Commission on Judicial Disabilities and Tenure with the powers which I have already described to deal with unfit judges. It would be composed of five judges of the United States assigned to Commission service by the Chief Justice. It would act to retire or remove a judge only after an investigation and a formal hearing held in accordance with the requirements of due process. A decision to remove a judge for misconduct would be subject to review by the Judicial Conference and ultimately by the Supreme Court by certiorari. The confidentiality of the proceedings is insured by the act.

Only one significant change has been made in title I. The original provision enabled the Commission to investigate the disability of a judge only upon certification of such disability by the Judicial Council of the judge's circuit. The new provision would enable the Commission to undertake an investigation of a judge's physical or mental fitness upon the report of any person, thus bringing its power to investigate reports of disability in line with its power to investigate reports of misconduct.

Title II of the act deals with the retirement of judges. Last year this title included a provision which would have enabled a Federal judge to retire at full pay at the age of 65 after 10 years of service. This measure was designed, primarily, to increase the manpower on the Federal courts in order to help alleviate existing backlogs and avoid future ones. Each time a judge retires, a vacancy occurs on his court which can then be filled by appointment of a new regular active service judge. Both the retired judge and his newly appointed successor can be employed in the disposing of the business of the court, where, before, only one superannuated judge was available.

Despite the surface attractiveness of this provision, the judiciary reacted unfavorably to it. There was a general feeling that it made retirement too easy and tended to dilute the character of the Federal bench by making it look like a haven for easy retirement. Upon reflection, the reaction of the judges seems reasonable and I have deleted this provision from the bill. I have, however, inserted in title II a substitute measure which will allow a judge to take senior status after 20 years of service regardless of age. This measure also will serve to increase the manpower on the Federal bench and 20 years of service hardly raises the specter of easy retirement. Since retirement at full pay is now available to judges at age 65 after 15 years service, the new provision will only assist those judges appointed at a rather young age.

Other provisions of title II would enable a disabled judge to retire on full pay regardless of years of service and would give a retired judge the right to demand assignment of such work as he is willing and able to undertake. A means of enforcing that right through the Commission on Judicial Disabilities is also provided. These measures will also serve to encourage retirement of disabled and superannuated judges and are the same as the relevant provisions in the predecessor bill. Under present law, a judge who has served less than 10 years, no matter how disabled, may only retire at half pay. This feature of the present law has led to instances where judges have been carried on the active rolls while disabled and unable to work, to the detriment of effective judicial administration. If a judge is disabled after taking office, he should be treated generously by the Nation, not made to linger on the bench until some arbitrary time limit has passed.

Title III of the bill relates to the judicial survivors annuity fund and is designed to remedy present deficiencies by merging the judicial survivors annuity fund with the civil service retirement fund and by making participation in the civil service survivorship plan available to judges and justices alike. It would place the benefits available to judges on an equal footing and at an equal rate of contribution with those available to Members of Congress, and it would tie the solvency of the survivorship plan for judges to the solvency of the broader based civil service retirement fund. In addition, however, it preserves for the judiciary existing prerogatives in the administration of the fund. Questions of eligibility would still be determined within the Administrative Office of the United States Courts. Individual participation records would be kept there, counseling of judges and their survivors would remain Administrative Office functions, and payments from the fund could be made upon the order of the Director.

With the exception of some technical modifications, title III of the bill which I am introducing today is the same as title III of the act which I introduced last year.

The knowledge gained in the past year has led to some significant changes in title IV of the act which deals with judicial conflicts of interest and financial disclosure. During the hearings a number of witnesses expressed the view that

some of the provisions of title IV were too stringent, in that they would allow the removal of a Federal judge for what might be basically unknowing and/or unintentional behavior. This was not the intent of the provision. Hopefully, the problem has been solved by tightening the language of title IV, and by incorporating in it a de minimis principle so that participation by a judge in an adjudication in which he has some small remote interest will not necessarily provide grounds for removal.

Title IV of the Judicial Reform Act of 1968 also provided for the filing by each judge of the United States of a financial statement disclosing a limited amount of financial information. This year the disclosure provisions have been broadened to include justices of the United States. They have also been expanded to effect a much more complete disclosure of financial interests. For example, unlike the measure introduced last year, the bill which I am introducing today would require a judge and justice of the United States to disclose his major liabilities, and all of his income, including gifts and honorariums, for the year and the sources of such income. In addition, it would require him to disclose not only his own business, professional, real estate, and trust interests as in the prior bill but also those of his spouse and of his minor children. Their financial interests are as significant as his in judging his conduct on the bench.

This past year this body passed Senate Resolution 266 requiring Senators and certain Senate employees to file financial reports. An analogous resolution, House Resolution 1099, was passed in the House of Representatives. With the passage of these two resolutions the judges can no longer complain they are being singled out for special reporting requirements. Indeed, with the passage of Senate Resolution 266 and House Resolution 1099 and the longstanding requirement of executive disclosure, the judiciary is now "singled out" for nondisclosure. The reports required under my proposed provision are similar to those provided for in Senate Resolution 266. They are, however, broader, and I believe that the broader provisions are justified. Unlike Senators and Congressmen, Federal judges are not responsible to any constituency.

The new bill, like the old one, provides that the financial statements are to be filed pursuant to rules promulgated by the Judicial Conference of the United States. The revised bill specifically provides that those rules can be designed to ensure the confidentiality of the required reports. Senate Resolution 266 and House Resolution 1099 provide such protection. They also provide for inspection by the Senate Select Committee on Standards and Conduct of the reports filed by Members of the Senate and its employees, and inspection by the House Committee on Standards of Official Conduct of the reports filed by Members of the House and its employees, upon a majority vote of the respective committees. Title IV of the Judicial Reform Act of 1969 has similar teeth. Taking into account the impeachment process, I have provided in the new bill that, upon a majority vote of the full committee, the Committee on the Judiciary of the House of Representatives may require that it be provided with any financial report which has been filed by any judge or justice. Reports may not be required, however, by that committee unless they are reasonably needed for use in an investigation related to the initiation of an impeachment proceeding. The reports are also, of course, to be made available, when needed, to the Commission on Judicial Disabilities and Tenure.

Title V of the bill contains a number of miscellaneous provisions, tied as in the previous bill to the overall purpose of the act, increased efficiency in the Federal courts. Last year title V contained a provision which would have substituted an election process for the seniority system which presently determines the chief judges of the circuits and of the district courts. This was an attempt to replace the seniority system with the judgment of the judges of the court as an index of administrative skill and inclination. It was also intended to discourage the superannuated judge from remaining in regular active service, even after retirement at full pay becomes available, in the expectation of ultimately achieving the chief judgeship. There was substantial well-reasoned opposition to this provision on a number of grounds from a number of quarters. It was felt, for example, that an election process would become involved in personalities and would create ill-will on the court. The election provision has been deleted from the new act. Some of the problems which it was designed to deal with would be solved by a new provision which would prevent any judge from becoming a chief judge of a circuit or of a district court after reaching the age of 66. This provision will terminate the practice of judges, qualified for retirement, lingering on the bench for some time in order to attain the title of chief judge and hold it for a matter of months or a few years. Also, the new provision assures such chief judge at least a 4-year term, one long enough for him to grasp and control the administrative reins of his court.

I have retained in title V of the bill a provision which would, for the first time, provide that the Judicial Councils will be composed partially of district court judges. Representation of district court judges should add to the effectiveness of the Councils which are presently composed solely of judges of the U.S. circuit courts of appeals.

More significantly, perhaps, the new title V incorporates an expanded version of the bill which I introduced as S. 3062 last year and which would provide for the appointment of a court executive in each circuit. The court executive would be responsible, subject to the general supervision of the chief judge of the circuit, for the administration of the circuit and would be selected on the basis of his managerial expertise. His duties would be those delegated by the Judicial Council. A number of possible duties are enumerated in the bill. The bill could easily be expanded to provide court executives for the large metropolitan districts if such an expansion is shown by the hearing to be desirable. Court management, unlike judicial decisions, need not be left to judges who by training and inclination may have little interest in administration. Our courts now suffer from placing administrative responsibilities solely in the hands of a chief judge or judicial council—judges who are expected to carry a full judicial workload—with no provision for competent managerial assistance.

The provisions of the Judicial Reform Act are to a large extent interrelated. Enactment of some of the component parts of the act would, however, help solve a number of independent problems. Consequently, in addition to the bill which I have just described, I am introducing a number of separate bills which give individual treatment to many of the significant portions of the omnibus bill. I am also introducing on my own behalf and on behalf of Senator EAGLETON a bill that would provide for mandatory retirement of judges and justices of the United States at the age of 70. An earlier version of this bill was introduced as S. 3061 last year.

It is my opinion that the Judicial Reform Act should be enacted in its entirety and that it would be a substantial step forward in solving many of the critical problems of the Federal judiciary. It would provide a better way to make retirement attractive to older judges, to permit disabled judges to choose an honorable retirement and to make that choice for the disabled judges when they cannot or will not recognize their disability. It would provide more equitable financial treatment for the survivors of Federal judges. It would provide machinery through which significant improvement in the administration of the Federal courts can be made. It would, moreover, provide a better way to resolve complaints about judges of the United States, to insure that Federal judges do not sit in judgment of their own financial interests, and ultimately to preserve for the Federal judiciary the confidence of the American people.

Mr. President, I ask that the bills and the outline of the Judicial Reform Act be printed in the RECORD at this point.

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

The bills (S. 1506) to provide for improvements in the administration of the courts of the United States, and for other purposes, introduced by Mr. TYDINGS, for himself and other Senators; (S. 1507) to improve judicial machinery by amending provisions of law relating to the retirement of justices and judges of the United States, introduced by Mr. TYDINGS, for himself and Mr. EAGLETON; (S. 1508) to improve judicial machinery by amending provisions of law relating to the retirement of justices and judges of the United States; (S. 1509) to improve judicial machinery by providing for the appointment of a court executive for each judicial circuit; (S. 1510) to improve judicial machinery by providing for the filing of financial reports by the judges and justices of the United States;

(S. 1511) to improve judicial machinery by providing benefits for survivors of Federal judges comparable to benefits received by survivors of Members of Congress, and for other purposes; (S. 1512) to improve judicial machinery by amending provisions of law relating to the retirement of justices and judges of the United States; (S. 1513) to improve judicial machinery by amending provisions of law relating to assignment of judicial duties to retired judges; (S. 1514) to improve judicial machinery by amending provisions of law relating to membership on judicial councils; (S. 1515) to improve judicial machinery by amending the provisions of law relating to the selection of circuit chief judges and district court chief judges; and (S. 1516) to improve judicial machinery by creating a Commission on Judicial Disabilities and Tenure, and for other purposes, introduced by Mr. TYDINGS, were received, read twice by their titles, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

S. 1506

A bill to provide for improvements in the administration of the courts of the United States, and for other purposes

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 "Judicial Reform Act."

TITLE I—COMMISSION ON JUDICIAL DISABILITIES AND TENURE

SEC. 101. (a) Chapter 17 of title 28, United States Code, is amended by adding at the end thereof the following new sections:

"§ 377. Commission on Judicial Disabilities and Tenure

"(a) There is established within the judicial branch of the Government a Commission on Judicial Disabilities and Tenure, whose purpose it shall be to promote the honorable and efficient administration of justice in the courts of the United States through the performance of the duties imposed upon it by law.

"(b) The Commission shall be composed of five members. Each member shall be a judge of the court of the United States who is in regular active service. The Commission shall, at all times, include at least two district judges and two circuit judges. All members shall be assigned to the Commission by the Chief Justice, who shall also designate one of the members as the Chairman of the Commission. No judge who is a member of the Judicial Conference of the United States shall be assigned to the Commission.

"(c) The term of each assignment to the Commission shall be four years; except that—

"(1) a member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was assigned;

"(2) the terms of members first assigned to the Commission shall be those prescribed in section 103(a) of the Judicial Reform Act; and

"(3) the term of a member shall become vacant automatically when he resigns, retires, or is permanently separated from regular active service as a judicial officer, becomes a member of the Judicial Conference of the United States, or becomes a Justice of the United States.

A judge who has served a full term may be reassigned to the Commission only once. A judge assigned to fill a term that has been vacated may be reassigned to the Commission for one full term.

"(d) Performance of duties as a member of the Commission shall constitute the transaction of official business within the meaning of section 456 of this title.

"(e) The Commission shall act upon the concurrence of any three of its members, but the concurrence of any four of its members shall be required to effect a determination that the conduct of a judge has been or is inconsistent with the good behavior required by article III of the Constitution.

"§ 378. Good behavior of a judge

"(a) Upon complaint or report, formal or informal, of any person, the Commission may undertake an investigation of the official conduct of any judge of the United States appointed to hold office under article III of the Constitution to determine whether the conduct of such judge is and has been consistent with the good behavior required by that article. After such investigation as it may deem adequate, the Commission may dismiss the complaint as frivolous, unwarranted, or insufficient in law or in fact. Should such investigation give the Commission cause to believe that the conduct of the judge is or has been inconsistent with the good behavior required by article III, the Commission shall order a hearing concerning the conduct of such judge.

"(b) A judge whose conduct is to be the subject of a hearing by the Commission shall be given notice of such hearing and the nature of the matters under inquiry not less than thirty days before the date on which the hearing is to be held. He shall be admitted to such hearing and to every subsequent hearing regarding his conduct. He may be represented by counsel, offer evidence in his own behalf, and confront and cross-examine witnesses against him. A record of each such hearing shall be kept by the Commission and one copy of such record shall be made available to the judge at the expense of the Commission.

"(c) Willful misconduct in office or willful and persistent failure to perform his official duties by a judge of the United States shall constitute conduct inconsistent with the good behavior required by article III of the Constitution and shall be cause for the removal of that judge.

"(d) Within ninety days after the adjournment of hearings held pursuant to subsection (b) of this section, and pursuant to rules established in accordance with subsections (b) and (c) of section 103 of the Judicial Reform Act, the Commission shall make findings of fact and a determination regarding the conduct of the judge who was the subject of such hearing. If the Commission determines that the conduct of such judge has been or is inconsistent with the good behavior required by article III of the Constitution, it shall forthwith so report to the Judicial Conference of the United States, recommending that the judge be removed from office, and shall forthwith notify the judge of its determination and order him to cease the exercise of any judicial powers or prerogatives pending disposition of the Commission's recommendation by the Judicial Conference. Failure of the Commission to reach the four-member concurrence required by section 377(e) shall in every case be deemed a determination that the conduct of the judge has not been inconsistent with the good behavior required by article III of the Constitution. If the Commission determines that the conduct of the judge has not been inconsistent with the good behavior required by article III, it shall forthwith so notify the judge, inquiring whether he desires the Commission to make information pertaining to the nature of its investigation, its hearings, findings, and determination, or any other facts related to its proceedings regarding his conduct available to the public. Upon receipt of a request in writing from the judge, the Commission shall make such information available to the public.

"(e) Whenever the Commission determines that the conduct of a judge is or has been inconsistent with the good behavior requirement of article III of the Constitution, the Commission shall, after consultation with that authority within his court responsible for the assignment of business to judges, formulate such order or orders regarding the business pending before the judge as the Commission may deem appropriate.

"§ 379. Duties and powers of the Judicial Conference

"(a) The Judicial Conference of the United States may adopt such rules of procedure as it may deem appropriate to the performance of its duties under this chapter.

"(b) Whenever the chairman of the Conference, or other officer designated for the purpose, receives from the Commission a recommendation that a judge be removed from the office for conduct inconsistent with the good behavior required by article III of the Constitution, the Conference or one of its committees shall forthwith review the record, the findings, and the determination of the Commission, both on the law and on the facts. In its discretion, the Conference or one of its committees may receive additional evidence, hear oral arguments, or require the filing of briefs. The Conference may accept, modify, or reject the findings of the Commission, or remand the case to the Commission for further proceedings in accordance with the Conference's order. Should the Conference accept the recommendation of the Commission, the Conference shall stay certification to the President of its determination that the conduct of the judge has been inconsistent with the good behavior required by article III of the Constitution, pending review in the Supreme Court. Such stay shall expire upon final disposition of the case in the Supreme Court or on the day after the date on which the time for seeking such review has passed without the filing of a petition for the writ of certiorari. The Conference may, in its discretion, continue any order issued by the Commission pursuant to subsections (d) and (e) of section 378 of this title pending disposition by the Supreme Court.

"(c) If the Conference determines that the conduct of the judge has not been inconsistent with the good behavior required by article III, it shall forthwith so notify the judge, inquiring whether he desires the Conference to make information pertaining to the nature of its investigation, its hearings, findings, and determination, or any other facts relating to its proceedings regarding his conduct available to the public. Upon receipt of a notice in writing from the judge, the Conference shall make such information available to the public.

"(d) A judge aggrieved by a determination of the Conference to certify him for removal may seek review of such determination by writ of certiorari in the Supreme Court under section 1259 of this title.

"(e) Upon affirmance by the Supreme Court of the Conference's determination to certify a judge for removal, or upon expiration of a stay for failure to seek review of the certification in the Supreme Court, the Conference shall forthwith so certify to the President, and such judge shall be removed from office. The President shall forthwith appoint, by and with the advice and consent of the Senate, a successor to such judge.

"§ 380. Disability of a judge

"(a) Upon report, formal or informal, of any person, the Commission may undertake an investigation of the physical or mental condition of any judge of the United States appointed to hold office during good behavior to determine whether the judge in question has a permanent mental or physical disability seriously interfering with the performance by him of one or more of his critical duties and whether any such disability is or is likely to become permanent in character. After such investigations as it may deem adequate, the Commission may dismiss the complaint as frivolous, unwar-

ranted or insufficient in law or in fact. Should the Commission determine that the judge in question is unable to discharge efficiently one or more of the critical duties of his office by reason of permanent mental or physical disability, the Commission shall order a hearing concerning the physical or mental condition of such judge.

"(b) A judge whose physical or mental condition is to be the subject of a hearing by the Commission shall be given notice of such hearing and of the nature of the matters under inquiry no later than thirty days prior to the date on which the hearing is to be held. He shall be admitted to such hearing and to every subsequent hearing regarding his physical or mental condition. He may be represented by counsel, offer evidence in his own behalf, and confront and cross-examine witnesses against him. A record of each such hearing shall be kept by the Commission and one copy of such record shall be made available to such judge at the expense of the Commission.

"(c) Within ninety days after the adjournment of hearings held pursuant to subsections (a) and (b) of this section, and pursuant to rules established in accordance with subsections (b) and (c) of section 103 of the Judicial Reform Act, the Commission shall make findings of fact and a determination regarding the physical or mental condition of such judge. Should the Commission determine that the judge does have a physical or mental disability seriously interfering with the performance by him of one or more of his critical duties and that the disability is or is likely to become permanent in character, the Commission shall proceed pursuant to section 372(b) of this title. Should the Commission determine that the judge does not have such a disability it shall forthwith so report to the judge. The judge shall be informed that, upon receipt of his written request, the Commission will make information regarding the nature of its proceedings, its findings and determinations, and such other matters regarding its proceedings in his case as are not confidential or privileged under law available to the public. Upon receipt of such request, the Commission shall make such information available to the public.

"§381. Claim of a judge

"The Commission shall hear and decide any claim by a judge retired under section 372(b) of this title that he is not being assigned such judicial duties within his court as he is willing and able to undertake. The Commission may prescribe by rule such procedures as may be appropriate to the consideration and disposition of these claims. Whenever such a claim is substantiated to the satisfaction of a majority of the Commission, the Commission shall transmit an appropriate order to the authority within his court responsible for the assignment of judicial duties to retired judges.

"§382. Confidentiality of proceedings

"Notwithstanding any other provision of law, the filing of papers with and the giving of testimony before the Commission shall be privileged. Unless otherwise authorized by the judge whose conduct, physical or mental ability, or claim is the subject of proceedings under this chapter, or authorized by this section, or by section 378 or 380 of this title, the record of hearings before the Commission and all papers filed in connection with such hearings shall be confidential; but the filing of an application for a writ of certiorari to the Supreme Court of the United States, as provided in section 1259 of this title, shall render public the record of hearings before the Commission and before the Conference and all papers filed in connection therewith to the extent that such record or such papers are required for the disposition of such application and for the conduct of any subsequent proceedings.

"§383. Disqualification

"A judge who is a member of the Commission or the Judicial Conference of the United States shall not serve as a member of such body in any proceedings when it inquires into his own conduct or physical or mental condition or claim. No judge of the same court as the judge whose conduct or physical or mental condition or claim is the subject of any inquiry by the Commission or the Conference shall participate in such inquiry or in the determination by such body thereof. In the event that a Commission member is disqualified under this subsection, the Chief Justice shall assign a substitute judge to the Commission, to serve only in the matter which caused this assignment.

"§384. Powers of the Commission and the Judicial Conference

"(a) In the conduct of investigations and hearings under sections 378–381 of this title, the Commission and the Judicial Conference of the United States may administer oaths, order and otherwise provide for the inspection of books and records, and issue subpoenas for the attendance of witnesses and the production of papers, books, accounts, documents, and testimony relevant to any such investigation or proceeding.

"(b) No person shall be excused from attending and testifying or from producing books, papers, and other records and documents before the Commission or the Conference on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subject to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

"§ 385. Enforcement

"If any person refuses to attend, testify, or produce any writings or things required by a subpena issued by the Commission or the Judicial Conference of the United States the issuing body may petition the district court for the district in which such person may be found for an order compelling such person to attend and testify or produce the writings or things required by the subpena. The court shall order such person to appear before it at a specified time and place and then and there shall consider why he has not attended or testified or produced the writings or things as required. A copy of the order shall be served upon him. If it appears to the court that the subpena was regularly issued, the court shall order such person to appear before the issuing body at the time and placed fixed in the order and to testify or to produce the required writings or things. Upon failure to obey the order, such person shall be dealt with as for contempt of court.

"§ 386. Depositions

"In pending investigations or proceedings before them, the Commission and the Judicial Conference of the United States may order the deposition of any person to be taken in such form and subject to such limitation as may be prescribed in the order. The Commission or the Conference may file in the district court for the district in which such investigation or proceeding is pending a petition entitled "In the Matter of Proceedings of the Commission on Judicial Disability and Tenure (or Judicial Conference of the United States) Numbered —", stating generally, without identifying the judge, the nature of the pending matter, the name and residence of the person whose testimony is desired, and directions, if any, of the Commission or the Conference, asking that an order be made requiring such person to appear and testify before a designated officer. Upon the filing of the petition, the court may make an order requiring such person to appear and testify. A subpoena for such depositions shall be issued by the clerk and the depositions shall be taken and returned in the manner prescribed by law in civil actions.

"§ 387. Fees and mileage of witnesses

"Each witness, other than an officer or employee of the United States, shall receive for his attendance the same fees, and all witnesses shall receive the same mileage, allowed by law to a witness in civil cases as provided in section 1821 of this title. The amount shall be paid by the Administrative Office of the United States Courts from funds appropriated for the judiciary.

"§ 388. Duty of marshals to serve process and execute orders

"It shall be the duty of the United States marshals, upon request of the Commission or the Judicial Conference of the United States, to serve process and to execute all lawful orders of the Commission or Conference.

"§ 389. Commission and Conference staffs

"(a) The Commission shall have a permanent staff of attorneys, and clerical and secretarial assistants.

"(b) The Commission and the Judicial Conference of the United States may employ on a temporary basis such counsel, assistants, and other employees as are necessary for the performance of the duties and exercise of the powers conferred upon them. The Commission and the Conference may arrange for and compensate medical and other experts and reporters, and arrange for the attendance of witnesses, including witnesses not subject to subpoena.

"(c) The Director of the Administrative Office of the United States Courts may pay from funds available to the judiciary all expenses reasonably necessary for effectuating the purposes of sections 377–381 of this title, whether or not specifically enumerated herein.".

(b) The analysis of chapter 17 of title 28, United States Code, is amended by adding at the end thereof the following new items:

"377. Commission on Judicial Disabilities and Tenure.
"378. Good behavior of a judge.
"379. Duties and powers of the Judicial Conference.
"380. Disability of a judge.
"381. Claim of a judge.
"382. Confidentiality of proceedings.
"383. Disqualification.
"384. Powers of the Commission and the Judicial Conference.
"385. Enforcement.
"386. Depositions.
"387. Fees and mileage of witnesses.
"388. Duty of marshals to serve process and execute orders.
"389. Commission and Conference staffs.".

(c) Section 451 of title 28, United States Code, is amended by adding at the end thereof the following new definition:

"The term 'Commission' means the Commission on Judicial Disabilities and Tenure established under chapter 17 of this title.".

SUPREME COURT REVIEW

SEC. 102. Chapter 81 of title 28, United States Code, is amended—

(1) by adding at the end thereof the following new section:

"§ 1259. Review of Judicial Conference certification

"Upon the petition of the aggrieved judge, the Supreme Court may review by writ of certiorari a certification to the President by the Judicial Conference of the United States, pursuant to section 379 of this title, that a judge be removed for conduct inconsistent with the good behavior required by article III of the Constitution. The petition for a writ of certiorari shall be filed within the time provided in section 2101(c) of this title.";

and

(2) by adding at the end of the analysis thereof the following new item:

"1259. Review of Judicial Conference certification.".

MISCELLANEOUS

SEC. 103. (a) Within ninety days after the date of enactment of this Act, the Chief Justice shall assign judges of the United States to serve on the Commission on Judicial Disabilities and Tenure in accordance with section 377 of title 28, United States Code, as added by section 101(a) of this Act. The Chairman shall be appointed for a term of four years, and the members shall be appointed for terms of two, three, and four years, as designated by the Chief Justice.

(b) Within one hundred and eighty days after the date of enactment of this Act, the Commission shall promulgate rules for the conduct of its proceedings and other business it is authorized to undertake under title I of this Act.

(c) Within one hundred and eighty days after the enactment of this Act, the Judicial Conference of the United States shall promulgate rules of evidence for the use of the Commission and the Conference, or any constituent committee thereof empowered to conduct hearings on their behalf, and rules for the conduct of its proceedings and other business related to its compliance with duties imposed upon it under title I of this Act.

(d) All rules promulgated pursuant to subsections (b) and (c), and amendments thereto, shall be matters of public record, and shall be effective upon promulgation.

TITLE II—RETIREMENT OF JUDGES

RETIREMENT FOR AGE

SEC. 201. (a) Section 371(b) of title 28, United States Code, is amended by inserting immediately before the period at the end of the first sentence the following: "or at any age after serving at least twenty years continuously or otherwise."

(b) The last full paragraph of section 372(a) of such title is amended to read as follows:

"Each justice or judge retiring under this section shall, during the remainder of his lifetime, receive the salary of the office.".

DISABILITY RETIREMENT

SEC. 202. (a) Section 294(b) of title 28, United States Code, is amended by striking out the phrase "retired from regular active service under section 371(b) or 372(a) of this title", and inserting in lieu thereof the following: "retired voluntarily from regular active service under section 371(b) or 372(a) of this title, or who has been involuntarily retired under section 372(b) of this title,".

(b) Section 294(c) of title 28, United States Code, is amended—

(1) by striking out of the first sentence thereof the phrase "Any retired circuit or district judge may", and inserting in lieu thereof the following: "A circuit or district judge retired voluntarily under section 371(b) or 372(a) of this title or involuntarily under section 372(b) of this title shall, from time to time,"; and

(2) by adding at the end thereof the following new sentence: "A judge of the United States retired involuntarily under section 372(b) of this title shall be designated and assigned by the chief judge of his court to perform such judicial duties in such court as such judge is willing and able to undertake.".

(c) Section 372 of title 28, United States Code, is amended by striking out subsection (b), and inserting in lieu thereof the following:

"(b) Whenever any judge of the United States appointed to hold office during good behavior who is eligible to retire under this section does not do so and a majority of the Commission finds, subject to the requirements of section 380 of this title, that such judge is unable to discharge efficiently one or more of the critical duties of his office by reason of permanent mental or physical disability, the Commission shall certify its determination to the President and such judge shall be retired involuntarily from the regular active service.

"(c) The President, by and with the advice and consent of the Senate, shall forthwith appoint a successor to any judge retired involuntarily under the provisions of subsection (b) of this section. Whenever such successor shall have been appointed, the vacancy subsequently caused by the death or resignation of the judge involuntarily retired shall not be filled.

"(d) Habitual intemperence that seriously interferes with the performance of any of the critical duties of a judge shall be regarded as a permanent disability for the purposes of this section and section 380 of this title.".

TITLE III—JUDICIAL SURVIVOR ANNUITIES

REVISION OF THE SURVIVOR ANNUITY PROGRAM

SEC. 301. Subchapter III of chapter 83 of title 5, United States Code, is amended by adding after section 8341 thereof the following new section:

"8341A. Annuities for survivors of judicial officials

"(a) For the purpose of this section—

"(1) 'judicial official' means an individual who gives notice in writing to the Director of the Administrative Office of the United States Courts within six months after (i) the date on which he takes office (ii) the date on which he gets married, or (iii) the enactment of this section of his desire to make his survivors subject to this section and who is—

"(A) a justice or judge of the United States as defined by section 451 of title 28;

"(B) a judge of the United States District Court for the District of Puerto Rico, the United States District Court for the District of the Canal Zone, the District Court of Guam, or the District Court of the Virgin Islands;

"(C) a Director of the Administrative Office of the United States Courts who has filed a waiver under section 611(a) of title 28; or

"(D) a Director of the Federal Judicial Center who has filed a waiver under section 627(b) of title 28; and "(2) 'retirement salary' means, in the case of—

"(A) a justice or judge of the United States, as defined by section 451 of title 28, salary paid (i) after retirement from regular active service under section 371(b) or 372(a) of that title or (ii) after retirement from office by resignation on salary under section 371(a) of that title;

"(B) a judge of the United States District Court for the District of Puerto Rico, the United States District Court for the District of the Canal Zone, the District Court of Guam, or the District Court of the Virgin Islands, salary paid after retirement from office by resignation on salary under section 373 of title 28 or by removal or failure of reappointment after not less than 10 years judicial service;

"(C) a Director of the Administrative Office of the United States Courts, an annuity paid under subsection (b) or (c) of section 611 of title 28; and

"(D) a Director of the Federal Judicial Center, an annuity paid under subsection (c) or (d) of section 627 of title 28.

"(b) Survivors of judicial officials are entitled to the same benefits under this subchapter as survivors of Members. For the purpose of this subsection, service as a judicial official shall be credited in the same manner as Member service, and the pertinent provisions of sections 8331, 8332, 8333, 83334, 8339–8342, and 8345–8348 of this title are applicable to a judicial official and his survivors to the same extent as such provisions are applicable to a Member and the survivors of a Member, except that—

"(1) service as a judicial official includes any period for which the judicial official is paid retirement salary, except a judge resigned on salary under 28 USC 371(a) or 373;

"(2) in lieu of amounts required to be deducted, contributed, or deposited under section 8334 of this title, (A) the amount to be deducted under section 8334(a) of this title is 3 percent of the salary, including retirement salary of the judicial official and a like amount shall be contributed from the appropriation or fund available for the payment of the salary of the official, and (B) the amount of any deposit referred to in sections 8334 (c) and (d) of this title is 3 percent of the salary, including retirement salary with interest, received for the service covered by the deposit; and

"(3) the lump-sum credit shall be paid to a judicial official who leaves office before becoming eligible to receive retirement salary;

"(4) a judicial official is defined by section 8341A(a)(1)(B) who is separated after not less than 10 years of service may either (i) be paid a lump-sum credit or (ii) leave his money in the fund in which case if he dies before having become eligible for payment of retirement salary his survivor is entitled to the benefits provided under section 8341(b)–(f);

"(5) interest on deductions and deposits under section 8331(8)(C) shall be compounded annually after December 31, 1947, at 3 percent a year through the last day of the calendar year in which this section is enacted;

"(6) any balance not applied as prescribed in section 8342(h) shall be refunded rather than deemed a voluntary contribution;

"(7) designations of beneficiary under section 8342(c) shall be filed with the Director of the Administrative Office of the United States Courts;

"(8) determinations of persons responsible for care of a claimant under section 8345(e) shall be made by the Director of the Administrative Office of the United States Courts.

"(c) Nothing contained in this section shall be construed to prevent a widow eligible therefore from simultaneously receiving an annuity under this section and any annuity to which she would otherwise be entitled under any other law without regard to this section, but in computing such other annuity, service used in the computation of her annuity under this section shall not be credited.

"(d) Notwithstanding section 8347 (a)–(k) of this title, the Director of the Administrative Office of the United States Courts shall administer this subchapter insofar as it applies to judicial officials and their survivors, except that—

"(1) deposits, withholdings, deductions, and contributions shall be received and administered in accordance with section 8348 of this title;

"(2) actuarial duties shall be performed in accordance with section 8347(f) of this title; and

"(3) authorizations, disbursements of lump-sum credits and annuities shall be made by the Civil Service Commission out of the fund on certification by the Director of the Administrative Office of the United States Courts.".

"(e) Subchapter III of chapter 83 of title 5, United States Code, is further amended by adding after item 8341 of the analysis of such subchapter the following new item:

"8341A. Annuities for survivors of judicial officials.".

TRANSFER OF FUNDS AND RECORDS

SEC. 302. (a) The Secretary of the Treasury shall transfer all assets credited to the judicial survivors annuity fund under section 376 of title 28, United States Code, to the Civil

Service Retirement and Disability Fund, and the judicial survivor annuity fund shall thereupon be abolished.

(b) The Director of the Administrative Office of the United States Courts and the Secretary of the Treasury shall transfer to the Civil Service Commission any records, accounts, papers, or other matter which the Commission deems necessary to carry out the functions imposed upon it by this title.

APPLICABILITY

SEC. 303. (a) Except as provided in subsection (b), section 301 of this title shall not apply in the case of annuities which became payable under section 375 or 376 of title 28, United States Code, prior to the effective date of this title, and such annuities shall continue in the same manner and to the same extent as if section 301 of this title had not been enacted.

(b) On and after the effective date of this title, an annuity which became payable under section 376 of title 28, United States Code, prior to the effective date of this title shall be (1) increased by the same total percent increase used to adjust a survivor annuity paid from the Civil Service Retirement and Disability Fund with the same commencing date, and (2) thereafter be adjusted and paid in accordance with section 8340 of title 5, United States Code, applying the same base month and price index change used to adjust annuities of civil service employees under section 8340(b) of title 5, United States Code.

(c) On and after the effective date of this title, any annuity or refund payable out of the judicial survivors annuity fund shall be paid out of the Civil Service Retirement and Disability Fund.

(d) Notwithstanding section 8348(g) of title 5, United States Code, benefits resulting from the enactment of this title shall be paid from the Civil Service Retirement and Disability Fund.

WAIVER BY JUSTICES

SEC. 304. Section 375 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) If a Justice of the United States gives notice in writing to the Director of the Administrative Office of the United States Courts of his desire to become subject to section 8349 of title 5, the widow of such Justice shall be ineligible to receive an annuity under this section.".

REPEALER

SEC. 305. Section 376 of title 28, United States Code, is hereby repealed. A judicial official under the purview of section 376 on the date of enactment of this section will automatically become subject to section 8341a.

EFFECTIVE DATE

SEC. 306. This title shall become effective on the first day of the third month following the date of enactment of this Act.

TITLE IV—JUDICIAL CONFLICTS OF INTEREST

SEC. 401. (a) Chapter 17 of title 28, United States Code, is amended by adding at the end thereof the following new sections:

"§ 390. Conflicts of interest

"(a) The conduct of a judge of the United States who participates in the adjudication, of any motion, petition, claim, controversy, charge, accusation, arrest, or other particular matter in which, to his knowledge, he, his spouse, minor child, creditor, partner, organization in which he is serving as officer, director, trustee, partner, or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, has a substantial financial interest, is inconsistent with the good behavior required by article III of the Constitution and shall be grounds for removal from office under sections 378 and 379 of this title: *Provided, however,* that participation by a judge in such an adjudication shall not be grounds for removal if the nature or size of the financial interest described above is such that it is unlikely to have affected the integrity of any ruling by such judge in the adjudication.

"(b) The preceding subsection shall not apply if the judge first advises the chief judge of the court on which he serves, or if he is the chief judge of a district court, the chief judge of the circuit court in which his district is located, or if he is a chief judge of a circuit court or the chief judge of the Court of Claims, Court of Customs and Patent Appeals, or Customs Court, the Chief Justice, of the nature and circumstances of the proceeding or other particular matter in which he is to participate by virtue of his office and makes full disclosure of the financial interest and receives in advance a written determination by such chief judge or Chief Justice that the interest is not of such a nature as will affect the integrity of any ruling by such judge.

"§ 391. Financial statements

"(a) Pursuant to such rules as the Judicial Conference of the United States shall promulgate, each judge and justice of the United States shall, at least annually, file the following reports of his personal financial interests with the chief judge of the court on which he serves, or if he is the chief judge of a district court with the chief judge of the circuit in which his district is located, or if he is an Associate Justice of the Supreme Court or the chief judge of a circuit or the chief judge of the Court of Claims, the Court of Customs and Patent Appeals, or Customs Court, with the Chief Justice, or if he is the Chief Justice, with the Judicial Conference of the United States:

(1) A report of his income, his spouse's income and the income of his minor children for the preceding year; the sources thereof and the amount and nature of the income received from each such source.

(2) The name and address of each business or professional corporation, firm, or enterprise in which he or his spouse or his minor children was an officer, director, proprietor or employee during the preceding year.

(3) The identity of each liability of $5,000 or more owed by him and/or his spouse at any time during the preceding year.

(4) The source and value of gifts in the aggregate amount or value of $50 or more from any single source received by him and/or his spouse or by his minor child during the preceding year.

(5) The names and address of each corporation, association, foundation, trust or other entity whether non-profit or organized for profit in which to his knowledge he, his spouse, minor child, partner, organization which he is serving as an officer, director, trustee, partner or employee has an interest and the fair market value of such interest.

(6) The identity of each interest in real or personal property having a value of $10,000 or more which he and/or his spouse owned at any time during the preceding year.

(7) The amount or value and source of each honorarium of $300 or more received by him during the preceding year.

He shall keep such reports current by filing such supplementary reports as the Conference shall by rule require.

"(b) Except as provided in subsection (c) of this section and notwithstanding any other provision of law, the rules promulgated by the Judicial Conference pursuant to subsection (a) of this section may include provisions designed to insure the confidentiality of the required reports: *Provided, however,* that the reports shall be made available to the Commission on Judicial Disabilities and Tenure, whenever they are reasonably needed for use in an investigation into the conduct of a judge in accordance with the provisions of section 378 of title 28, United States Code.

"(c) Notwithstanding the rules promulgated by the Judicial Conference under the provisions of subsections (a) and (b) of this section, the Committee on the Judiciary of the House of Representatives, by a recorded majority vote of the full Committee, may require that it be provided with any financial reports filed in accordance with the provisions of subsection (a) of this section: *Provided, however,* That no report shall be required unless it is reasonably needed for use in an investigation of allegations of misconduct which may lead to the initiation of an impeachment of the judge or Justice of the United States who filed the financial report being required.

"(d) The intentional failure by a judge of the United States to file a report required by this section, or the filing of a fraudulent report, shall constitute conduct inconsistent with the good behavior required by article III of the Constitution and shall be grounds for removal from office under sections 378 and 379 of this title.

(b) The analysis of chapter 17 of title 28, United States Code, is amended by adding at the end thereof the following new items:

"390. Conflicts of interest.
"391. Financial statements.".

SEC. 402. (a) The heading of chapter 17 of title 28, United States Code, immediately preceding section 371 of such title, is amended to read as follows:

"CHAPTER 17.—RETIREMENT, RESIGNATION, AND REMOVAL OF JUDGES"

(b) The table of contents of part I of title 28, United States Code, immediately preceding the analysis of chapter 1 of such title, is amended by striking out

"17. Resignation and retirement of judges ---------- 371"

and inserting in lieu thereof the following new chapter heading:

"17. Retirement, resignation, and removal of judges---------- 371".

TITLE V—MISCELLANEOUS

JUDICIAL COUNCILS—MEMBERSHIP AND COURT EXECUTIVES; SELECTION OF CHIEF JUDGES

SEC. 501. (a) Section 332 of title 28, United States Code, is amended to read as follows:

"§ 332. Judicial councils

"(a) The chief judge of each circuit shall call, at least twice in each year and at such places as he may designate, a council of the judges specified in this section. The judges of the council, unless excused by the chief judge of the circuit, shall attend all sessions of the council.

"(b) The council shall be known as the Judicial Council of the circuit.

"(c) The chief judge of the circuit shall preside at each session of the council. In his absence the chief judge of a district who is senior in commission to the other chief judges participating as members of the council shall preside. To each meeting of the council the chief judge of the circuit shall summon an equal number of circuit and district judges in regular active service. The total number of judges summoned shall be computed by multiplying the number of circuit judges authorized for each circuit under section 44 of this title by two, but in no event shall the total number of judges summoned exceed eight, not including the chief judge of the circuit.

"(d) The circuit judges shall be summoned in the order of the seniority of their circuit court commissions. The district judges summoned shall be those chief judges elected to membership on the council by a majority vote of the chief judges of the districts within the circuit under procedures prescribed by the chief judge of the circuit, except that in the District of Columbia circuit the district judges summoned shall be the chief judge of the District Court for the District of Columbia and the appropriate number of district judges in regular active service, summoned in order of the dates of their com-

missions. Whenever a district judge member shall cease to be chief judge, his membership on the council shall cease, and within sixty days thereafter the chief judges of all the districts within the circuit shall select a chief judge to replace him on the council.

"(e) The chief judge shall submit to the council the quarterly reports of the Director of the Administrative Office of the United States Courts. The council shall take such action thereon as may be necessary.

"(f) Each judicial council shall make all necessary orders for the effective and expeditious administration of the business of the courts within its circuit. The district judges shall promptly carry into effect all orders of the judicial council.

"(g) Each circuit's Judicial Council shall appoint a court executive of that circuit who shall exercise such administrative powers and perform such duties as may be delegated to him by the Circuit Council. The duties delegated to the court executive of each circuit may include but need not be limited to:

(1) Exercising administrative control of all non-judicial activities of the court.

(2) Assigning, supervising, and directing the work of the officers and employees of the court, except quasi-judicial personnel such as Magistrates and referees.

(3) Formulating and administering a system of personnel administration subject to guidelines established by the Circuit Council and subject to limitations established by the Judicial Conference of the United States.

(4) Preparing and administering the budget of the circuit, including coordinating the circuit budget with guidelines and controls laid down by the Administrative Office of the United States Courts.

(5) Maintaining a modern accounting system.

(6) Establishing and maintaining property control records.

(7) Undertaking definition of the space management program, including space design, control and requirements projections.

(8) Representing the circuit in its dealings with other government agencies and with the Administrative Office of the United States Courts with respect to the establishment, maintenance, and use of courtrooms, chambers and offices.

(9) Initiating studies relating to the business and administration of the courts within the circuit and preparing appropriate recommendations and reports to the Chief Judge, the Circuit Council and the Judicial Conference.

(10) Defining management information requirements and collecting, compiling, and analyzing statistical data with a view to the preparation and presentation of reports based on such data as may be directed by the Chief Judge, the Circuit Council, and the Administrative Office of the United States Courts.

(11) Representing the circuit as its liaison to the courts of the various states in which the circuit is located, the Marshal's Office, state and local bar associations, civic groups, news media, and other private and public groups having a reasonable interest in the administration of the circuit.

(12) Arranging and attending meetings of the judges of the circuit and of the Circuit Council, including preparing of the agenda and serving as secretary in all such meetings.

(13) Establishing procedures for the calling of jurors in the circuit and controlling their utilization and payment.

(14) Preparing an annual report to the circuit and to the Administrative Office of the United States Courts for the preceding calendar year, including recommendations for more expeditious disposition of the business of the circuit.

In exercising the duties delegated to him by the circuit council the court executive shall be subject to the general supervision of the judge of the circuit.

The qualifications for the position of court executive shall be set by the Judicial Conference and shall emphasize management expertise.

Each court executive shall be paid at a salary to be established by the Judicial Conference of the United States and shall serve at the pleasure of the Judicial Council of the circuit.

(b) Within sixty days after the date of the enactment of the Judicial Reform Act, or within thirty days preceding the convening of the next scheduled meeting of the council of a circuit, whichever is sooner, the chief judges of all of the districts within each circuit shall select the district judge members of the circuit council under procedures prescribed by the chief judge of the circuit.

SELECTION OF CIRCUIT CHIEF JUDGES

SEC. 502(a). Section 45(a) of title 28, United States Code, is amended to read as follows: "(a) The circuit judge in regular active service who is senior in commission shall be the chief judge of the circuit: *Provided, however,* That no circuit judge shall become chief judge of the circuit after reaching sixty-six years of age nor remain as chief judge after reaching seventy years of age. If at the time a new chief judge of the circuit is to be selected all the circuit judges in regular active service are sixty-six years of age or older, the youngest shall act as chief judge until a judge has been appointed and qualified who is under sixty-six years of age, but a judge may not act as chief judge until he has served as a circuit judge for one year."

(b) This section shall become effective on January 1, 1971.

SELECTION OF DISTRICT COURT CHIEF JUDGES

SEC. 503(a). Section 136(a) of title 28, United States Code, is amended to read as follows: "In each district having more than one judge, the district judge in regular active service who is senior in commission shall be the chief judge of the district court: *Provided, however,* That no district court judge shall become chief judge of the district court after reaching sixty-six years of age nor remain as chief judge after reaching seventy years of age. If at the time a new chief judge of the district court is to be selected all the district judges in regular active service are sixty-six years of age or older the youngest shall act as chief judge until a judge has been appointed and qualified who is under sixty-six years of age, but a judge may not act as chief judge until he has served as a district judge for one year.

(b) This section shall become effective on January 1, 1971.

S. 1507

A bill to improve judicial machinery by amending provisions of law relating to the retirement of Justices and judges of the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 371 of title 28, United States Code, is amended:

(1) by striking in subsection (b) the words "after attaining the age of seventy years and after serving at least ten years continuously or otherwise, or";

(2) by adding a new subsection (c) to read:

(c) "Every Justice or judge of the United States appointed to hold office during a good behavior shall be retired upon his attainment of the age of seventy years. The President shall forthwith appoint, by and with the advice and consent of the Senate, a successor to each Justice or judge so retired. Each Justice or judge so retired shall, during the remainder of his lifetime, continue to receive the salary of the office."

SEC. 2. Subsection (b) of section 294 of title 28, United States Code, is amended to read:

"(b) Any judge of the United States who has retired from regular active service under section 371 (b) or (c) or 372(a) of this title shall be known and designated as a senior judge and many continue to perform such judicial duties as he is willing and able to undertake, when designated and assigned as provided in subsections (c) and (d)."

SEC. 3. The provisions of this Act shall not affect the tenure or terms of resignation or retirement of any judge serving on the day of its enactment.

S. 1508

A bill to improve judicial machinery by amending provisions of law relating to the retirement of justices and judges of the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 371(b) of title 28, United States Code, is amended by inserting immediately before the period at the end of the first sentence the following: ", or at any age after serving at least 20 years continuously or otherwise."

S. 1509

A bill to improve judicial machinery by providing for the appointment of a court executive for each judicial circuit

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 332 of title 28, United States Code, is amended (a) by designating each of the existing paragraphs thereof as subsections (a), (b), (c), and (d), respectively; and (b) by inserting a new subsection (e) to read: "(e) each circuit's Judicial Council shall appoint a court executive of that circuit who shall exercise such administrative powers and perform such duties as may be delegated to him by the Circuit Council. The duties delegated to the court executive of each circuit may include but need not be limited to:

(1) Exercising administrative control of all nonjudicial activities of the court.

(2) Assigning, supervising, and directing the work of the officers and employees of the court, except quasi-judicial personnel such as magistrates and referees.

(3) Formulating and administering a system of personnel administration subject to guidelines established by the Circuit Council and subject to limitations established by the Judicial Conference of the United States.

(4) Preparing and administering the budget of the circuit, including coordinating the circuit budget with guidelines and controls laid down by the Administrative Office of the United States Courts.

(5) Maintaining a modern accounting system.

(6) Establishing and maintaining property control records.

(7) Undertaking definition of the space management program, including space design, control and requirements projections.

(8) Representing the circuit in its dealings with other government agencies and with the Administrative Office of the United States Courts with respect to the establishment, maintenance, and use of courtrooms, chambers and offices.

(9) Initiating studies relating to the business and administration of the courts within the circuit and preparing appropriate recommendations and reports to the Chief Judge, the Circuit Council and the Judicial Conference.

(10) Defining management information requirements and collecting, compiling, and analyzing statistical data with a view to the preparation and presentation of reports based on such data as may be directed by the Chief Judge, the Circuit Council, and the Administrative Office of the United States Courts.

(11) Representing the circuit as its liaison

to the courts of the various states in which the circuit is located, the Marshal's Office, state and local bar associations, civic groups, news media, and other private and public groups having a reasonable interest in the administration of the circuit.

(12) Arranging and attending meetings of the judges of the circuit and of the Circuit Council, including preparing of the agenda and serving as secretary in all such meetings.

(13) Establishing procedures for the calling of jurors in the circuit and controlling their utilization and payment.

(14) Preparing an annual report to the circuit and to the Administrative Office of the United States Courts for the preceding calendar year, including recommendations for more expeditious disposition of the business of the circuit.

All duties delegated to the court executive shall be subject to the general supervision of the Chief Judge of the circuit.

The qualifications for the position of court executive shall be set by the Judicial Conference and shall emphasize management expertise.

Each court executive shall be paid at a salary to be established by the Judicial Conference of the United States and shall serve at the pleasure of the Judicial Council of the Circuit.

S. 1510

A bill to improve judicial machinery by providing for the filing of financial reports by the judges and justices of the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Chapter 17 of Title 28, United States Code, is amended by adding at the end thereof the following new section:

FINANCIAL STATEMENTS

SEC. 377. (a) Pursuant to such rules as the Judicial Conference of the United States shall promulgate, each judge and justice of the United States shall, at least annually, file with the Conference the following reports of his personal financial interests:

(1) A report of his income, his spouse's income and the income of his minor children for the preceding year, the sources thereof, and the amount and nature of the income received from each such source.

(2) The name and address of each business or professional corporation, firm, or enterprise in which he, his spouse, or his minor child was an officer, director, proprietor or employee during the preceding year.

(3) The identity of each liability of $5,000 or more owed by him and/or his spouse at any time during the preceding year.

(4) The source and value of gifts in the aggregate amount or value of $50 or more from any single source received by him and/or his wife or by his minor child during the preceding year.

(5) The name and address of each corporation, association, foundation, trust or other entity whether nonprofit or organized for profit in which to his knowledge he, his spouse, minor child, partner, organization in which he is serving as an officer, director, trustee, partner or employee has an interest and the fair market value of such interest.

(6) The identity of each interest in real or personal property having a value of $10,000 or more in which to his knowledge he, his spouse, minor child, partner, organization in which he is serving as an officer, director, trustee, partner or employee had an interest at any time during the preceding year and the fair market value of such interest.

(7) The amount or value and source of each honorarium of $300 or more received by him during the preceding year.

He shall keep such reports current by filing such supplementary reports as the Conference shall by rule require.

(b) Except as provided in subsection (c) of this section and notwithstanding any other provision of law, the rules promulgated by the Judicial Conference pursuant to subsection (a) of this section may include provisions designed to insure the confidentiality of the required reports.

(c) Notwithstanding the rules promulgated by the Judicial Conference under the provisions of subsections (a) and (b) of this section, the Committee on the Judiciary of the House of Representatives, by a recorded majority vote of the full Committee, may require that it be provided with any financial reports filed with the Judicial Conference. *Provided, however,* That no report shall be required unless it is reasonably needed for use in an investigation of allegations of misconduct which may lead to the initiation of an impeachment of a judge or justice of the United States who filed the financial report being required.

(b) The analysis of Chapter 17 of Title 28, United States Code, is amended by adding at the end thereof the following new item:

"377. Financial Statements."

S. 1511

A bill to improve judicial machinery by providing benefits for survivors of Federal judges comparable to benefits received by survivors of Members of Congress, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subchapter III of chapter 83 of title 5, United States Code, is amended by adding after section 8341 thereof the following new section:

"8341A. Annuities for survivors of judicial officials.

"(a) For the purpose of this section—

"(1) 'judicial official' means an individual who gives notice in writing to the Director of the Administrative Office of the United States Courts within six months after (i) the date on which he takes office, (ii) the date on which he gets married, or (iii) the enactment of this section of his desire to make his survivors subject to this section and who is—

"(A) a justice or judge of the United States as defined by section 451 of title 28;

"(B) a judge of the United States District Court for the District of Puerto Rico, the United States District Court for the District of the Canal Zone, the District Court of Guam, or the District Court of the Virgin Islands;

"(C) a Director of the Administrative Office of the United States Courts who has filed a waiver under section 611(a) of title 28; or

"(D) a Director of the Federal Judicial Center who has filed a waiver under section 627 (b) of title 28; and

"(2) 'retirement salary' means, in the case of—

"(A) a justice or judge of the United States, as defined by section 451 of title 28, salary paid (i) after retirement from regular active service under section 371(b) or 372(a) of that title or (ii) after retirement from office by resignation on salary under section 371(a) of that title;

"(B) a judge of the United States District Court for the District of Puerto Rico, the United States District Court for the District of the Canal Zone, the District Court of Guam, or the District Court of the Virgin Islands, salary paid after retirement from office by resignation on salary under section 373 of title 28 or by removal or failure of reappointment after not less than 10 years judicial service;

"(C) a Director of the Administrative Office of the United States Courts, an annuity paid under subsection (b) or (c) of section 611 of title 28; and

"(D) a Director of the Federal Judicial Center, an annuity paid under subsection (c) or (d) of section 627 of title 28.

"(b) Survivors of judicial officials are entitled to the same benefits under this subchapter as survivors of Members. For the purpose of this subsection, service as a judicial official shall be credited in the same manner as Member service, and the pertinent provisions of sections 8331, 8332, 8333, 8334, 8339–8342, and 8345–8348 of this title are applicable to a judicial official and his survivors to the same extent as such provisions are applicable to a Member and the survivors of a Member, except that—

"(1) service as a judicial official includes any period for which the judicial official is paid retirement salary, except a judge resigned on salary under 28 USC 371(a) or 373;

"(2) in lieu of amounts required to be deducted, contributed, or deposited under section 8334 of this title, (A) the amount to be deducted under section 8334(a) of this title is 3 per centum of the salary, including retirement salary, of the judicial official, and a like amount shall be contributed from the appropriation or fund available for the payment of the salary of the official, and (B) the amount of any deposit referred to in sections 8334 (c) and (d) of this title is 3 per centum of the salary, including retirement salary with interest, received for the service covered by the deposit; and

"(3) the lump-sum credit shall be paid to a judicial official who leaves office before becoming eligible to receive retirement salary;

"(4) a judicial official as defined by section 8341(a)(1)(B) who is separated after not less than 10 years of service may either (i) be paid a lump sum credit or (ii) leave his money in the fund in which case if he dies before having become eligible for payment of retirement salary his survivor is entitled to the benefits provided under section 8341 (b)–(f);

"(5) interest on deductions and deposits under section 8331(8)(c) shall be compounded annually after December 31, 1947 at 3 per centum a year through the last day of the calendar year in which this section is enacted;

"(6) any balance not applied as prescribed in section 8342(h) shall be refunded rather than deemed a voluntary contribution;

"(7) designations of beneficiary under section 8342(c) shall be filed with the Director of the Administrative Office of the United States Courts.

"(8) determination of persons responsible for care of a claimant under section 8345(e) shall be made by the Director of the Administrative Office of the United States Courts.

"(c) Nothing contained in this section shall be construed to prevent a widow eligible therefore from simultaneously receiving an annuity under this section and any annuity to which she would otherwise be entitled under any other law without regard to this section, but in computing such other annuity, service used in the computation of her annuity under this section shall not be credited.

"(d) Notwithstanding section 8347(a)–(k) of this title, the Director of the Administrative Office of the United States Courts shall administer this subchapter insofar as it applies to judicial officials and their survivors, except that—

"(1) deposits, withholdings, deductions, and contributions shall be received and administered in accordance with section 8348 of this title;

"(2) actuarial duties shall be performed in accordance with section 8347(f) of this title; and

"(3) authorizations, disbursements of lump-sum credits and annuities shall be made by the Civil Service Commission out of the fund on certification by the Director of the Administrative Office of the United States Courts.".

"(e) Subchapter III of chapter 83 of title 5, United States Code, is further amended by adding after item 8341 of the analysis of such subchapter the following new item:

"8341A. Annuities for survivors of judicial officials.".

TRANSFER OF FUNDS AND RECORDS

SEC. 2. (a) The Secretary of the Treasury shall transfer all assets credited to the judicial survivors annuity fund under section 376 of title 28, United States Code, to the Civil Service Retirement and Disability Fund, and the judicial survivor annuity fund shall thereupon be abolished.

(b) The Director of the Administrative Office of the United States Courts and the Secretary of the Treasury shall transfer to the Civil Service Commission any records, accounts, papers, or other matter which the Commission deems necessary to carry out the functions imposed upon it by this title.

APPLICABILITY

SEC. 3. (a) Except as provided in subsection (b), section 301 of this title shall not apply in the case of annuities which became payable under section 375 or 376 of title 28, United States Code, prior to the effective date of this title, and such annuities shall continue in the same manner and to the same extent as if section 301 of this title had not been enacted.

(b) On and after the effective date of this title, an annuity which became payable under section 376 of title 28, United States Code, prior to the effective date of this title shall be (1) increased by the same total percent increase used to adjust a survivor annuity paid from the civil service retirement and disability fund with the same commencing date, and (2) thereafter be adjusted and paid in accordance with section 8340 of title 5, United States Code, applying the same base month and price index change used to adjust annuities of civil service employees under section 8340(b) of title 5, United States Code.

(c) On and after the effective date of this title, any annuity or refund payable out of the judicial survivors annuity fund shall be paid out of the civil service retirement and disability fund.

(d) Notwithstanding section 8348(g) of title 5, United States Code, benefits resulting from the enactment of this title shall be paid from the civil service retirement and disability fund.

WAIVER BY JUSTICES

SEC. 4. Section 375 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) If a Justice of the United States gives notice in writing to the Director of the Administrative Office of the United States Courts of his desire to become subject to section 8349 of title 5, the widow of such Justice shall be ineligible to receive an annuity under this section.".

REPEALER

SEC. 5. Section 376 of title 28, United States Code, is hereby repealed. A judicial official under the purview of section 376 on the date of enactment of this section will automatically become subject to section 8341a.

EFFECTIVE DATE

SEC. 6. This title shall become effective on the first day of the third month following the date of enactment of this Act.

S. 1512

A bill to improve judicial machinery by amending provisions of law relating to the retirement of justices and judges of the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last full paragraph of Section 372(a) of Title 28, United States Code, is amended to read as follows: "Each justice or judge retiring under this Section shall, during the remainder of his lifetime, receive the salary of the office.".

S. 1513

A bill to improve judicial machinery by amending provisions of law relating to assignment of judicial duties to retired judges

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 294 of Title 28, United States Code, is amended (a) By striking out the phrase "retired from regular active service under section 371(b) or 372(a) of this title" in subsection (b), and inserting in lieu thereof the following: "retired voluntarily from regular active service under section 371(b) or 372(a) of this title, or who has been involuntarily retired under section 372(b) of this title,".

(b) By striking out of the first sentence of subsection (c) the phrase "Any retired circuit or district judge may", and inserting in lieu thereof the following: "A circuit or district judge retired voluntarily under section 371(b) or 372(a) of this title or involuntarily under section 372(b) of this title shall, from time to time,"; and

(c) By adding at the end of subsection (c) the following new sentence: "A judge of the United States retired involuntarily under section 372(b) of this title, shall be designated and assigned by the chief judge of his court to perform such judicial duties in such court as such judge is willing and able to undertake.".

S. 1514

A bill to improve judicial machinery by amending provisions of law relating to membership on judicial councils

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Section 332 of Title 28, United States Code, is amended to read as follows:

"§ 332. Judicial Councils

"(a) The chief judge of each circuit shall call, at least twice in each year and at such places as he may designate, a council of the judges specified in this section. The judges of the council, unless excused by the chief judge of the circuit, shall attend all sessions of the council.

"(b) The council shall be known as the Judicial Council of the circuit.

"(c) The chief judge of the circuit shall preside at each session of the council. In his absence the chief judge of a district who is senior in commission to the other chief judges participating as members of the council shall preside. To each meeting of the council the chief judge of the circuit shall summon an equal number of circuit and district judges in regular active service. The total number of judges summoned shall be computed by multiplying the number of circuit judges authorized for each circuit under section 44 of this title by two, but in no event shall the total number of judges summoned exceed eight, not including the chief judge of the circuit.

"(d) The circuit judges shall be summoned in the order of the seniority of their circuit court commissions. The district judges summoned shall be those chief judges elected to membership on the council by a majority vote of the chief judges of the districts within the circuit under procedures prescribed by the chief judge of the circuit, except that in the District of Columbia circuit the district judges summoned shall be the chief judge of the District Court for the District of Columbia and the appropriate number of district judges in regular active service, summoned in order of the dates of their commissions. Whenever a district judge member shall cease to be chief judge, his membership on the council shall cease, and within sixty days thereafter the chief judges of all of the districts within the circuit shall select a chief judge to replace him on the council."

"(e) The chief judge shall submit to the council the quarterly reports of the Director of the Administrative Office of the United States Courts. The council shall take such action thereon as may be necessary.

"(f) Each judicial council shall make all necessary orders for the effective and expeditious administration of the business of the courts within its circuit. The district judges shall promptly carry into effect all orders of the judicial council."

(b) Within sixty days after the date of the enactment of the Judicial Reform Act, or within thirty days preceding the convening of the next scheduled meeting of the council of a circuit, whichever is sooner, the chief judges of all of the districts within each circuit shall select the district judge members of the circuit council under procedures prescribed by the chief judge of the circuit.

S. 1515

A bill to improve judicial machinery by amending the provisions of law relating to the selection of circuit chief judges and district court chief judges

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 45(a) of title 28, United States Code, is amended to read as follows: "(a) The circuit judge in regular active service who is senior in commission shall be the chief judge of the circuit: *Provided, however,* That no circuit judge shall become chief judge of the circuit after reaching sixty-six years of age nor remain as chief judge after reaching seventy years of age. If at the time a new chief judge of the circuit is to be selected all the circuit judges in regular active service are sixty-six years of age or older, the youngest shall act as chief judge until a judge has been appointed and qualified who is under sixty-six years of age, but a judge may not act as chief judge until he has served as a circuit judge for one year."

(b) This section shall become effective on January 1, 1971.

SEC. 2. Section 136 (a) of title 28, United States Code, is amended to read as follows: "In each district having more than one judge the district judge in regular active service who is senior in commission shall be the chief judge of the district court; provided, however, that no district court judge shall become chief judge of the district court after reaching sixty-six years of age nor remain as the chief judge after reaching seventy years of age. If at the time a new chief judge of the district court is to be selected all the district judges in regular active service are sixty-six years of age or older the youngest shall act as chief judge until a judge has been appointed and qualified who is under sixty-six years of age, but a judge may not act as chief judge until he has served as a district judge for one year."

(b) This section shall become effective on January 1, 1971.

S. 1516

A bill to improve judicial machinery by creating a Commission on Judicial Disabilities and Tenure, and for other purposes

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 "Judicial Disabilities, Tenure and Conflicts of Interest Act".

TITLE I—COMMISSION ON JUDICIAL DISABILITIES AND TENURE

SEC. 101 (a) Chapter 17 of title 28, United States Code, is amended by adding at the end thereof the following new sections:

"§ 377. Commission on Judicial Disabilities and Tenure.

"(a) There is established within the judicial branch of the Government a Commission on Judicial Disabilities and Tenure, whose purpose it shall be to promote the

honorable and efficient administration of justice in the courts of the United States through the performance of the duties imposed upon it by law.

"(b) The Commission shall be composed of five members. Each member shall be a judge of the court of the United States who is in regular active service. The Commission shall, at all times, include at least two district judges of the district courts and two circuit judges. All members shall be assigned to the Commission by the Chief Justice, who shall also designate one of the members as the Chairman of the Commission. No judge who is a member of the Judicial Conference of the United States shall be assigned to the Commission.

"(c) The term of each assignment to the Commission shall be four years; except that—

"(1) a member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was assigned;

"(2) the terms of members first assigned to the Commission shall be those prescribed in section 103(a) of the Judicial Disabilities, Tenure and Conflicts of Interest Act; and

"(3) the term of a member shall become vacant automatically when he resigns, retires, or is permanently separated from regular active service as a judicial officer, becomes a member of the Judicial Conference of the United States, or becomes a Justice of the United States.

A judge who has served a full term may be reassigned to the Commission only once. A judge assigned to fill a term that has been vacated may be reassigned to the Commission for one full term.

"(d) Performance of duties as a member of the Commission shall constitute the transaction of official business within the meaning of section 456 of this title.

"(e) The Commission shall act upon the concurrence of any three of its members, but the concurrence of any four of its members shall be required to effect a determination that the conduct of a judge has been or is inconsistent with the good behavior required by article III of the Constitution.

"§ 378. Good behavior of a judge.

"(a) Upon complaint or report, formal or informal, of any person, the Commission may undertake an investigation of the official conduct of any judge of the United States appointed to hold office under article III of the Constitution to determine whether the conduct of such judge is and has been consistent with the good behavior required by that article. After such investigation as it may deem adequate, the Commission may dismiss the complaint as frivolous, unwarranted, or insufficient in law or in fact. Should such investigation give the Commission cause to believe that the conduct of the judge is or has been inconsistent with the good behavior required by article III, the Commission shall order a hearing concerning the conduct of such judge.

"(b) A judge whose conduct is to be the subject of a hearing by the Commission shall be given notice of such hearing and of the nature of the matters under inquiry not less than thirty days before the date on which the hearing is to be held. He shall be admitted to such hearing and to every subsequent hearing regarding his conduct. He may be represented by counsel, offer evidence in his own behalf, and confront and cross-examine witnesses against him. A record of each such hearing shall be kept by the Commission and one copy of such record shall be made available to the judge at the expense of the Commission.

"(c) Willful misconduct in office or willful and persistent failure to perform his official duties by a judge of the United States shall constitute conduct inconsistent with the good behavior required by article III of the Constitution and shall be cause for the removal of that judge.

"(d) Within ninety days after the adjournment of hearings held pursuant to subsection (b) of this section, and pursuant to rules established in accordance with subsections (b) and (c) of section 103 of the Judicial Disabilities, Tenure and Conflicts of Interest Act, the Commission shall make findings of facts and a determination regarding the conduct of the judge who was the subject of such hearing. If the Commission determines that the conduct of such judge has been or is inconsistent with the good behavior required by article III of the Constitution, it shall forthwith so report to the Judicial Conference of the United States, recommending that the judge be removed from office, and shall forthwith notify the judge of its determination and order him to cease the exercise of any judicial powers or prerogatives pending disposition of the Commission's recommendation by the Judicial Conference. Failure of the Commission to reach the four-member concurrence required by section 377(e) shall in every case be deemed a determination that the conduct of the judge has not been inconsistent with the good behavior required by article III of the Constitution. If the Commission determines that the conduct of the judge has not been inconsistent with the good behavior required by article III, it shall forthwith so notify the judge, inquiring whether he desires the Commission to make information pertaining to the nature of its investigation, its hearings, findings, and determination, or any other facts related to its proceedings regarding his conduct available to the public. Upon receipt of a request in writing from the judge, the Commission shall make such information available to the public.

"(e) Whenever the Commission determines that the conduct of a judge is or has been inconsistent with the good behavior requirement of article III of the Constitution, the Commission shall, after consultation with that authority within his court responsible for the assignment of business to judges, formulate such order or orders regarding the business pending before the judge as the Commission may deem appropriate.

"§ 379. Duties and powers of the Judicial Conference.

"(a) The Judicial Conference of the United States may adopt such rules of procedure as it may deem appropriate to the performance of its duties under this chapter.

"(b) Whenever the chairman of the Conference, or other officer designated for the purpose, receives from the Commission a recommendation that a judge be removed from the office for conduct inconsistent with the good behavior required by article III of the Constitution, the Conference or one of its committees shall forthwith review the record, the findings, and the determination of the Commission, both on the law and on the facts. In its discretion, the Conference or one of its committees may receive additional evidence, hear oral arguments, or require the filing of briefs. The Conference may accept, modify, or reject the findings of the Commission, or remand the case of the Commission for further proceedings in accordance with the Conference's order. Should the Conference accept the recommendation of the Commission, the Conference shall stay certification to the President of its determination that the conduct of the judge has been inconsistent with the good behavior required by article III of the Constitution, pending review in the Supreme Court. Such stay shall expire upon final disposition of the case in the Supreme Court or on the day after the date on which the time for seeking such review has passed without the filing of a petition for the writ of certiorari. The Conference may, in its discretion, continue any order issued by the Commission pursuant to subsections (d) and (e) of section 378 of this title pending disposition by the Supreme Court.

"(c) If the Conference determines that the conduct of the judge has not been inconsistent with the good behavior required by article III, it shall forthwith so notify the judge, inquiring whether he desires the Conference to make information pertaining to the nature of its investigation, its hearings, findings, and determination, or any other facts relating to its proceedings regarding his conduct available to the public. Upon receipt of a notice in writing from the judge, the Conference shall make such information available to the public.

"(d) A judge aggrieved by a determination of the Conference to certify him for removal may seek review of such determination by writ of certiorari in the Supreme Court under section 1259 of this title.

"(e) Upon affirmance by the Supreme Court of the Conference's determination to certify a judge for removal, or upon expiration of a stay for failure to seek review of the certification in the Supreme Court, the Conference shall forthwith so certify to the President, and such judge shall be removed from office. The President shall forthwith appoint, by and with the advice and consent of the Senate, a successor to such judge.

"§ 380. Disability of a judge.

"(a) Upon report, formal or informal, of any person, the Commission may undertake an investigation of the physical or mental condition of any judge of the United States appointed to hold office during good behavior to determine whether the judge in question has a permanent mental or physical disability seriously interfering with the performance by him of one or more of his critical duties and whether any such disability is or is likely to become permanent in character. After such investigation as it may deem adequate, the Commission may dismiss the complaint as frivolous, unwarranted or insufficient in law or in fact. Should the Commission determine that the judge in question is unable to discharge efficiently one or more of the critical duties of his office by reason of permanent mental or physical disability, the Commission shall order a hearing concerning the physical or mental condition of such judge.

"(b) A judge whose physical or mental condition is to be the subject of a hearing by the Commission shall be given notice of such hearing and of the nature of the matters under inquiry no later than thirty days prior to the date on which the hearing is to be held. He shall be admitted to such hearing and to every subsequent hearing regarding his physical or mental condition. He may be represented by counsel, offer evidence in his own behalf, and confront and cross-examine witnesses against him. A record of each such hearing shall by kept by the Commission and one copy of such record shall be made available to such judge at the expense of the Commission.

"(c) Within ninety days after the adjournment of hearings held pursuant to subsections (a) and (b) of this section, and pursuant to rules established in accordance with subsections (b) and (c) of section 103 of the Judicial Disabilities, Tenure and Conflicts of Interest Act, the Commission shall make findings of fact and a determination regarding the physical or mental condition of such judge. Should the Commission determine that the judge does have a physical or mental disability seriously interfering with the performance by him of one or more of his critical duties and that the disability is or is likely to become permanent in character, the Commission shall proceed pursuant to section 372(b) of this title. Should the Commission determine that the judge does not have such a disability it shall forthwith so report to the judge. The judge shall be informed that, upon receipt of his written request, the Commission will make information regarding the nature of its proceedings, its findings, and determinations, and such other matters regarding its

proceedings in his case as are not confidential or privileged under law available to the public. Upon receipt of such request, the Commission shall make such information available to the public.

"§ 381. Claim of a judge.

"The Commission shall hear and decide any claim by a judge retired under section 372(b) of this title that he is not being assigned such judicial duties within his court as he is willing and able to undertake. The Commission may prescribe by rule such procedures as may be appropriate to the consideration and disposition of these claims. Whenever such a claim is substantiated to the satisfaction of a majority of the Commission, the Commission shall transmit an appropriate order to the authority within his court responsible for the assignment of judicial duties to retired judges.

"§ 382. Confidentiality of proceedings.

"Notwithstanding any other provision of law, the filing of papers with and the giving of testimony before the Commission shall be privileged. Unless otherwise authorized by the judge whose conduct, physical or mental ability, or claim is the subject of proceedings under this chapter, or authorized by this section, or by section 378 or 380 of this title, the record of hearings before the Commission and all papers filed in connection with such hearings shall be confidential; but the filing of an application for a writ of certiorari to the Supreme Court of the United States, as provided in section 1259 of this title, shall render public the record of hearings before the Commission and before the Conference and all papers filed in connection therewith to the extent that such record or such papers are required for the disposition of such application and for the conduct of any subsequent proceedings.

"§ 383. Disqualification.

"A judge who is a member of the Commission or the Judicial Conference of the United States shall not serve as a member of such body in any proceedings when it inquires into his own conduct or physical or mental condition or claim. No judge of the same court as the judge whose conduct or physical or mental condition or claim is the subject of any inquiry by the Commission or the Conference shall participate in such inquiry or in the determination by such body thereof. In the event that a Commission member is disqualified under this subsection, the Chief Justice shall assign a substitute judge to the Commission, to serve only in the matter which caused this assignment.

"§ 384. Powers of the Commission and the Judicial Conference.

"(a) In the conduct of investigations and hearings under sections 378–381 of this title, the Commission and the Judicial Conference of the United States may administer oaths, order and otherwise provide for the inspection of books and records, and issue subpoenas for the attendance of witnesses and the production of papers, books, accounts, documents, and testimony relevant to any such investigation or proceeding.

"(b) No person shall be excused from attending and testifying or from producing books, papers, and other records and documents before the Commission or the Conference on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subject to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

"§ 385. Enforcement.

"If any person refuses to attend, testify, or produce any writings or things required by a subpoena issued by the Commission or the Judicial Conference of the United States the issuing body may petition the district court for the district in which such person may be found for an order compelling such person to attend and testify or produce the writings or things required by the subpoena. The court shall order such person to appear before it at a specified time and place and then and there shall consider why he has not attended or testified or produced the writings or things as required. A copy of the order shall be served upon him. If it appears to the court that the subpoena was regularly issued, the court shall order such person to appear before the issuing body at the time and place fixed in the order and to testify or to produce the required writings or things. Upon failure to obey the order, such person shall be dealt with as for contempt of court.

"§ 386. Depositions.

"In pending investigations or proceedings before them, the Commission and the Judicial Conference of the United States may order the deposition of any person to be taken in such form and subject to such limitation as may be prescribed in the order. The Commission or the Conference may file in the district court for the district in which such investigation or proceeding is pending a petition entitled "In the Matter of Proceedings of the Commission on Judicial Disability and Tenure (or Judicial Conference of the United States) Numbered ——", stating generally, without identifying the judge, the nature of the pending matter, the name and residence of the person whose testimony is desired, and directions, if any of the Commission or the Conference, asking that an order be made requiring such person to appear and testify before a designated officer. Upon the filing of the petition, the court may make an order requiring such person to appear and testify. A subpoena for such depositions shall be issued by the clerk and the depositions shall be taken and returned in the manner prescribed by law in civil actions.

"§ 387. Fees and mileage of witnesses.

"Each witness, other than an officer or employee of the United States, shall receive for his attendance the same fees, and all witnesses shall receive the same mileage, allowed by law to a witness in civil cases as provided in section 1821 of this title. The amount shall be paid by the Administrative Office of the United States Courts from funds appropriated for the judiciary.

"§ 388. Duty of marshals to serve process and execute orders.

"It shall be the duty of the United States marshals, upon request of the Commission or the Judicial Conference of the United States, to serve process and to execute all lawful orders of the Commission or Conference.

"§ 389. Commission and Conference staffs.

"(a) The Commission shall have a permanent staff of attorneys, and clerical and secretarial assistants.

"(b) The Commission and the Judicial Conference of the United States may employ on a temporary basis such counsel, assistants, and other employees as are necessary for the performance of the duties and exercise of the powers conferred upon them. The Commission and the Conference may arrange for and compensate medical and other experts and reporters, and arrange for the attendance of witnesses, including witnesses not subject to subpena.

"(c) The Director of the Administrative Office of the United States Courts may pay from funds available to the judiciary all expenses reasonably necessary for effectuating the purposes of sections 337–381 of this title, whether or not specifically enumerated herein.".

(b) The analysis of chapter 17 of title 28, United States Code, is amended by adding at the end thereof the following new items:

"377. Commission on Judicial Disabilities and Tenure.
"378. Good behavior of a judge.
"379. Duties and powers of the Judicial Conference.
"380. Disability of a judge.
"381. Claim of a judge.
"382. Confidentiality of proceedings.
"383. Disqualification.
"384. Powers of the Commission and the Judicial Conference.
"385. Enforcement.
"386. Depositions.
"387. Fees and mileage of witnesses.
"388. Duty of marshals to serve process and execute orders.
"389. Commission and Conference staffs.".

(c) Section 451 of title 28, United States Code, is amended by adding at the end thereof the following new definition:

"The term 'Commission' means the Commission on Judicial Disabilities and Tenure established under chapter 17 of this title.".

SUPREME COURT REVIEW

SEC. 102. Chapter 81 of title 28, United States Code, is amended—

(1) by adding at the end thereof the following new section:

"§ 1259. Review of Judicial Conference certification

"Upon the petition of the aggrieved judge, the Supreme Court may review by writ of certiorari a certification to the President by the Judicial Conference of the United States, pursuant to section 379 of this title, that a judge be removed for conduct inconsistent with the good behavior required by article III of the Constitution. The petition for a writ of certiorari shall be filed within the time provided in section 2101(c) of this title.";

and

(2) by adding at the end of the analysis thereof the following new item:

"1259. Review of Judicial Conference certification.".

MISCELLANEOUS

SEC. 103. (a) Within ninety days after the date of enactment of this Act the Chief Justice shall assign judges of the United States to serve on the Commission on Judicial Disabilities and Tenure in accordance with section 377 of title 28, United State Code, as added by section 101(a) of this Act. The Chairman shall be appointed for a term of four years, and the members shall be appointed for terms of two, three, and four years, as designated by the Chief Justice.

(b) Within one hundred and eighty days after the date of enactment of this Act, the Commission shall promulgate such rules for the conduct of its proceedings and other business it is authorized to undertake under title I of this Act.

(c) Within one hundred and eighty days after the enactment of this Act, the Judicial Conference of the United States shall promulgate rules of evidence for the use of the Commission and the Conference, or any constituent committee thereof empowered to conduct hearings on their behalf, and rules for the conduct of its proceedings and other business related to its compliance with duties imposed upon it under title I of this Act.

(d) All rules promulgated pursuant to subsections (b) and (c), and amendments thereto, shall be matters of public record, and shall be effective upon promulgation.

TITLE II—RETIREMENT OF JUDGES

RETIREMENT FOR AGE

SEC. 201. (a) Section 371(b) of title 28, United States Code, is amended by inserting

immediately before the period at the end of the first sentence the following: ", or at any age after serving at least twenty years continuously or otherwise."

(b) The last full paragraph of section 372(a) of such title is amended to read as follows:

"Each justice or judge retiring under this section shall, during the remainder of his lifetime, receive the salary of the office.".

DISABILITY RETIREMENT

SEC. 202 (a) Section 294(b) of title 28, United States Code, is amended by striking out the phrase "retired from regular active service under section 371(b) or 372(a) of this title," and inserting in lieu thereof the following "retired voluntarily from regular active service under section 371(b) or 372(a) of this title, or who has been involuntarily retired under section 372(b) of this title,".

(b) Section 294(c) of title 28, United States Code, is amended—

(1) by striking out the first sentence thereof the phrase "Any retired circuit or district judge may", and inserting in lieu thereof the following: "A circuit or district judge retired voluntarily under section 371(b) or 372(a) of this title or involuntarily under section 372(b) of this title shall, from time to time,"; and

(2) by adding at the end thereof the following new sentence: "A judge of the United States retired involuntarily under section 372(b) of this title shall be designated and assigned by the chief judge of his court to perform such judicial duties in such court as such judge is willing and able to undertake.".

(c) Section 372 of title 28, United States Code, is amended by striking out subsection (b), and inserting in lieu thereof the following:

"(b) Whenever any judge of the United States appointed to hold office during good behavior who is eligible to retire under this section does not do so and a majority of the Commission finds, subject to the requirements of section 380 of this title, that such judge is unable to discharge efficiently one or more of the critical duties of his office by reason of permanent mental or physical disability, the Commission shall certify its determination to the President and such judge shall be retired involuntarily from the regular active service.

"(c) The President, by and with the advice and consent of the Senate, shall forthwith appoint a successor to any judge retired involuntarily under the provisions of subsection (b) of this section. Whenever such successor shall have been appointed, the vacancy subsequently caused by the death or resignation of the judge involuntarily retired shall not be filled.

"(d) Habitual intemperance that seriously interferes with the performance of any of the critical duties of a judge shall be regarded as a permanent disability for the purposes of this section and section 380 of this title.".

TITLE III—JUDICIAL CONFLICTS OF INTEREST

SEC. 301. (a) Chapter 17 of title 28, United States Code, is amended by adding at the end thereof the following new sections.

"§ 390. Conflicts of interest.

"(a) The conduct of a judge of the United States who participates in the adjudication, of any motion, petition, claim, controversy, charge, accusation, arrest, or other particular matter in which, to his knowledge, he, his spouse, minor child, creditor, partner, organization in which he is serving as officer, director, trustee, partner, or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, has a substantial financial interest, is inconsistent with the good behavior required by article III of the Constitution and shall be grounds for removal from office under sections 378 and 379 of this title: *Provided, however,* That participation in such adjudication shall not be grounds for removal if the nature or size of the financial interest described above is such that it is unlikely to have affected the integrity of any ruling by such judge in the adjudication.

"(b) The preceding subsection shall not apply if the judge first advises the chief judge of the court on which he serves, or if he is the chief judge of a district court, the chief judge of the circuit court in which his district is located, or if he is a chief judge of a circuit court or the chief judge of the Court of Claims, Court of Customs and Patent Appeals, or Customs Court, the Chief Justice, of the nature and circumstances of the proceeding or other particular matter in which he is to participate by virtue of his office and makes full disclosure of the financial interest and receives in advance a written determination by such chief judge or Chief Justice that the interest is not of such a nature as will affect the integrity of any ruling by such judge.

"§ 391. Financial statements.

"(a) Pursuant to such rules as the Judicial Conference of the United States shall promulgate each judge and justice of the United States shall, at least annually, file the following reports of his personal financial interests with the chief judge of the court on which he serves, or if he is the chief judge of a district court with the chief judge of the circuit in which his district is located, or if he is an associate justice of the Supreme Court or the chief judge of a circuit or the chief judge of the Court of Claims, the Court of Customs and Patent Appeals, or Customs Court, with the Chief Justice, or if he is the Chief Justice, with the Judicial Conference of the United States:

(1) A report of his income, his spouse's income and the income of his minor children for the preceding year; the sources thereof and the amount and nature of the income received from each such source.

(2) The name and address of each business or professional corporation, firm, or enterprise in which he or his spouse or his minor child was an officer, director, proprietor or employee during the preceding year.

(3) The identity of each liability of $5,000 or more owed by him and/or his spouse at any time during the preceding year.

(4) The source and value of gifts in the aggregate amount or value of $50 or more from any single source received by him and/or his spouse or by his minor child during the preceding year.

(5) The names and addresses of each corporation, association, foundation, trust or other entity whether non-profit or organized for profit in which to his knowledge he, his spouse, minor child, partner, organization which he is serving as an officer, director, trustee, partner or employee has an interest and the fair market value of such interest.

(6) The identity of each interest in real or personal property having a value of $10,000 or more which he and/or his spouse owned at any time during the preceding year.

(7) The amount or value and source of each honorarium of $300 or more received by him during the preceding year.

He shall keep such reports current by filing such supplementary reports as the Conference shall by rule require.

(b) Except as provided in subsection (c) of this section and notwithstanding any other provision of law, the rules promulgated by the Judicial Conference pursuant to subsection (a) of this section may include provisions designed to insure the confidentiality of the required reports. Provided, however, that the reports shall be made available to the Commission on Judicial Disabilities and Tenure whenever they are reasonably needed for use in an investigation into the conduct of a judge in accordance with the provisions of section 378 of title 28, United States Code.

(c) Notwithstanding the rules promulgated by the Judicial Conference under the provisions of subsections (a) and (b) of this section, the Committee on the Judiciary of the House of Representatives, by a recorded majority vote of the full Committee, may require that it be provided with any financial reports filed in accordance with the provisions of subsection (a) of this section. Provided, however, that no report may be required unless it is reasonably needed for use in an investigation of allegations of misconduct which may lead to the initiation of an impeachment of a judge or justice of the United States who filed the financial report being required.

(b) The analysis of chapter 17 of title 28, the United State to file a report required by this section, or the filing of a fraudulent report, shall constitute conduct inconsistent with the good behavior required by article III of the Constitution, and shall be grounds for removal from office under sections 378 and 379 of this title.

(b) the analysis of chapter 17 of title 28, United States Code, is amended by adding at the end thereof the following new items:

"390. Conflicts of interest.
"391. Financial statements.".

SEC. 302(a) The heading of chapter 17 of title 28, United States Code, immediately preceding section 371 of such title, is amended to read as follows:

"CHAPTER 17.—RETIREMENT, RESIGNATION, AND REMOVAL OF JUDGES."

(b) The table of contents of part I of title 28, United States Code, immediately preceding the analysis of chapter 1 of such title, is amended by striking out

"17. Resignation and retirement of judges ---------- 371"

and inserting in lieu thereof the following new chapter heading:

"17. Retirement, resignation, and removal of judges---------- 371".

The outline, presented by Mr. TYDINGS, follows:

OUTLINE—THE JUDICIARY REFORM ACT

CONTENT OF THE BILL

TITLE I: Commission on Judicial Disabilities and Tenure.
TITLE II: Retirement of Judges.
TITLE III: Judicial Survivor Annuities.
TITLE IV: Judicial Conflicts of Interest.
TITLE V: Miscellaneous Provisions: Judicial Council—Membership and Court Executives; Selection of Chief Judges.

TITLE I—COMMISSION ON JUDICIAL DISABILITIES AND TENURE

A. The Commission

Nature: Establishment "within the Judicial Branch"; national, rather than regional

Composition: 5 judges of the United States (no Justices; no Judicial Conference Members); 2 District Judges, 2 Circuit Judges required.

Selection: Assignment by Chief Justice; Chairman designated by Chief Justice.

Tenure: 4 years, except originally (2, 2, 3, 4, 4).

Compensation: No salary; actual and necessary expenses.

General Powers: Conduct inquiries and other proceedings to determine.

1. Good behavior of a judge—recommendation of removal to be reviewed by Judicial Conference, also reviewable by Supreme Court.

2. Physical or mental condition of a judge—retirement determination not reviewable.

3. Claim of a retired judge that he is not receiving cases despite his ability and willingness—determination of claim not reviewable.

Action: Requires concurrence of three members in every instance except recommendation of removal, which requires concurrence of four members.

Disqualification: No member of Commission or Conference may sit on case (removal, disability, or claim) involving a judge of his own court. Chief Justice appoints *ad hoc* member of Commission upon disqualification of a member under this provision.

Confidentially: Unless subject judge opts otherwise, records of Commission or Conference proceedings to be confidential. Petition for certiorari in removal cases effects *pro tanto* release of record.

B. Removal proceedings

Initiation of Inquiry: "Upon complaint or report of any person." No *sua sponte* investigations.

Preliminary Investigation: Commission personnel "follow up" on complaints or reports.

Initial Determination: i.e., proceed or dismiss for insufficiency, frivolity, etc. (even a dismissal gives the Commission the opportunity to give the subject judge an informal non-statutory "warning".)

Hearings: Commission determination to proceed means full scale hearings on conduct of judge.—Subject judge to receive notice of hearing, has right to attend, have counsel, offer evidence, cross-examine, etc.; rules of evidence to be established by Conference.

Findings of Fact, Report and Recommendation:

Finding that judge's conduct not inconsistent with Article III good behavior requirement—Subject judge and complainant are notified. Matter ends here. Judge may "release" record to public.

Finding that judge's conduct *is or has been* inconsistent with Article III good behavior requirements—Subject judge so notified. Commission so reports to Conference, recommending removal of judge. Commission has power to make order concerning business pending before subject judge.

Conference Review of Commission record and findings, may be undertaken by a committee of the Conference.

Additional Appropriate Action by Conference or committee, including additional hearings, briefs, etc. Subject judge has same rights as he had at Commission level.

Conference Determination:

Reject Commission recommendation—find judge's conduct not inconsistent with "good behavior". Matter ends here. Judge may release record to public.

Accept Commission recommendations—prepare certification of judge's "bad conduct" to President, but stay its issue pending Supreme Court proceedings.

Supreme Court Review of Conference decision to certify judge for removal. Optional.

Presidential Action: Commission's stay of certification lapses when time to file *certiorari* petition has run or when petition is otherwise disposed of. Upon receipt of certification by President, judge is removed. President to "forthwith" appoint successor (with advice and consent of Senate).

C. Disability proceedings

Initiation of Inquiry: As in removal, above.

Preliminary Investigation: As in removal, above.

Initial Determination: As in removal, above.

Hearing: As in removal, above.

Determination: Two questions to answer, "Is judge suffering from a physical or mental disability seriously interfering with the performance by him of one or more of his critical duties?" (Habitual intemperance is made such a disability by the statute.) "Is such disability now, or is it likely to become, permanent in nature?"

If Commission answers either or both questions *"No,"* judge is notified; judge remains in "regular active service."

If Commission answers both questions *"Yes,"* judge is retired; retains office but leaves "regular active service" status; retains salary of the office for life; is entitled to be assigned such cases as he is "willing and able to undertake." Proceedings end here—no review. President to "forthwith" appoint another "regular active service" judge to the appropriate court (with the advice and consent of Senate).

D. "Claim of a judge" proceedings

Initiation of Inquiry: Claim by a retired judge that he is not being assigned to such business of the court as he is willing and able to undertake. (N.B. Bill gives him a kind of "right" to such assignments.)

Proceedings: At the discretion of the Commission.

Determination: After such investigation as it deems adequate Commission may find:

Judge's claim substantiated.—Commission may enter appropriate order to assignment authority of his court. Case ends here—no review.

Judge's claim not substantiated. Case ends here—no review.

E. General policy provisions

Papers and testimony before Commission or Conference *privileged.*

All proceedings of Commission or Conference in these confidential, but subject judge may request disclosure to public. His petition for *certiorari* to the Supreme Court in removal matter will effect *pro tanto* disclosure of papers, record, etc., necessary to consideration of his application.

No Commission or Conference member to participate in determination by such body of his own or his court-brother's case or claim.

F. Powers of commission and conference

Each has powers of court generally.

Each may compel testimony, grant immunity, etc.

Each may issue orders etc., has contempt power.

Commission to employ permanent staff, may also hire temporary assistants, counsel, etc.

Conference may hire temporary assistants, counsel, etc.

TITLE II—RETIREMENT OF JUDGES

A. Retirement for age

Judge may retire at any age after twenty years of service.

B. Disability retirement

Judge may *voluntarily* retire at any age and after any period of service when permanently disabled from performing one or more of his critical judicial duties.

Judge may be *involuntarily* retired by action of Commission (see above).

Retired judges given "right" to assignments they are willing and able to undertake.

Office and Salary of a voluntarily or involuntarily retired judge preserved for life.

TITLE III—JUDICIAL SURVIVORSHIP ANNUITIES

Revision of existing code provisions

To bring survivorship benefits available to widows and dependent children of deceased judges up to those available to survivors of Members of Congress;

To avoid impending bankruptcy of present judicial survivor's fund.

To relocate judicial survivorship within title 5, but preserve administration of funds to the Judiciary.

TITLE IV—JUDICIAL CONFLICTS OF INTEREST

A. Reporting and disclosure

Each judge and justice of the United States to file, at least annually, *a statement of his financial and other specified interests.* Participation by judge in a judicial proceeding or in a decision affecting such interest is "willful misconduct in office" making him liable to removal, unless the interest is *de minimis* or he gets approval of appropriate authority (ruling of "no substantial interest") before he participates.

Willful failure to file or fraudulent filing is "willful misconduct in office"—makes judges liable to removal

Judicial Conference to make rules for administration of conflict of interest provisions. Committee on the Judiciary of the House of Representatives permitted to inspect the financial statements in appropriate circumstances.

TITLE V—MISCELLANEOUS PROVISIONS

A. Reform of Judicial Council membership

Each council to be composed of equal numbers, circuit and district judges two times the number of circuit judgeships authorized—but *not more than total of 8*—not including circuit chief judge.

Circuit Judges summoned in order of seniority of circuit judgeship commission.

District Judges summoned to be elected by district chief judges from circuit from among themselves (except D.C.)

B. Court executive

Appointment of court executive in each circuit to exercise administrative powers delegated by the Circuit Council.

C. Selection of chief judges

Selection of Chief Judges—Circuit and District Court Judges sixty-six years of age or older not eligible for promotion to chief judge of the Circuit or District Court respectively.

S. 1519—INTRODUCTION OF A BILL—NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE ACT

Mr. YARBOROUGH. Mr. President, by Executive order of September 2, 1966, the President of the United States established a National Advisory Commission on Libraries, which was charged to:

First. Make a comprehensive study and appraisal of the role of libraries as resources for scholarly pursuits, as centers for the dissemination of knowledge, and as components of the evolving national information systems;

Second. Appraise the policies, programs, and practices of public agencies and private institutions and organizations, together with other factors which have a bearing on the role and effective utilization of libraries;

Third. Appraise library funding, including Federal support of libraries, to determine how funds available for the construction and support of libraries and library services can be more effectively and efficiently utilized; and

Fourth. Develop recommendations for action by Government or private institutions and organizations designed to insure an effective and efficient library system for the Nation.

In its studies the group met 11 times as a full Commission to discuss library problems and potentials. They also heard formal testimony and had informal discussions with technological experts, librarians, people from Government and private agencies and a variety of users and producers of both conventional library material and newer forms of informational transfer. They also held regional meetings in communities throughout the country to ascertain the people's library needs at the grassroots of our Nation.

For example, 47 Texans from all areas of our State were heard at the Commission's 1-day regional hearing in Lubbock, Tex., on October 6, 1967. Mayor W. D. Rogers, of Lubbock, where the Lubbock City-County Library has been designated as one of the 10 major resource center libraries in the State of Texas, testified:

> The . . . library is the only institution . . . available to all people of all races, creeds, age groups, and levels of educational achievement, whereby a citizen may improve his economic potential through self-education, find the facts needed to do research necessary to operate his business, seek to improve his knowledge and understanding of the world in which he lives, find ecstatic fulfillment through the culture of past ages and broaden his horizons to worlds beyond his own.

The Commission, in a report filed July 1, 1968, which was transmitted to the President, made a number of recommendations, the first of which was the "establishment of a National Commission on Libraries and Informational Science as a continuing Federal planning agency."

In its report on this recommendation, the Commission said:

> In order to implement and further develop the national policy of library services for the Nation's needs, the most important single measure that can be undertaken is the establishment of a continuing Federal planning agency.

Mr. President, I send to the desk a bill to create a National Commission on Libraries and Information Science to carry out the first recommendation of the National Advisory Commission on Libraries. I ask unanimous consent to have this bill 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. 1519) to establish a National Commission on Libraries and Information Science, and for other purposes, introduced by Mr. YARBOROUGH, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

S. 1519

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Commission on Libraries and Information Science Act."

SEC. 2. The Congress hereby affirms that library and information services adequate to meet the needs of the people of the United States are essential to achieve national goals and to utilize most effectively the Nation's educational resources and that the Federal government will cooperate with State and local governments and public and private agencies in assuring optimum provision of such services.

SEC. 3. There is hereby established, as an independent agency within the Executive Branch, a National Commission on Libraries and Information Science (hereinafter referred to as the "Commission").

SEC. 4. The Department of Health, Education, and Welfare shall provide the Commission with necessary administrative services (including those related to budgeting, accounting, financial reporting, personnel and procurement) for which payment shall be made in advance, or by reimbursement, from funds of the Commission in such amounts as may be agreed upon by the Commission and the Secretary of Health, Education, and Welfare.

FUNCTIONS

SEC. 5. (a) The Commission shall have the primary responsibility for developing plans for, and advising the appropriate governments and agencies on, the policy set forth in section 2. In carrying out that responsibility, the Commission shall—

(1) advise the President and the Congress on the implementation of national policy by such statements, presentations, and reports as it deems appropriate;

(2) conduct studies, surveys, and analyses of the library and informational needs of the Nation and the means by which these needs may be met through information centers, through the libraries of elementary and secondary schools and institutions of higher education, and through public, research, special and other types of libraries;

(3) evaluate the effectiveness of library and information science programs and disseminate the results thereof;

(4) develop overall plans for meeting national library and informational needs and for the coordination of activities at the Federal, State and local levels taking into consideration all of the library and informational resources of the Nation to meet those needs:

(5) provide technical assistance and advice to Federal, State, local and private agencies regarding library and information sciences;

(6) promote research and development activities which will extend and improve the Nation's library and information-handling capability as essential links in the national communications networks; and

(7) submit to the President and the Congress, (not later than January 1 of each year), a report on its activities during the preceding fiscal year.

(b) The Commission is authorized to contract with Federal agencies and other public and private agencies to carry out any of its functions under subsection (a) and to publish and disseminate such reports, findings, studies, and records as it deems appropriate.

(c) The Commission is further authorized to conduct such hearings at such times and places as it deems appropriate for carrying out the purposes of this Act.

(d) The heads of all Federal agencies are, to the extent not prohibited by law, directed to cooperate with the Commission in carrying out the purposes of this Act.

MEMBERSHIP

SEC. 6. (a) The Commission shall be composed of fifteen members appointed by the President, by and with the advice and consent of the Senate. Not more than five members of the Commission shall be professional librarians or information specialists, and the remainder shall be persons having special competence or interest in the needs of our society for library and information services. One of the members of the Commission shall be designated by the President as chairman of the Commission. The terms of office of members of the Commission shall be five years, except that (1) the terms of office of the members first appointed shall commence on the date of enactment of this Act and shall expire three at the end of one year, three at the end of two years, three at the end of three years, three at the end of four years, and three at the end of five years, as designated by the President at the time of appointment, and (2) a member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

(b) Members of the Commission who are not in the regular fulltime employ of the United States shall, while attending meetings or conferences of the Commission or otherwise engaged in the business of the Commission, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including travel time, and while so serving on the business of the Commission away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, and authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(c)(1) The Commission is authorized to appoint, without regard to the provisions of title 5, United States Code, covering appointments in the competitive service, such professional and technical personnel as may be necessary to enable it to carry out its function under this Act.

(2) The Commission may procure, without regard to the civil service laws or the Classification Act of 1949, as amended, temporary and intermittent services of such personnel as is necessary to the extent authorized by section 15 of the Administrative Expenses Act of 1946, but at rates not to exceed $100 per day (or, if higher, the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code), including travel time, and while so serving on the business of the Commission away from their home or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government services.

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. There are hereby authorized to be appropriated $500,000 for the fiscal year ending June 30, 1970, and for each succeeding fiscal year such sums as may be appropriated by the Congress for the purposes of carrying out the provisions of this Act.

S. 1520—INTRODUCTION OF A BILL TO BE KNOWN AS THE NEWSPAPER PRESERVATION ACT

Mr. INOUYE. Mr. President, during the 90th Congress our beloved former dean of the Senate, Carl Hayden, together with 14 other Senators, introduced legislation to correct a basic inequity in the antitrust laws as they affect newspapers. His bill, S. 1312, was the subject of 21 days of extensive and far-ranging hearings by the Subcommittee on Antitrust and Monopoly Legislation. These hearings, contained in six printed volumes, to date, with at least one more still in preparation, covered in detail all aspects of the newspaper business.

At the close of the hearings, and in recognition of the major criticisms voiced to S. 1312 as introduced, Senator Hayden suggested to the subcommittee an amended version of the bill. The amended bill, called the newspaper preservation bill, was favorably reported by the subcommittee to the full Committee on the Judiciary, but too late in the session for that committee or the Senate to act on the bill.

It is indeed regrettable that Senate action could not be taken during Senator Hayden's last term. However, I am introducing again today, on behalf of myself and 24 Senators, the newspaper preservation bill, identical to the bill prepared by Senator Hayden and favorably reported last year by the Anti-

trust and Monopoly Subcommittee. This legislation is true to his purpose, to protect and preserve joint newspaper operating arrangements, and is totally consistent with the spirit and intent of the antitrust laws.

A joint newspaper operating arrangement legalizes the combining or merging of the commercial functions of two newspapers—their printing, advertising, and circulation departments—while maintaining two separate and competing news and editorial departments. Thus, a joint operating arrangement may constitute a total commercial merger, but retain the news and editorial competition so vital to our democratic system of government.

The 20th century has witnessed a steady decline of separately owned newspapers in our major metropolitan areas. Many cities which just a few years ago enjoyed a great diversity of editorial voices have seen the number of such voices shrink, generally leaving only one paper—sometimes with morning and afternoon editions—where there once had been two or more.

It has been demonstrated that the loss of such papers is the result of a draining off of advertising revenue to competing media, including radio and television, and the steadily increasing costs of production, in both labor and newsprint. While some may say that a newspaper died because it was a "bad" paper, I doubt that any of us can make such a judgment, and particularly in light of the death of such papers as the highly regarded New York Herald Tribune.

The economic pressures upon newspapers became readily apparent during the depression. In seeking a means whereby two competing newspapers could continue in operation when the economic situation was such that only one could survive in full commercial competition, the two papers in Albuquerque devised the first joint operating arrangement. The commercial functions of the two newspapers were totally merged, but each paper maintained its own news and editorial policy. This joint operation, entered into in 1933, proved to be a successful means of keeping two papers alive. Since 1933, similar operations have been entered into in 22 cities, including San Francisco in 1965, and Miami in 1966.

In addition to the arrangement in Albuquerque, and the one entered into in my home city of Honolulu, there are like arrangements in: Birmingham, Ala.; San Francisco; Miami; Tucson; Evansville; Fort Wayne; Shreveport; St. Louis; Lincoln; Columbus; Tulsa; Salt Lake City; Franklin-Oil City, Pa.; Pittsburgh; Nashville; Knoxville; El Paso; Bristol, Tenn.-Va.; Charleston, W. Va.; and Madison, Wis. Many of these arrangements date back for 20 years or more and, though they received the scrutiny of several attorneys general, there apparently was little doubt as to their legality.

Late in 1964 the Antitrust Division of the Department of Justice brought an action in the Tucson Federal court, challenging the joint operation that had been in existence there for some 25 years. Pursuant to a Government motion for summary judgment, and without reviewing the conditions giving rise to the arrangement or the natural results of breaking it apart, the court held that a joint operating arrangement was a per se violation of the antitrust laws.

And here is the anomaly. While it is recognized by all, including the court in Tucson, that the joint operating arrangement had preserved two separate and distinct news and editorial voices, the operation violated the antitrust laws though a total and absolute merger of the two papers, including the news and editorial voices, would have been acceptable under the failing company doctrine of the antitrust laws.

A complete and total merger, eliminating one of the news and editorial voices, would meet the test of the antitrust laws, but a commercial merger, preserving two separate and competing voices, violates the antitrust laws.

To me this is a sophistry which is too subtle to be acceptable. The more pervasive merger, eliminating any vestige of competition, is acceptable under antitrust doctrine, but an arrangement which provides for the economies of joint printing, advertising and circulation with continued competition in the essential realm of thought and ideas, is condemned.

The Department of Justice in anticipation of this Monday's Supreme Court action upholding the lower court, has announced its intention of moving against all of the other joint operating arrangements, forcing them to separate commercially. The economic facts demonstrate that only one of the newspapers would survive in each of the 22 cities, thus stilling one news and editorial voice in each city. The history of newspapers in the 20th century leaves little hope that a new paper would enter any of these metropolitan markets.

There are today only 59 cities in the United States where there are two or more separately owned newspapers. If the 22 cities with joint operations are eliminated—as the Justice Department now proposes—then there will be only 37 cities with such separately owned news and editorial voices, and it is no secret that the economic bases of such papers are shaky in more than one of these cities.

Mr. President, we simply cannot afford to allow these news voices to die. As Judge Learned Hand said of the press:

> It serves one of the most vital of all general interests, the dissemination of news from as many different sources, and with as many different facets and colors as is possible.

These varying voices weave the basic fabric of our democratic system.

That is why Senator Hayden introduced the newspaper preservation bill, and I, with my colleagues, am proud to reintroduce the same bill today. This bill would grant to joint newspaper operators a very limited exemption to the antitrust laws, allowing two separate newspapers which have entered into a joint operating arrangement to be treated as a single entity—a totally combined or merged newspaper—would be treated under the antitrust laws. The bill is not complicated, nor does it do harm to the purpose and spirit of the antitrust laws.

I do not lightly offer an amendment to the antitrust laws. I recognize their importance to this Nation in assuring continued competition. But, I cannot conceive of any public interest served by the application of the antitrust laws in a way which results in the reduction or elimination of competition.

Mr. President, I sincerely believe that where the public interest in a free and varied press runs afoul of the language, but not the spirit or intent of the antitrust laws, it is time for the Congress to take corrective action.

The Antitrust Subcommittee of the Senate has already devoted a great amount of time to the study of this problem. The House Antitrust Subcommittee also held hearings on an identical bill in the 90th Congress. I would certainly hope that further delay can be avoided, and that prompt consideration can be given to this pressing problem.

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

The bill (S. 1520), to exempt from the antitrust laws certain combinations and arrangements necessary for the survival of failing newspapers, introduced by Mr. INOUYE (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. GOLDWATER. Mr. President, I am happy to join today with the distinguished junior Senator from Hawaii and many other Senators in introducing the Newspaper Preservation Act.

As everyone knows, this measure relates to the manner in which newspapers are operated in the city of Tucson in Arizona, and in 21 cities in 19 other States, ranging from Hawaii to both coasts of the mainland. In each of these cities the owners of two competing newspapers have entered into joint operating arrangements as a way to reduce costs and to prevent the failure of at least one of the two papers.

In Tucson, for example, which seems typical of the other situations, a joint operating agreement was entered into in March 1940, between the Tucson Daily Citizen and the Arizona Daily Star. For many consecutive years prior to 1940 Citizen had been operating at a substantial loss. Its debts surpassed $100,000 at the time of the agreement. The Star, on the other hand, had been operating at a profit. Thus, the Citizen, which was losing advertising and circulation to the Star, was on the brink of collapse.

The owners of these two papers could have resolved the situation by having the Citizen sold to the Star—a complete merger. But both owners felt that Tucson should continue to have two independent, locally owned newspapers in order to serve the community with the broadest contrast of opinion and range of news. Therefore, these papers entered into a special arrangement designed to preserve the identities of each but to share their costs jointly. The agreement achieved this by specifically providing

that the news and editorial departments of each would remain separate, while the other operations of their business would be integrated. This has meant a single typesetting room, a single proofroom, combined printing press facilities, and so forth. It has not, I wish to add, meant one crew. Two full crews of employees have been retained for these mechanical operations.

Mr. President, the joint arrangement in Tucson has been successful. Both newspapers are today on a sound financial footing. Costs to readers are lower per page than in 1940, when the agreement was made, and costs to advertisers are lower per number of readers than formerly. At the same time the Citizen and the Star have retained separate news and editorial staffs and engaged in vigorous competition with each other in the presentation of news and editorial material.

Then, in the mid-1960's, after a quarter century of operations in Tucson under this arrangement, the Antitrust Division suddenly saw something about this procedure that they had never noticed before. Tucson was made the test case in a suit charging a violation of the antitrust laws. Please note, if you will, Mr. President, that by this time similar arrangements had been allowed in 20 other cities and had been in effect in six of these cities for more than 20 years.

By now the outcome is settled. The district court held that the arrangement did violate the law, and this week the Supreme Court sustained this decision.

Regardless of this Court ruling, however, I cannot believe that "justice" or "fairness" has prevailed. As the district court stated during proceedings in this case, if the papers had merged into one paper, and printed morning and evening editions, the Government would not have had much chance of attacking that arrangement. But because they left the news and editorial departments separate, they ran into the new rules thrown up by the Government.

Therefore, I believe the bill which is being introduced today is a fair bill. It treats the newspapers fairly that are already operating under this type of arrangement. It treats the communities fairly by assuring them of receiving separate editorial voices and news presentation.

In my opinion this bill is a better bill than the one that was before the Senate last year. The provision in section 4(b) which expressly prevents the bill from being used to allow predatory pricing or discriminatory practices is an especially wise addition.

There may be other changes that will be put forth that could sharpen the terms of the bill and guarantee that it will apply to a limited situation. I am well aware that the granting of an exemption from the antitrust laws, unless carefully limited, might permit the erection of barriers against the free entry of new competitors in unintended situations and might weaken the protection needed by the suburban papers.

Therefore, Mr. President, for my part I promise to look carefully at any reasonable amendments that might be offered during the course of legislative proceedings on this bill that would preserve the continuation of the joint operating arrangements in each of the 22 cities with such agreements, and at the same time preserve and protect the interests of the public in having freedom of competition in the newspaper industry.

Mr. President, the Newspaper Preservation Act is a necessary measure. It would treat the joint operating newspapers on an equal basis with newspapers that are permitted to merge into a single unit. It would prevent the unnecessary demise of failing papers and preserve two editorial voices and news sources in communities which would otherwise be unable to support two commercially competing papers. I urge that early and favorable action be taken on the bill.

S. 1530—INTRODUCTION OF A BILL TO AUTHORIZE THE APPROPRIATION OF ADDITIONAL FUNDS NECESSARY FOR ACQUISITION OF LAND AT THE POINT REYES NATIONAL SEASHORE IN CALIFORNIA

Mr. CRANSTON. Mr. President, on behalf of myself and my distinguished colleague from California (Mr. MURPHY) I introduce, for appropriate reference, a bill to authorize the appropriation of additional funds necessary to acquire land at Point Reyes National Seashore.

In 1962, Congress approved the Point Reyes National Seashore, in Marin County, Calif., and authorized funds to buy the privately owned land. Today 6½ years later, almost half of the land in the seashore remains in private hands. The acreage in Federal ownership is a patchwork of random parcels which cannot be managed as a unit. The National Park Service has reached the limit of the previous authorization and thus cannot buy the approximately 32,000 acres needed to complete its land acquisition program.

The consequent delay is unfair to the property owners within the seashore, and costly to the Federal Government as California land values continually increase.

I believe that Point Reyes should be completed and dedicated as soon as possible. It is a beautiful and unique portion of northern California coastline and should be maintained for the enjoyment and recreation of all our Nation. Congress wisely decided to make Point Reyes a National Seashore. The justifications for that decision are even more valid today.

I urge early consideration and passage of this bill.

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

The bill (S. 1530) to authorize the appropriation of additional funds necessary for acquisition of land at the Point Reyes National Seashore in California introduced by Mr. CRANSTON (for himself and Mr. MURPHY), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

S. 1532—INTRODUCTION OF A BILL RELATING TO BOYCOTTS

Mr. GURNEY. Mr. President, today I am introducing legislation to amend the National Labor Relations Act to prohibit the use of product boycotts. I am joined in cosponsoring this bill by the following Senators: Mr. BELLMON, Mr. BENNETT, Mr. EASTLAND, Mr. FANNIN, Mr. JORDAN of Idaho, Mr. JORDAN of North Carolina, Mr. HOLLAND, Mr. HOLLINGS, Mr. MURPHY, Mr. THURMOND, and Mr. TOWER.

One of the great pressing needs in the United States is adequate housing. The figures used in Congress last year were 26 million new homes or apartments over the next 10 years, 6 million needed right now for 20 million Americans who live in substandard housing.

Our great cities are rotting. Whole inner city sections need either leveling and rebuilding or massive repairing on a scale never before undertaken. Also needed is the building of entire new communities to relieve the teeming anthill pressures in the big cities.

For a nation which has split the atom, circumnavigated the moon, manufactured 8,848,321 automobiles in 1 year, this should be an easy task.

And so it would be if American technology could be applied to building homes as it has been applied in creating rockets and spaceships.

But, unfortunately, the hands of our architects, engineers, and builders and workmen have been effectively shackled by recent decisions of the Supreme Court.

We have the ability to rocket past time zones, but in the homebuilding business, our courts have turned back the hands of the clock. They have decided that we shall meet 21st-century housing needs with 18th-century building methods.

I say this in all candor. For a Rip Van Winkle type carpenter could actually arise from his 18th-century sleep and feel quite at home pounding nails and sawing wood in the homebuilding industry of 1969.

Time has virtually stood still in the building business. If transportation had followed a similar course, this Nation would still be moving about in horses and buggies, open-air trolley cars, and big front-wheel bicycles.

This is because the Supreme Court has effectively chained the people of our building industry to old ideas and techniques and prevented their forging ahead with new concepts and methods.

Today, I am introducing legislation to strike these Supreme-Court-forged chains which shackle our building industry.

Specifically, my bill amends the National Labor Relations Act in order to prohibit product boycotts.

Let us go into the history of the urgent need for this legislation.

In a landmark 5-to-4 decision in 1967, the Supreme Court held that labor unions may lawfully boycott and prevent innovations, improvements and economics in construction and other industries for the purpose of preserving work traditionally done at the site. The principal opinion was written in National

Woodwork Manufacturers Association against NLRB, universally known in the building trades as the Philadelphia Door decision.

In this case, a contractor on a large housing project in Philadelphia required 3,600 doors. He bought prefitted doors with holes cut for the knob and spaces cut out for the hinges since this work can be done better and more economically at the factory. The carpenters union refused to install the doors under its contract provision. By stopping the job, they forced the contractor to buy "blank" doors which the carpenters cut and fitted at the site. Quite clearly, here was a product boycott of the precut doors.

The Landrum-Griffin Amendments of 1959 made it unlawful for any union and employer to enter into a contract whereby the employer agrees "to cease and refrain from handling, using, selling, transporting, or otherwise dealing in any of the products of any other employer, or to cease doing business with any person." The Labor Act also makes it unlawful for a union to coerce an employer not to use any product or deal with another person whether or not there is such an agreement.

Until the Philadelphia Door case, most people familiar with the Labor Act would have called the unions' action a product boycott and clearly unlawful under the Landrum-Griffin amendments.

But the National Labor Relations Board dismissed the complaint of the National Woodwork Manufacturers Association on the theory that the union's purpose was preservation of work of its members and that contracts and boycotts having that purpose should be exempted from the statute even though Congress did not so provide and even though they result in secondary boycotts and product boycotts affecting other employees. The Court of Appeals for the Seventh Circuit reversed the Board in part. But the Supreme Court predictably came up with one of its 5-to-4 decisions and reinstated the Board's decision in full.

The Court majority concluded that even though the union's contract and its boycott "may be within the letter of the statute" they are not "within its spirit." The "letter," of course, was the clear language of Congress: the "spirit" was the fanciful flight of the Supreme Court's boundless imagination. To use the words of the four dissenting Justices:

> The Court has substituted its own notions of sound labor policy for the word of Congress.

The four dissenting Justices further commented that the majority used "a curious inversion of logic" to reach its conclusion.

The dissenting Justices found it clear that the Congress intended to outlaw hot cargo contracts of this type and all product boycotts. In their view "it is entirely understandable that Congress should have sought to prohibit product boycotts having a work preservation purpose. Unlike most strikes and boycotts, which are temporary tactical maneuvers in a particular labor dispute, work preservation product boycotts are likely to be permanent, and the restraint on the free flow of goods in commerce is direct and pervasive." Even though the union's purpose was the preservation of work through primary activity, a result of this activity was a boycott of a certain manufacturer. It cannot be said that work preservation boycotts do not interfere with the free flow of goods, for they do. These boycotts may be permanent in character and are certainly disruptive of the free flow of goods in commerce, as so aptly pointed out by the dissenting Court members.

The consequences of this decision are far-reaching and disturbing. The decision embodies and upholds union featherbedding, it denies management its right to manage in its exercise of choice of methods and products, it kills innovation, improvement, and lowering of costs, it thwarts increases in productivity, and it even strikes at other union members whose labor produces prefabricated products. Pandora's box was indeed opened by this Philadelphia Door case. A brief look at recent events eminating from this decision can only begin to show the ramifications that it will have on our economy.

In Cleveland, the Building Trades Union struck home builders in that city for an agreement not to use prefabricated roof trusses, cabinets, and similar prefabricated materials.

The San Diego Building Trades Council opposed use of concrete forms which were prefabricated off the job site. The council insisted such forms should be constructed by the union at the site.

The AFL–CIO plumbers refused to install prefabricated heating equipment on a Ford Motor construction project in St. Thomas, Ontario, unless all piping in the units was dismantled and reassembled by the plumbers on the job.

In Houston, the local Heat and Frost Insulators and Asbestos Workers Union declined to install precut insulation and struck in protest. Charges that the strike constituted a secondary boycott were dismissed by the National Labor Relations Board. Its decision was later upheld by the Supreme Court.

On a New York department store job, a sheet metal workers local refused to handle sheet metal parts, including air-conditioning dampers, purchased from a Milwaukee firm. The basis of this protest was union insistence that the parts used on the job had to be manufactured by members of the New York local. This boycott of products from other than union-approved manufacturers was upheld by the Federal court of appeals.

Late last year, a Federal court of appeals in a case involving the American Boiler Manufacturers Association, broadened the holding of the National Woodwork case to permit construction unions to boycott prefabricated products to reacquire work previously lost, and further held, that if the selection of the prefabricated product is not within the contractor's right to control, the fact would not make much, if any, difference.

In another recent case involving the Tonka Toy Co., a union was held to be within its rights in refusing to install prefabricated boilers specified by the design architect. The union contended that it was entitled to refuse to handle such equipment on the basis that the prefabrication of the boiler took away work historically done by the union. The National Woodwork case was the precedent.

Such decisions, if allowed to stand, can lead to no other conclusion than refusal by unions to install other cost and time saving materials which may be specified by architects and engineers. This limits the design professional's freedom in selecting the best materials or methods to accomplish a project.

The unions often cite historical work practices in construction to justify a veto of even the most elementary advances. The plumbers, for example, have long insisted that piping under 2 inches in diameter be assembled on the site. The most ludicrous example of this make-work mentality occurred at the Vandenberg Air Force Base when pipefitters refused to handle a prefabricated manifold, an assembly of pipes and valves used in the hydraulic system of an ICBM launching pad. The unions insisted that the unit be knocked down and reassembled. Since disassembly might have damaged the unit, the union agreed that it would merely charge for the time that would have been expended on the job, and insisted that an appropriate number of men squat around the object. At the end of this period, a welding bead or mark was ceremoniously added and the unit was then trundled off to the assembly site. This ritual act became known as "blessing the manifold."

The wording of the Supreme Court decision is particularly disturbing since it appears to apply even if the use of such materials is not covered by a protective union agreement. Unions are authorized to use boycotts or strikes to prevent installation or use of any kind of prefabricated product or material so long as their ultimate objective is to insure or secure work for members.

It is important to note that the minority opinion of the four dissenters in the National Woodwork case disagrees with the majority on every point, and finds instead, that:

> Relevant legislative history confirms and reinforces the plain meaning of the statute and establishes that the union's product boycott in this case and the agreement authorizing it were both unfair labor practices. In deciding to the contrary, the Court has substituted its own notions of sound labor policy for the word of Congress. There may be social and economic arguments for changing the law of product boycotts . . . but those changes are not for this Court to make.

In other words, Mr. President, four out of nine of the Supreme Court said plainly and bluntly that the intent of Congress had been either ignored or wildly distorted to make law out of the biased sentiments of the individual Court members.

The important thing now will be for Congress to correct this Court decision and make clear that it intends to have a free and progressive economy rather than one hamstrung by union boycotts of all new products and innovations.

These restrictions imposed by the building trades on the use of prefabricated products are seriously holding

down productivity. Technological progress in the construction industry is impeded and costs are being increased beyond today's all-time high. Carried to their ultimate conclusion, these recent Court decisions mean that unions could ban all technical progress in the construction industry.

Unless Congress sees fit to do away with this practice by legislation, the National Woodwork doctrine will allow continued union activity in this area with results not only in the realm of work preservation but also with the additional effect of depriving secondary employers of business and the consumer of substantial economic advantages.

Now, let us return to the great national need for housing. This is a priority problem which demands solution like Vietnam, crime, education, pollution. On these latter problems, all of us see daylight at the end of the tunnel, even though it may be long, uphill and we have to crawl instead of run.

But if we try to solve housing with century-old tools and techniques, we are indeed doomed to stay in the darkness of the tunnel permanently.

There is universal agreement by the housing experts and planners, by architects and engineers, by the contractors, that there is no way for this Nation to meet this urgent need and put our people under adequate roofs, unless we go to new ways of building. These must include prefabrication, systems analysis and programing, new resources, new policies, new concepts, and new techniques.

The irony of the Supreme Court decisions and the attitudes of a few labor leaders is that all this is self-defeating.

Their reason is to preserve jobs, to make work.

But with new building methods, billions of dollars could be funneled into the building industry, creating countless new jobs all over the Nation, a delicious dessert to top off the main course of solving the housing problem.

Further irony is that the European builders have already paved the way. They are solving their acute housing needs with just this sort of innovation. They are applying mass production techniques.

Happily, they are not hamstrung by a Supreme Court of nine men, already comfortably housed in a marble palace.

Fifty years ago, only the wealthy could afford an automobile. Now, all of our citizens can. In fact, it has become a necessity of life. And the auto today which even the poor can own is a far better vehicle than that previously owned by the rich. All this has come about because of constantly changing and improving techniques.

The auto worker is one of the best paid in America. This is as it should be, because his constantly increasing productivity earns him the right to a bigger share of the dollar take of this industry.

On the other hand, it has been pointed out that a $7.50-an-hour plumber is producing little more work than his grandfather at 75 cents a day.

He, then, is getting a free ride on the increased productivity of other workers. That is bad enough, but now backed up by the Supreme Court, his labor leaders want to prevent other workers in the product part of the building business from further enhancing his excellent economic position and at the same time strike a grevious blow at the chances of other less fortunate Americans to finally obtain decent housing, so long overdue to them.

My bill cuts across party lines and philosophical differences.

All of us in the Congress want to help out in solving this housing need.

Here is legislation which is a must if we are to break the housing logjam. The bill will also be an economic boom to those who oppose it.

Way back in the slow moving, quiet times of 1923, the famous architect Le Corbusier said:

> Building is at the root of social unrest today . . . entire cities have to be constructed, or reconstructed, in order to provide a minimum of comfort, for if it is delayed too long, there may be a disturbance of the balance of society.

He was so right. His predicted revolution is now with us.

One way of paving the way for the new construction needed is this legislation outlawing product boycotts, for the second time, I might say.

Hopefully, this time, the Supreme Court will get the message.

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

The bill (S. 1532) to amend the National Labor Relations Act to make certain secondary boycotts, regardless of motive, an unfair labor practice, and for other purposes, introduced by Mr. GURNEY (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTION

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that at its next printing, the names of the Senator from South Dakota (Mr. MCGOVERN), the Senator from Massachusetts (Mr. BROOKE), the Senator from Rhode Island (Mr. PELL), the Senator from West Virginia (Mr. RANDOLPH), the Senator from California (Mr. CRANSTON), the Senator from Hawaii (Mr. INOUYE), and the Senator from Utah (Mr. Moss) be added as cosponsors of the bill (S. 335) to prevent the importation of endangered species of animals illegally taken, or the transportation in interstate commerce in the United States of animals illegally taken in violation of State law.

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

Mr. YARBOROUGH. I also ask unanimous consent that, at its next printing, the names of the Senator from Kentucky (Mr. COOPER), the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. BIBLE), the Senator from Missouri (Mr. EAGLETON), the Senator from Oklahoma (Mr. HARRIS), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from New York (Mr. JAVITS), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Montana (Mr. METCALF), the Senator from Minnesota (Mr. MONDALE), the Senator from Wisconsin (Mr. NELSON), the Senator from Rhode Island (Mr. PELL), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Pennsylvania (Mr. SCOTT), the Senator from Maine (Mrs. SMITH), the Senator from Alaska (Mr. STEVENS), the Senator from Texas (Mr. TOWER), the Senator from Maryland (Mr. TYDINGS), and the Senator from North Dakota (Mr. YOUNG), be added as cosponsors of the bill (S. 338) I introduced January 16, 1969, to provide for increased educational opportunities for cold war veterans.

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

Mr. MCCARTHY. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from West Virginia (Mr. RANDOLPH) be added to the list of cosponsors of the bill (S. 35) to amend the Internal Revenue Code to extend the head of household benefits to unremarried widows and widowers, and individuals who have attained age 35 and who have never been married or who have been separated or divorced for 3 years or more, who maintain their own households.

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

Mr. FANNIN. Mr. President, on behalf of the Senator from Illinois (Mr. PERCY), I ask unanimous consent, that, at its next printing, the name of the Senator from Idaho (Mr. CHURCH) be added as a cosponsor of the bill (S. 1179) the Airline Special Services Act of 1969.

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

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, at its next printing, the name of the senior Senator from West Virginia (Mr. RANDOLPH) be added as a cosponsor of the joint resolution (S.J. Res. 70) to provide that the nuclear accelerator to be constructed at Weston, Ill., shall be named the "Enrico Fermi Nuclear Accelerator" in memory of the late Dr. Enrico Fermi.

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

SENATE RESOLUTION 164—RESOLUTION RELATING TO INTERPRETATION OF NUCLEAR NONPROLIFERATION TREATY

Mr. ERVIN submitted a resolution (S. Res. 164) relating to interpretation of Nuclear Nonproliferation Treaty, which was ordered to lie over, under the rule, and to be printed.

(See the above resolution printed in full when submitted by Mr. ERVIN, which appears under a separate heading.)

SENATE RESOLUTION 165—RESOLUTION AUTHORIZING THE PRINTING OF A REPORT ENTITLED "CRIME AGAINST SMALL BUSINESS" AS A SENATE DOCUMENT

Mr. BIBLE submitted the following resolution (S. Res. 165); which was re-

ferred to the Committee on Rules and Administration:

S. RES. 165

Resolved, That a report of the Small Business Administration entitled "Crime Against Small Business," submitted to the Congress pursuant to Public Law 90–104, the Small Business Protection Act of 1967, be printed in four parts with illustrations as a Senate document; and that there be printed one thousand four hundred additional copies of such document for the use of the Select Committee on Small Business.

NOTICE OF RECEIPT OF NOMINATIONS BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the following nominations:

William B. Buffum, of New York, a Foreign Service officer of class 1, to be the Deputy Representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary.

Christopher H. Phillips, of New York, to be Deputy Representative of the United States of America in the Security Council of the United Nations.

Glenn A. Olds, of New York, to be the Representative of the United States of America on the Economic and Social Council of the United Nations.

In accordance with the committee rule, these pending nominations may not be considered prior to the expiration of 6 days of their receipt in the Senate.

SPEECH BY HUBERT HUMPHREY

Mr. MONDALE. Mr. President, I invite attention to the perceptive and imaginative remarks recently delivered by one of our most distinguished and honored former colleagues, Hubert H. Humphrey, at the Macalester College Urban Crisis Symposium.

Professor Humphrey called for a "model States" program to complement our present model cities program. While noting the dangers of "urban sprawl," Professor Humphrey went on to indicate the urgent need to expand our present model cities program. Such an effort is plainly needed if we are to "avoid the haphazard and irrational growth patterns which cripple so many of our existing metropolitan centers."

Professor Humphrey later pointed out that the primary reason the urban crisis has not been solved can be traced to "an inability or an unwillingness of the people's elected representatives to act on a scale which reflects the magnitude of the crisis."

Mr. President, I ask for unanimous consent that the text of Professor Humphrey's remarks be printed in the RECORD.

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

REMARKS OF HON. HUBERT HUMPHREY AT URBAN CRISIS SYMPOSIUM, MACALESTER COLLEGE, ST. PAUL, MINN., FEBRUARY 23, 1969

American political history could be written from the perspective of the crises which periodically threatened the existence of our democracy . . . but crises which eventually were overcome by the fundamental strength and resiliency of the American political system.

For much of the 19th century, the paramount political issue was slavery and preservation of the union.

During the 1920's and 1930's, it became the survival of our economy.

Today it is the survival of our cities.

In reciting the facts and statistics of the urban crisis, we usually forget that this is fundamentally a political crisis . . . an issue which, in the end, must be solved by political action.

For only as national, state and local governments receive a popular mandate to act—a clear political decision by the American people to get the job done—will we be able to mobilize the necessary resources to break the seamless web of problems which today is strangling our major metropolitan centers.

Our failures to date, moreover, have been primarily political failures—an inability or an unwillingness of the peoples' elected representatives to act on a scale which reflects the magnitude of the crisis. And so it is to political action in behalf of our cities that we should turn our attention.

The urgency of the situation is evident to anyone who tries to walk in our cities . . . or drive . . . or breathe . . . or find a quiet park, or a home, or a hospital, or a school of which a child could be proud.

Life for the residents of our ghettos and slums is even harsher, more tragic:

There is physical overcrowding which renders almost impossible the normal conduct of life.

In Harlem the population density is almost 140 thousand persons per square mile. This contrasts with 26 thousand persons per square mile in all of New York City . . . or 85 hundred in Minneapolis . . . or 50 per square mile for the entire United States.

If the total population of the United States lived at the same density as the people of Harlem, more than 200 million people could be contained on Long Island, New York.

There is dilapidated housing which compounds the problem of overcrowding.

There are 4.3 million substandard dwelling units in urban America. In our central cities, one-third of the housing units are found in poverty areas.

There is unemployment which guarantees that most residents of the ghetto will remain trapped and helpless.

A Department of Labor survey of nine large cities discovered a subemployment rate of 32.7 percent—almost nine times greater than the unemployment rate for all U.S. workers. Negro youth unemployment continues to run five to seven times higher than the national average for all persons.

There are infant mortality rates approximately three times higher than the national average.

There are grossly inadequate sanitation services which increase the likelihood of disease and poor health.

In 1965 there were over 14 thousand cases of ratbite reported in the United States—mostly in slum neighborhoods.

Simply to dwell further on statistics is unnecessary . . . for the recitation of facts is today the mark of procrastination—not commitment to action.

We know what slums are—those places in our major cities where the most critical problems get attended to last.

Public services are least where the need is most urgent.

Schools are the poorest where the educational needs are the greatest.

Building codes are not enforced where the conditions they were designed to prevent are most prevalent.

Garbage collection is slowest where the danger to health is the greatest.

Police protection is least effective where crime rates are highest.

But the crisis of our cities is worse than the sum of its parts. It is more than inadequate housing, inferior education, unemployment, crime, noise and air pollution.

Capping all of these problems is the evolving frustration, despair and hopelessness which is sporadically transformed into rage, violence and destruction. And underlying everything is the loss of community by people who feel uprooted by change, overwhelmed by the complexity of urban life, and alienated from the mainstream of American society.

The growing numbers of Negro Americans in our central cities—concentrated in the most deteriorated and undesirable neighborhoods—has added the factor of race to the other staggering urban problems. Today, to put it frankly, the problems of race and the city have become inseparately intertwined.

It would be a tragedy if the American city were simply abandoned to the blacks . . . as more and more whites moved to the suburbs. It would be an even greater tragedy if by neglect of the city we practiced the cruelest form of discrimination—that of apartheid, the deliberate separation of the races. If this were to happen, we could well initiate a downward spiral of black violence and white repression which could literally destroy the fabric of our democratic society.

These are the components of the urban crisis in America. Apart from our efforts to achieve peace in the world, it is the greatest single challenge confronting the American nation in the last third of the 20th century.

We know what is wrong with our cities. And we have known for a long time.

Advisory councils, task forces, study groups, and Presidential commissions have studied the problem, restudied the problem, and studied the studies that studied the problem.

The failure to solve the urban crisis is not the lack of knowledge of what to do . . . it is simply the lack of a political commitment to do it.

Let me illustrate. Our first specific public housing act was passed in 1937. Twelve years later, the Housing Act of 1949 boldly proclaimed as its goal a "decent home and a suitable living environment for every American family" and authorized 135 thousand new public housing units a year for the next *six years*—or a total of 810 thousand new units.

Since setting that goal *twenty years ago,* however, we have actually built about 500 thousand units, or *only two-thirds of the six-year goal announced twenty years ago.*

Why this sorry record? Because the U.S. Congress failed to provide the funds necessary to build the houses and the American people failed to demand that Congress vote the money.

Last year Congress passed another major housing act—one which calls for an unprecedented ten-year housing campaign to produce 26 million homes, 6 million of them Federally assisted.

Will we fulfill that pledge—or will it be a replay of the Housing Act of 1949—a bold blueprint which never goes beyond the cornerstone-laying ceremony?

The answer will depend entirely on the depth of political commitment which the American people can sustain over the next decade.

Let's quit kidding ourselves. There can be no solution to the urban crisis until this nation by public and private expenditure cleans out the filth of the slums and provides decent housing for everyone.

We can build highways on schedule. We can launch an Apollo mission to the moon precisely on schedule. Now why can't we do a far more simple task—that of building houses for people—also on schedule?

Two years ago I proposed a Marshall Plan for America's cities. I did so from the conviction that only a program of this scope—only one of this vision—could generate the political support which was essential for real progress.

The effectiveness and magnificence of George Marshall's concept for the rebirth of Western Europe after World War II arose from several factors:

First, it frankly recognized that American interests would be served if Europe again achieved a healthy and vibrant economy. The American people put nearly 14 billion dollars into Western Europe over a five-year period. But this sum was less by far than the cost—to us—if Europe had remained in economic chaos . . . and then degenerated into despair and violence.

Second, the Marshall Plan produced quick and visible impact—not only in bricks and mortar but in peoples' lives. The initial investment was large enough and the vision grand enough to inspire hope . . . to show that the job *could* be done . . . to generate the will for self-help which brought Europe to self-sufficiency and prosperity . . . and to convince the American people and the U.S. Congress, that the 14 billion dollars was money well spent.

Third, the Marshall Plan operated on the basis of local initiative, careful planning, coordinated policy, and strict priorities. These techniques brought a new Europe from the ashes of World War II.

And this is the way to save the American city.

America is more than separated bits of geography—jet planes, super highways, radio and TV, and a highly complex economy have seen to that.

Yet all over America we encounter an endless vista of municipalities with overlapping responsibilities . . . with widely varying and usually outdated building codes—with zoning regulations which lack uniform standards . . . and with piecemeal rather than integrated programs to correct these deficiencies.

This is government by anachronism—government suitable for the old days of the industrial revolution.

This indictment extends to our municipalities . . . to our states . . . and to our federal government—a bureaucratic structure which is still better able to handle economic and social crises of the 1930 variety than the very different problems of the 1970's and 1980's.

Let me be candid: our present governmental structure—federal, state and local—is incapable of planning and achieving the living environment our wealth and technology permit . . . and our survival requires.

This fragmentation of resources and programs throughout the federal system has seriously crippled our capacity to act decisively over a sustained period of time.

New urban planning and other single-purpose governmental agencies have been layered upon old and fossilized institutional structures. When one unit of government is prepared to act, other units of government—neighboring communities, school districts or transit authorities . . . or perhaps the state or the federal government—disagree with the proposed plan of action.

Without cooperation and coordination among these disparate governmental units, resources are frittered away—valuable time is wasted—and the seemingly endless disagreements among governments consume the energy, confidence and vision of urban leaders.

We have just begun the long, hard job of improving the federal government's performance. This will involve some basic changes: decentralizing many functions to lower levels of government and to the private sector; changing the ground rules by which government and the private sector operate; increasing incentives and reducing the bureaucratic burden which all too often frustrates local action.

The Model Cities Act of 1966 points the way toward a more effective federal role.

Comprehensive planning is now going forward in slum neighborhoods in 150 cities across the country. These local plans must take account of housing, jobs, education, transportation, health, recreation and open spaces. And they must always reflect the human problems which underlie the physical deterioration of the central cities.

The Model Cities mechanism should be extended as rapidly as possible to cover all neighborhoods within each participating city and to cover all cities.

But we also need a *"Model States"* program to bring state and local governments into full and constructive partnership in national urban policy.

Direct federal aid to beleaguered municipalities has been a new and productive innovation in national affairs. But this has not encouraged the states to assume their share of the burden.

The federal government should provide financial rewards to those states which demonstrate initiative in modernizing their governmental and tax structures, including constitutional reform—in adapting their programs and expenditures to the needs of an urbanizing society—in creating state departments of urban affairs—and in revising the ground rules for local action, such as abolishing outworn legal jurisdictions.

We need a national urban strategy to define basic social, economic and demographic objectives that will help guide our urban, suburban and rural growth.

The doubling of our urban population, which is projected within the next generation, will demand space for a tripling of the nation's urban areas—an estimated 12 million additional acres of urban land by the year 2000.

We must build totally new cities in underpopulated regions of the country—cities which avoid the haphazard and irrational growth patterns which cripple so many of our existing metropolitan centers.

Control of land use is the key to influencing the pattern of this future urban development.

We need metropolitan regional compacts—so that metropolitan-wide problems can be attacked by metropolitan-wide units of government.

We must regulate more effectively the inmigration of people from rural to urban areas, even though this problem has become somewhat less acute in recent years.

These breakthroughs are possible if we discard empty rhetorical appeals for good government and offer instead financial and other incentives which make it profitable for municipalities, counties and states to work together.

This is precisely what happened in the Marshall Plan—and it is happening today in the Appalachian and other regional commissions. There is no reason why these experiments in regional planning and action cannot be expanded to the entire nation.

In testimony before the National Commission on Urban Problems, the mayor of a large city identified another critical dimension of the urban crisis. He said: "I have sometimes characterized the three major problems (of cities) as being money, finances, and revenue.' '

Many cities are today teetering on the brink of financial collapse. The influx of low-income families into the central city has created a heavy demand for welfare and other costly public services. Yet the departure of middle and high-income families to the suburbs has eroded the tax base to support these new services.

Municipalities are making a gallant effort to find the money. Since World War II local government expenditures have increased 571 percent—compared to an increase in our gross national product of 259 percent. In 1967 state—local property tax revenue totaled $27.7 billion—against $19.1 billion five years earlier. Yet cities like Philadelphia are almost bankrupt. New sources of revenue must be found—and found quickly.

To finance the rising level of federal assistance, I have proposed committing to the urban crisis a major portion of the "growth dividend"—the increasing level of federal tax receipts arising from the expansion of the economy—as well as the "peace dividend"—the additional federal funds available upon conclusion of the Viet Nam War.

The growth dividend is estimated at $3 to 4 billion dollars in the next two years, rising to $30 billion dollars in the following two years. The peace dividend is estimated at $19 billion dollars.

New approaches to solving the revenue crisis—combining public and private energies—must also be explored.

I have proposed creating a *National Urban Development Bank* financed through subscription of public and private funds. The Bank would underwrite the unusual risk elements involved in meeting the hardest and most critical urban problems—low cost private housing, for example. Securities sold by the Bank would also attract private investment capital for the revitalization of our cities. Federal funds would be appropriated to get the Bank started.

A National Urban Homestead Act could subsidize land costs for qualified private housing developments to allow the use of relatively high-priced urban and suburban land in relieving the population pressures in the central city.

A program of *federal support for state equalization of vital community services*—education and welfare, for example—within metropolitan areas would provide immediate assistance to hard-pressed local communities, particularly where the property tax has been exhausted as a realistic means of taxation.

These proposals—plus thorough reform of the overall federal, state and local tax structures—would dramatically alter the critical revenue situation which today makes impossible any concerted and large-scale assault on our most critical urban problems.

In 1976 we will celebrate the two-hundredth anniversary of the United States. Let us honor this bicentennial, not with a backward glance, but with a dramatic step forward.

I propose that on July 4, 1976, we dedicate a new American city—one which exemplifies the highest standards of beauty and excellence.

Bicentennial City would test new ideas in land use, housing technology, and community leadership. Its construction would attract the finest talents in America—from industry, the States, municipalities and the federal government.

By reflecting what is *best,* as well as what is possible, it would become a pilot city for a new America. Its dramatic symbolism would heighten that pioneering spirit which was the touchstone of this nation and which is vitally needed today. Its newness would bring fresh promise . . . and it would provide the visible evidence that progress is possible, one of the principal factors in the success of any proposal.

For the past eight years the Democrats had their chance to turn this country around in meeting the urban crisis. We should not be surprised that problems centuries in the making did not disappear in the span of two administrations. I offer neither excuses nor apologies for the Democratic record.

To the contrary, such landmarks as the creation of the Department of Housing and Urban Development, the Model Cities Act and the Housing Act of 1966 have finally pointed this nation toward real progress on the urban front.

The Republicans now have their opportunity to continue—and hope fully to accel-

erate—this record of accomplishment. Indeed, that is the name of the game in a viable two-party system.

During the Presidential campaign I proposed creating a Domestic Policy Council. President Nixon has taken precisely this step in establishing the Urban Affairs Council and he has drafted a good Democrat. Daniel P. Moynihan, to run it. That's politics in action.

But regardless of the institutional devices that are developed, it is illusory to believe that sustained headway is possible without the political backing of our elected officials . . . and without the support of the people who send them to office.

As a leader of the Democratic Party, I intend to do everything in my power to generate this support in the coming months and years. I intend to talk frankly about what must be done to seize and maintain the initiative in saving the American city. And I intend to work for the election of those people who understand the urgency of our present circumstances—and who are prepared to join with others in a long-term commitment to see this struggle through to victory.

What happens in our cities happens to America. It is there that American democracy will either succeed or fail—either flourish or perish. For by the quality of life in our cities will the character of American civilization ultimately be judged.

GOLDEN ANNIVERSARY OF THE AMERICAN LEGION

Mr. TALMADGE. Mr. President, on Saturday, March 15, the American Legion will celebrate its golden anniversary. It has been 50 years since a group of weary men met in Paris following World War I to discuss the formation of an association of veterans on the return of American forces to the United States.

This turned out to be the first meeting of the American Legion, an organization that has steadfastly dedicated itself to strengthening Americanism and good citizenship.

The American Legion has a long and glorious history of patriotic accomplishment, and I join its many friends and members in saluting the Legion on its 50th birthday.

It was my privilege and honor on February 25 to be named chairman of the Senate Finance Committee Subcommittee on Veterans' Legislation. This is an important assignment, and I have pledged my services and my subcommittee to constantly be on the alert for new and better ways to improve veterans' service programs.

Today at noon, it was my pleasure to address the American Legion's National Rehabilitation Conference at the Sheraton Park Hotel. I addressed myself primarily to legislation I introduced in the Senate yesterday to increase monthly servicemen's death benefits payments and to raise death payments paid under the servicemen's group life insurance program from $10,000 to $15,000.

For the RECORD, and in order that other Senators may be apprised of my proposed legislation—on which I intend to hold hearings at a later date—I ask unanimous consent that my speech be printed in the RECORD.

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

ADDRESS BY SENATOR TALMADGE

(Remarks at the National Rehabilitation Conference of the American Legion, the Sheraton Park Hotel, Washington, D.C. March 12, 1969)

It is an honor indeed to meet with you gentlemen attending the American Legion's National Rehabilitation Conference.

I know the Legion's record. It is a record that all Americans may be proud of. It is a refreshing experience to be with Americans who believe that loyalty to their country is the duty and responsibility of every citizen, and who are not embarrassed by their patriotism. These are qualities, I am sad to say, that have been sadly lacking on the American scene in recent years.

As a nation, we have always recognized the debt we owe to those who risk their lives, and in some cases lose their lives or suffer disabling wounds, in our defense.

Compensation for veterans disabled in wartime was well established in colonial laws long before the Revolutionary War. As early as 1636, the Plymouth Colony enacted a law providing that "if any man shall be sent forth as a soldier and shall return maimed, he shall be maintained competently by the Colony during his life."

Similarly benefits were established for veterans of the Revolutionary War shortly after it started. An act passed in August, 1776, providing compensation, for a service-connected disability on the basis of half pay for life for every officer, soldier or sailor whose service wounds rendered him incapable of earning a livelihood. These benefits were liberalized so that by 1785, a totally disabled enlisted man was awarded compensation payments of $5 a month.

This period also saw the beginning of compensation benefits for the widows and orphans of servicemen. In August, 1780, the Continental Congress enacted a resolution providing compensation payments of half pay for seven years to widows and orphan children of officers dying in service. The resolution made no provision for the widows and orphans of enlisted men.

It was in 1818 that the Congress enacted our first program for needy veterans, providing pensions for veterans whose need bore no relationship to their military service during the Revolutionary War. Former officers were eligible for a $20 monthly pension, while former enlisted men could receive $8.

Like the compensation and survivor benefits before them, the Revolutionary War benefits in the pension area were particularly significant because of the precedent they established. The 1818 act for the first time adopted the policy that the Government owed it to veterans to protect them against poverty in their old age.

The precedent of compensation, pension, and survivors benefits established for Revolutionary War veterans was followed throughout the nineteenth century, but virtually no effort was made to provide benefits aimed at helping servicemen to readjust to civilian life. Though veterans were provided mustering out payments, land grants, homestead preferences and preference for Government jobs, these benefits were intended primarily as incentives for enlistment, rather than as readjustment benefits.

Before the First World War, almost all legislation affecting veterans was handled in the Senate by a Committee on Pensions. A turning point in the history of veterans' benefits was reached when the Senate Finance Committee took over the responsibility for veterans' programs. For it was at this point that an effort was made to bring about a change in the nature and philosophy of the whole system of veterans' benefits. In its work on the War Risk Insurance Act of 1917, the Finance Committee and the Congress attempted to establish a new kind of benefit system to aid veterans. In addition to compensation benefits, this Act provided a system of optional low cost government insurance. Vocational rehabilitation was established to return disabled veterans to useful employment. Another law, enacted in 1919, authorized medical care for veterans with service-connected injuries.

This new approach reached its fruition in World War II. The challenge to veterans' programs imposed by World War II was unsurpassed in the nation's history. Over 16 million servicemen were called to the colors. Compensation, insurance and medical benefits were provided for these veterans, but the most striking development in veterans' benefits occurred in the readjustment category. It was in 1944 that the Senate Finance Committee originated the GI Bill of Rights.

This act was passed on the philosophy that veterans whose lives had been interrupted by military service or who had been handicapped because of this military service should be provided assistance in returning to civilian life. The GI Bill provided for educaton and training, home, farm and business loan guaranty benefits, and unemployment allowances. Almost $20 billion was spent in assisting World War II veterans to return to civilian life in this remarkably successful program which has served as the model for subsequent readjustment benefit legislation.

The GI Bill of Rights was one of the best investments this country has ever made. By upgrading the ability and productivity of these veterans, the Treasury has benefited through increased tax revenues. And the economic advantages do not show the immense benefits we have reaped in terms of human happiness and self-satisfaction.

As a nation, we have made a commitment to the men who have sacrificed themselves for our freedom. We have come a long way toward meeting that commitment since the first rudimentary programs for Revolutionary War veterans and their survivors. We are going to keep trying to meet that commitment fully.

I am particularly proud to have served on the Senate Finance Committee because of the historic role that Committee has played in the development of the veterans' programs. And it is with great pleasure that I accepted the honor of becoming the Chairman of the Subcommittee on Veterans' Legislation of the Committee on Finance. The Committee has always served veterans well, although it must handle a variety of equally significant problems—to name a few, tax reform, the welfare crisis, rising costs of Medicare and Medicaid, and foreign trade. No one has criticized the Finance Committee in the last several years for failing to give veterans' legislation the attention it deserves. But the establishment of a Subcommittee on Veterans' Legislation can provide a new forum for careful consideration of the veterans' programs; and when the Finance Committee takes up veterans' legislation, the Subcommittee members already familiar with the proposals will speed Committee action.

Now let me turn to the Subcommittee's program for 1969. I know of your interest in the compensation and pension programs. These were dealt with in a most constructive way during the last Congress.

As a result of last year's legislation, compensation benefits to more than two million disabled veterans and pension payments to more than one million needy veterans were increased. The compensation increase bill represented the largest single increase in compensation payments ever enacted by the Congress.

Having acted on these two programs so recently, we intend to turn our attention this year to benefits for the survivors of servicemen killed in war. This will be the Subcommittee's top priority in 1969.

In 1956, the Congress established a new kind of veterans' program, called Dependency and Indemnity Compensation. This program provides the widows of men killed in service with a monthly benefit payment related to her husband's rank. The formula in the 1956 Act provided a widow with DIC payments of $112 plus 12 per cent of the monthly basic pay currently received by a serviceman whose rank and length of service are the same as her deceased husband's. In 1963, the basic amount was increased from $112 to $120.

By relating the DIC benefit to military pay, it was intended that benefits would rise as servicemen's pay is increased. But as we analyze what has happened over the past dozen years, we find that DIC benefits have been adequately increased for some widows and not for others.

Since the DIC benefits first went into effect, the cost of living has gone up 27 per cent. Benefits for the widows of officers from captain on up have risen by at least that amount. But DIC payments to widows of lieutenants and enlisted men of rank staff sergeant and higher have not kept pace with increases in the cost of living. Payments to surviving wives of enlisted men in the first five pay grades have increased even more slowly than this.

It is now time for action to remedy this situation. You will be pleased to know that I have introduced—yesterday afternoon in fact—a bill to correct deficiencies and improve the DIC program.

First, my bill will increase the DIC formula from $120 plus 12 per cent of basic pay to $130 plus 12 per cent of basic pay. This step will bring benefits for widows of lieutenants and higher ranking enlisted men in line with the increased cost of living.

Second, my bill guarantees a minimum DIC benefit for widows of $165 per month. An increase in the formula from $120 to $130 will not by itself match the increased cost of living for widows of servicemen in the first five pay grades. Yet it is just these lower ranking enlisted men who account for five-sixths of the deaths suffered in Vietnam. It is their widows who we must be sure are adequately protected. The Committee on Finance has always recognized the need for at least a minimal level of social security benefits. I think it is time we applied this social security rationale to the DIC program.

Third, my bill will provide an additional $20 monthly DIC benefit for each child of the deceased serviceman. Children's DIC benefits today represent one of the most inadequate features of the present program. Under a complex and cumbersome formula, a widow may receive additional benefits if she has two or more children, depending on how much social security she receives. At most, she may receive an additional $28 if she has two children and $53 if she has three or more children. A widow with five, seven or ten children today receives the same amount of DIC and social security as a widow with three children. My bill will remedy this situation.

Fourth, my bill includes a 10 per cent increase in DIC payments to orphans where there is no widow entitled. This increase will match the rise in the cost of living since these benefits were last increased in January, 1967.

Fifth, my bill will provide a $50 additional monthly allowance to widows receiving DIC who require regular aid and attendance. A similar benefit was provided in legislation enacted in 1967 for widows receiving pensions.

Sixth and last, my bill will assure that the widow of a veteran who was totally disabled from service-connected causes for 20 or more years will receive DIC unless the veteran's death was the result of an accident not related to his service-connected disability. It sometimes happens today that the cause of such a totally disabled veteran's death cannot definitely be established as service-connected. This amendment will in effect provide a statutory presumption that the death in this type of case is service-connected for survivor benefit purposes. While extending DIC to cover this uncertain case, the amendment preserves the principle of not brniging clearly non-service-connected deaths under the compensation program.

When the Dependency and Indemnity Compensation program was enacted in 1956, the Congress terminated the $10,000 indemnity which had been provided for servicemen during the Korean War. For almost a decade, servicemen had no Government life insurance protection payable in a lump-sum upon death.

In 1965, I introduced the bill which established Servicemen's Group Life Insurance. I am proud of this legislation, and grateful for that opportunity to render this important service to veterans and their families. Under this program, we are providing $10,000 life insurance to the three and one-half million servicemen on active duty. They pay $2 a month, based on ordinary group life insurance rates for civilians, and the Government pays the cost of the additional risk due to military service. In fiscal year 1968, SGLI paid $218 million in benefits; of the total, $83 million was withheld from service pay, and the remaining $135 million was paid by the Government as the cost of the extra hazards of service in combat areas.

I feel that the $10,000 insurance limitation is too low. But I don't think that the SGLI program should be looked at in isolation. We should view it in the context of the total benefits provided by the Government for survivors of servicemen. When the Dependency and Indemnity Compensation program was initiated in 1956, social security protection was also extended to servicemen and their families. Thanks to improved compensation and social security benefits, the survivors of a serviceman who is killed in battle today are much more adequately protected than they would have been in previous wars.

Let us take as an example of this the case of a private who is survived by a 20 year old wife with no children, and let us assume that the widow does not remarry. If such a serviceman had died during World War II, the value of the survivor benefits would have been $44,000—$10,000 in insurance and $34,000 in compensation. If that same enlisted man had died during the Korean War, the survivor benefits would have been worth $61,000—$10,000 in insurance and $51,000 in compensation. But if that enlisted man died in Vietnam today, his widow would receive $112,000 in survivor benefits—$10,000 in Servicemen's Group Life Insurance, $90,000 in DIC and $12,000 in social security.

The increased protection we are providing today shows even more dramatically in the case of a widow of a sergeant with seven year's service, who has two young children. In World War II, survivor benefits would have totaled $58,000; in the Korean War $90,000; and today, $175,000.

However, though both DIC and social security amount to very substantial benefits, they are paid in relatively small monthly payments, over a period of years. Servicemen's Group Life Insurance, however, may be paid in a lump sum. It can enable the surviving family to pay off a debt which would have been repaid had the serviceman survived. It helps with all the substantial expenses of the family, and it can help see a child through school. It can be used to meet the unusual expenses associated with the death of the principal wage earner.

It is for this reason that I have also introduced—yesterday along with my other measure—a bill to increase the SGLI face value from $10,000 to $15,000. The increase will be effective as of the date of enactment of the bill.

As I stated upon accepting the Chairmanship of the Subcommittee on Veterans' Legislation, it shall be the objective of the Subcommittee to assure the nation's veterans that their interests and the interests of our entire country are not ignored.

The two bills I have introduced are an indication of the kind of positive initiative that the Subcommittee intends to demonstrate. I am looking forward to utilizing this new opportunity. I want to do more to better serve our nation's veteran population.

Thank you and, in closing, let me congratulate each and every one of you on the 50th Anniversary of the American Legion. The whole country owes you a debt of gratitude for a job well done.

GOVERNOR WILLIAMS TALKS SENSE

Mr. FANNIN. Mr. President, Arizona is blessed with a very articulate and capable Governor who has replied in a most forceful and cogent manner to an unfair charge made by the Federal Government against Arizona's school system.

A Federal report claims Tucson's School District No. 1 is one of 40 school districts in the Nation allowing de facto segregation to continue.

Gov. Jack Williams responded by saying:

If there is something inherently wrong in de facto segregation, why do the Federal Government's Indian schools continue?

The Governor was also quick to point out that he is not criticizing Indian schools, he simply wants to point out that the Federal Government should not jump on the States for de facto segregation when they practice the same thing in all-Indian schools.

I am not condemning the school program under which Indian children living on the reservations go to the nearest schools available. In fact, I encourage this procedure, the goal being to have more schools nearer the children's homes.

It should be made abundantly clear also that Governor Williams is not a segregationist. His record is clear. As a member of the Phoenix School Board in the 1940's, when outlawing segregation was under consideration, he cast his vote for integrating schools on a neighborhood basis, and segregation was abolished. That was 20 years ago.

It is time, I think, that we have more clear, sensible speaking out on some of the problems we seem to be creating for ourselves in America.

For instance, today I do not hear strong clear voices raised saying that the primary purpose of our schools is to educate children, not to carry out somebody's idea of social reform.

Speaking as an individual, I have had quite a sufficiency of self-proclaimed experts trying to tell taxpaying parents what is good for their children in areas of sociological reform. It is time we returned to the concept of inculcating children with a basic education as the first aim of our schools. Let us provide good schools with excellent teachers for all our children.

Certainly I am for progress, and for progress in education; but it is necessary

for us to clear our vision and stop mistaking frills and fashion and somebody's preconceived notion of what the right "mix" or racial "balance" should be, and get back to the basics of providing a good sound education.

Gov. Jack Williams has made an excellent observation on our education system in Arizona. 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:

SEGREGATION CHARGE DRAWS REPLY

(By John H. Vesey)

The federal government should clean its own dirty linen before pointing a finger at Arizona's, Governor Williams implied today, referring to the Washington report claiming Arizona is one of 14 states practicing segregation in its schools.

"Let the government answer its own questions," Williams said. "If there is something inherently wrong in de facto segregation, why do the federal government's Indian schools continue?"

He quickly added that he was not criticizing Phoenix Indian School. He just wanted to make it clear that the federal government should not accuse states of practicing segregation in their schools when the government supports all-Indian schools.

The Federal report, put out by Robert H. Finch, secretary of health, education and welfare, claimed Tucson's School District 1, was one of 40 such school districts in the country allowing de facto segregation to continue.

Thomas Lee, Tucson school superintendent, said the situation, if it exists, is caused by "neighborhood racial patterns, not through intent of the schools."

Williams voiced surprise to learn Tucson was the area under investigation by HEW. "Tucson of all cities should be less criticized than most," Williams said.

There are more than 70 schools in the Tucson District 1, making it one of Arizona's largest school districts. Lee said there are about six schools in the area in which more members of the minority races attend than from the majority.

Williams has yet to receive an official word from Washington on the segregation charge. He plans to confer with the State Department of Public Instruction.

The governor's office does not run the state's schools, Williams explained.

Williams was on the Phoenix school board back in the 40s when segregation was abolished. "I cast my vote for integration," he said.

SAVING DEFENSE DOLLARS

Mr. PROXMIRE. Mr. President, on Monday of this week I spoke to the Senate on the crisis we face with respect to defense spending. In my judgment, it is out of control. Neither the executive nor the legislative branch has control over the total amounts spent or the way in which funds are expended.

The results are huge cost overruns, delayed deliveries, and unbelievable excesses and surpluses in the supply system. Commonly, the contracts for major weapons systems cost 200 percent more than the original estimates. Deliveries are routinely 2 years late. Last year the surplus supplies amounted to over $12 billion, or 28 percent of the value of the supply system inventory.

The Washington Daily News commented on these problems in an editorial published on Tuesday, March 11, 1969. The editorial supports a number of the specific suggestions which I and others have made to help solve these problems. The proposals include more competitive contracts, a far more penetrating Budget Bureau review of Pentagon spending requests, a uniform accounting system for weapons contractors, and additional attacks on the huge surpluses.

Over the years, no newspaper has done more both to expose military waste and to urge action than has the Washington Daily News. I commend the editorial to the Senate and the public and ask unanimous consent that it be printed in the RECORD.

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

SAVING DEFENSE DOLLARS

Sen. William Proxmire, chairman of the Congressional Joint Economic Committee, was indulging in a bit of senatorial hyperbole in saying the President, the Congress and the country have "lost control" over the Pentagon's spending.

Many a corporation president, Governor, mayor and storekeeper can testify that, with rising materiel costs and wage demands, money (as we remember it) seems to be going out of style.

With a budget of $80 billion a year, however, the Pentagon is not a molehill but a mountain. And Sen. Proxmire is right when he says the Defense Department's procurement practices are too sloppy and wasteful and need tightening.

There is plenty of documentation of how the Pentagon has paid $1.90 for 25 cent nuts, and such. There is also the big stuff, such as the Lockheed C–5A jumbo transport whose original contract ceiling of $3 billion for 120 copies has jumped to $5 billion.

It was no pacifist but Adm. Hyman G. Rickover, the Navy's atomic sub expert, who testified that propulsion turbine suppliers, taking advantage of the Pentagon's "weighted guideline" system of setting profits, are insisting on a 20–25 per cent profit over cost as compared with 10 per cent a few years ago. Etc., etc.

The Pentagon never misses a "cost reduction" report, claiming so many million dollars were saved. But the leakage, big and small, goes on. How to stop it? Sen. Proxmire makes some sensible suggestions, including:

Reduce immediately the number of negotiated contracts, increase the amount of truly competitive bidding. Fine or blackball companies prone to huge cost "overruns" (increases) and tardy deliveries.

To outflank Pentagon indifference, let the Budget Bureau add personnel to make skeptical, penetrating reviews of the defense budget.

Install a uniform, effective system of accounting for military contractors. Improve the monitoring of contracts while they are in process. The General Accounting Office, Congress' watchdog agency, whose excellent efforts are concentrated on post-audit reviews, shall play a larger, concurrent role.

Keep attacking the problem of stockpile excesses.

These steps show the way to saving defense dollars. They ought to be seized upon in official Washington. They certainly would be welcomed by the taxpayers.

ADDRESS DELIVERED BY DR. LEE A. DuBRIDGE AT GODDARD MEMORIAL DINNER

Mr. HATFIELD. Mr. President, recently, at the Goddard Memorial Dinner, Dr. Lee A. DuBridge, the President's science adviser, spoke about America's history of rocketry and technological progress. He reminded his audience of mankind's enduring visions of creating a better world. I ask unanimous consent that the text of Dr. DuBridge's valuable address be printed in the RECORD.

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

REMARKS BY DR. LEE A. DuBRIDGE

Tonight's dinner of the National Space Club comes at a most propitious moment in the history of the American space program. Last Monday morning the whole Nation and much of the rest of the world witnessed the launching of Apollo 9 carrying three astronauts and their complex spacecraft equipment into a 10-day orbital test of the spacecraft whch will in a few months carry men to their first landing on the surface of the moon.

Some of us who witnessed the firing of the enormous Saturn V rocket system could not help reflecting back only a few years to the days when any talk about a rocket with 7½ million pounds of thrust would have seemed like the most idle sort of day dreaming. Even when the Apollo program was initiated nearly 10 years ago, it was very apparent that we had a long way to go to achieve this kind of a technological triumph.

However, by 1960 we did have a solid base of knowledge on which to build this great venture. We knew the laws of physics that were required. We had achieved the kind of a technological development which had made it clear that large rocket engines could be designed and built and made to work reliably. We knew about radio communication, about remote and automatic methods of guidance and control. No new principles of science had to be discovered in order to initiate and carry on the complex program of space exploration which the last ten years have witnessed. What we needed was not new science, but new technology and new systems of managing a very large and complex technological enterprise. Our engineers and our managers have achieved this tremendous feat of putting our knowledge to work in a systematic coordinated way to achieve goals which we as a nation have set for ourselves. We sometimes forget this simple fact: that basic knowledge must be available before we can proceed with a great new technological development.

Thus, we are witnessing another spectacular example of the utilization of scientific knowledge, accumulated by many generations of scientists, some famous and some obscure, who worked away in their laboratories trying to probe the secrets of nature. We have seen how once these secrets of nature have been revealed, engineering skills could put them to work.

We see in our space program also an example of the reverse process which so often takes place. New technological developments lead to new techniques and new instruments which very often speed up our basic work in science and lead to new ways of uncovering new secrets of nature. Thus, during these past ten years the advance of science has been enormously aided by the advance of space technology. We have learned much more about the earth than we knew ten years ago. We know more about its upper atmosphere, about its magnetic field, and about the interaction between the earth's magnetic field and the newly discovered solar wind which continuously impinges upon it. We have learned about the radiation and particles which exist in space throughout a large segment of the solar system. We have already had very intimate views through our cameras and through the eyes of our astronauts of the surface of the moon, and we have even landed instruments

on the moon to make chemical tests of its soil. We have had close-up glimpses of Venus and Mars, and have torn away the shroud of mystery which has surrounded both of these planets.

Today as we watch with interest the difficult schedules through which our three astronauts are passing in their test program, we must not forget that there is also a Mariner 6 well off on its long journey for another look at the planet Mars.

During the coming months and years we will see additional instrumented spacecraft launched to explore other parts of the solar system, and it is clear that the technology now is within our reach to make journeys to Jupiter and Saturn and beyond. Thus, during these exciting years man's search for knowledge has received an enormous impetus and the hopes for further extension of our knowledge continue to accelerate. The long history of man has shown that the acquisition of knowledge is not only one of his primary urges but one of his most valuable attainments as he seeks to make a better life for everyone on this little planet which we call the earth.

Our new space technology can now also be applied to learn more about our planet—its resources, its weather patterns, and its oceans and continents. We will communicate and navigate with satellites. Our investment in the space program will pay huge dividends.

It is appropriate that at this dinner also we honor one of the great pioneers whose dreams and whose experiments laid the basis for modern rocketry and modern space technology. Robert Goddard's achievements were little noticed in the early days of his experiments but now we recognize that he laid the basis of thought and experience for what has followed since. When President Nixon made the Goddard award to the three Apollo 8 astronauts this morning, he very properly said that they and the hundreds of thousands of individuals who have participated in our space program were able to reach these heights because they stood on the shoulders of the giants of past years. Goddard was one of those giants on whose shoulders we all stand today as we reach for the stars.

Another newsworthy event occurred today when the President announced this morning that he was nominating as the Administrator of the National Aeronautics and Space Administration the present Acting Administrator who is with us tonight, Dr. Tom Paine. As the President said this morning, he and his staff searched the country to find the best man to head our civilian space program during the coming critical years, and he found the best man right here on the spot. I am sure that I speak for all of you in expressing our congratulations to Dr. Paine and our great pleasure that he is to take on this new assignment. Under his leadership we will move confidently ahead to the completion of the Apollo program and to the initiation of a new decade in space achievements.

I appreciate the honor of being here tonight, and I congratulate and thank all of you who are here who have participated in our space ventures and who have followed and supported them with such interest and enthusiasm. We will need your continued interest, enthusiasm and participation in the days, months and years that lie ahead. The space age has just dawned and ten years hence we will look back on the achievements of the 1970's with as much if not more wonder and awe and pride as we look back on the achievements of the past decades.

WHO WILL WATCHDOG THE CREDIT WATCHDOG?

Mr. PROXMIRE. Mr. President, the rapid growth in consumer credit has lead to the tremendous expansion of the credit reporting industry. In order to provide creditors with the information they need to extend credit, a vast, private, unregulated information network has grown up. For example, in 1967 the credit bureaus belonging to the Associated Credit Bureaus of America issued over 97 million credit reports. Their files include information on more than 110 million individuals.

There has been growing concern that public standards need to be developed concerning the activities of credit bureaus. A number of complaints have been raised concerning the problem of inaccurate information, the failure to keep information confidential, and the individual's right to privacy.

I have introduced a Fair Credit Reporting Act, along with nine other Senators, to require credit bureaus to observe certain elementary safeguards and procedures designed to insure that consumers are treated fairly. Considering the power these self-appointed credit watchdogs have to affect the person's reputation and even job, we must be sure that they are publicly accountable.

Yesterday Bruce Biossat, in the Washington Daily News, devoted his entire column to this issue. 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:

WATCHDOG OVER CREDIT

(By Bruce Biossat)

The time clearly has arrived for the creation of a Federal watchdog commission to exercise powerful and aggressively vigilant control over the nation's credit bureaus and credit-extending agencies.

These "private" bureaus and agencies, thru their command over an individual citizen's credit standing and his opportunity to use credit in major transactions affecting his life, are in plain fact employing power which is governmental in scope.

They have, indeed, far more sweeping authority over an individual's personal and business financial affairs than the U.S. Internal Revenue Service normally applies in its congressionally-empowered inquiries into citizens' income tax returns.

A credit bureau, operating in misty anonymity most of the time, may determine whether you can buy a house or a car, float a loan to pay off crushing medical expense, expand your activities, undertake certain necessary travel.

It is your "credit rating" which decides all this, and whether or not you can get general or special credit cards and develop charge accounts with retail stores and various other business establishments.

Your "rating" is presumed to be determined by your past "credit record"—the available evidence as to how you paid your bills, how you met bank or car or other loan payments, etc.

Unhappily, credit bureaus across the country make many minor and some very serious errors in compiling this evidence. The horror stories are legion, compiled more and more frequently by highly reputable newspapers, pieced together in endless living room conversations where individuals compare notes.

In theory you are supposed to be able to gain access to the credit bureau's file on your credit performance if any difficulty arises. Actually, as many specifically documented cases demonstrate, your rating may suddenly plummet to zero and you may find it impossible, or nearly so, to learn why.

Letters to credit bureaus and credit-extending agencies go unanswered for long periods or are never answered. If you can bring off a personal visit with an agency official, which is no mean feat, you may be smothered in vague replies.

In many instances, the agency treatment of the inquiring citizen is grossly arrogant, indifferent, negligent and downright incompetent.

Sometimes a bureau, goaded into unaccustomed frankness, acknowledges its capacity for error and even says certain matters of credit performance are "difficult to verify."

From the public's standpoint, failure on this score is totally unacceptable. There can be nothing too difficult to verify when a person's whole financial status is at stake. And no serious error is permissible, for the same reason.

With power goes responsibility. The responsibility of these agencies is to be absolutely correct, even if they have to recheck their records 20 times. And evidently a Government commission is now needed to see that they do just exactly that.

Furthermore, such a commission should be charged with seeing that their often inhuman impersonal treatment of citizens is completely curbed. The experiences some people have had make the so-called "impersonality" of today's huge university look like an exercise in free love.

If Federal tax investigators judge your income tax returns faulty or fraudulent, and you dispute their findings, you have recourse first to the tax court and then to the general courts to seek reversal of the verdict.

No such protection exists for you in the credit field. The citizen should not be forced to spend time and money to prove errors by self-appointed private arbiters of your credit. A Government commission should put the burden of accuracy fully upon them.

CANADA'S INCENTIVES AID MINING INDUSTRY

Mr. STEVENS. Mr. President, the extraordinary development of Canada's mineral and mining industry is due to a variety of assistance and incentive programs. These programs work. The United States with its vast store of undeveloped resources in Alaska and elsewhere has much to learn from the experience of our neighbor to the North.

Mr. President, I ask unanimous consent that a short article by Edmond E. Price, published in the first issue of Alaska Industry, January, 1969, be printed in the RECORD.

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

CANADA'S INCENTIVES AID MINING INDUSTRY

(By Edmond E. Price[1])

Change is the operative constant today both in Alaska and that vast expanse of land to the east known as "Northern Canada," or that part of Canada lying north of the 60th parallel comprising:

1. The Yukon and Northwest Territories
2. 40% of our land mass, or 1.5 million square miles
3. One-third of the mineral rich Canadian Shield and the Cordillera Range of the Yukon
4. 50,000 inhabitants.

From the time of Samuel Hearne's trip

[1] Edmond E. Price is the Canadian consul and trade commissioner at Seattle. His paper on Canadian mining incentives was presented at the Fairbanks annual meeting of the Alaska State Chamber of Commerce in October.

in 1771 in search of the legendary native copper brought in by Indian traders to the Hudson's Bay Company posts, and Alexander Mackenzie's journey of this time from Lake Athabasca to the Arctic Ocean during which he noted considerable oil seepage, we have known something of this area's vast storehouse of resource riches.

The Klondike gold rush of the 1890s gave us further indication, yet only within the past 10 years have we really begun to "Look North to the Future" (wtih acknowledgement to Gov. Walter J. Hickel and [Alaska's] Department of Economic Development!)

The development of Canada's north will follow the historic pattern of development which formed Canada as a nation. It will depend upon:

1. The discovery of desirable minerals in economic quantity,

2. The provision of economic transportation to markets,

3. Development of technology to enable economic extraction under conditions of severe climate and high transit costs.

IMPORTANCE OF MINERALS

I shall concentrate on the development of minerals in Northern Canada and how this development is being facilitated and fostered by the Canadian federal government.

Thus I shall leave aside anything more than mere mention of the estimated 23 billion cubic feet of merchantable timber in Northern Canada, although federal resource incentive programs have application in this field as well.

When I speak of minerals, I include oil and gas, which are minerals but not really part of the "mining" or "mineral industry." Their importance to Canada can be shown in many ways, including:

1. 7.1% of our 1967 GNP, or $4.4 billion. (All figures given in Canadian dollars.)

2. Largest earner of foreign exchange, for 28.5% of total exports in 1967, valued at $3.2 billion

3. A principal area for foreign investment, i.e., in 1965, $250 million of $443 million in foreign gross capital inflow was invested in mining and petroleum industries

4. The mineral industry employs, directly and indirectly, 15% of Canada's labor force, or more than one million people

5. It is a substantial earner of income for governments. During the 1960's, the Canadian mineral industry has accounted for an average of 18% of all federal corporation income taxes paid in Canada.

NORTHERN DEVELOPMENT INCENTIVE

To stimulate development in the North, which contains three times the volume of sedimentary rock that exists in Alberta, and three times as much pre-Cambrian geology as the province of Ontario (the home of so much mining activity), the government of Canada has over recent years introduced a number of resource development assistance programs.

Before outlining these programs—which are—additional to the various tax concessions, benefits and writeoffs that mining companies enjoy under the Income Tax Act—I should point out that these programs apply to Crown land in Northern Canada, which is administered by the federal Department of Indian Affairs and Northern Development.

The programs include:

1. The Northern Mineral Exploration Assistance Program. Up to 40% of an approved exploration program (including geological, geophysical and geochemical examinations, aerial mapping, surveying, surface examination and drilling) in search of minerals or oil can be provided by the government. If the program is successful, the grant is repayable over a 10-year period commencing when production starts. If unsuccessful, the grant is not repayable.

2. The Prospectors Assistance Program. Provides grants on a first-come-first-served basis of up to $900 per year to stake an individual prospector. It provides $30,000 in each territory to assist prospectors.

3. Northern Roads Program. Provides for assistance on resource projects up to:

(a) 50% of the construction cost for a tote trail but not to exceed $20,000

(b) 50% of actual road cost for initial access roads to a yearly limit of $100,000 if the project is exploratory in nature, and $500,000 if the project is primarily development

(c) Two-thirds of the cost of construction of permanent access roads, but not exceeding 15% of actual capital invested by the company prior to commencement of commercial production or exploitation

(d) 100% of the construction and maintenance costs for resource development and network roads to link resource-potential areas with established road networks.

This program applies to forestry, petroleum, mineral, tourism, recreation and other industrial developments.

4. Northern Resource Airports Program: Provides for financial assistance up to 50% of the cost of airports in support of exploration operations to a maximum contribution of $20,000, and preproduction operations, to a maximum federal contribution of $100,000. Airports constructed under this policy are to be made available for public use at reasonable times, and the company must construct, maintain and operate the airstrip. This arrangement applies to a natural resource development company, a private tourist or recreational enterprise, or established airline.

5. Economic Feasibility Studies: In some cases the federal government will finance economic feasibility studies of proposed northern primary production operations.

6. Northern Canada Power Commission.[2] A Crown corporation which plans (and in some cases operates) power operation facilities in Northern Canada. It provides power to mining operations in Pine Point and Yellowknife.

7. Canadian National Railroad.[2] This Crown corporation may also become involved, as it did through the $80 million extension of its line from Grimshaw, Alberta, 432 miles north to the Pine Point lead-zinc deposits.

8. Other Assists. These include: financial support for Chamber of Mines; subsidized assay services; strategically located Mining Recorders' offices; the provision of serviced lots for sale in "open" townsite developments, etc.

RECENT DEVELOPMENTS

This new focus on the North has led to exciting and dramatic recent development.

In the mining field, industry has spent $260 million on new mine development in the past four to five years, supported by $240 million in federal government expenditure.

In addition to actual development of new mines—such as Anvil, Cassiar, New Imperial and Pine Point—exploration activity is at a $12 million annual level, with 36,000 claims recorded in the Yukon and Northwest Territories in 1967—up from 5,800 in 1963.

Exploration expenditures for oil and gas in Canada's north have increased by 10–15% every year during the last five years.

This year, exploration should approximate $35 million (compared to $15.5 million in 1963). Included is part of a $20 million, three-year program to be undertaken by a consortium of Canadian mining, petroleum and investment companies and the Canadian government (on a 55:45 equity sharing basis) to drill 17 wells on a 44 million acre permit area in the Arctic islands. As of this date 236 million acres are held under permit by oil companies.

And so, in what might be described as "unseemly haste," is a capsule review of how private enterprise and public enterprise are working together to develop Canada's north.

[2] Indirect assistance.

CORPUS CHRISTI TIMES PAYS TRIBUTE TO COURAGEOUS SENATOR HOLLINGS

Mr. YARBOROUGH. Mr. President, it is not always easy to stand up for your convictions, even when you know you are right. It is even more difficult to admit to a mistake or misjudgment, and to change your mind because you believe it is the right thing to do. It takes courage to take such action, especially when you are in the public eye, knowing that your every move is carefully scrutinized by friends and enemies alike.

The Corpus Christi Times, from my home State of Texas, has noted a recent expression of such courage by one of our Members. During the recent hearings by the Select Committee on Nutrition and Human Needs, the distinguished Senator from South Carolina (Mr. HOLLINGS) testified concerning the extent of hunger and malnutrition in his own State. As the Corpus Christi Times so accurately points out, his straightforward and concerned testimony expressed "political courage and humanitarianism."

Mr. President, I think Senator HOLLINGS has set a fine example for all of us who are involved in our Nation's Government to follow. I salute him for his courageous stand on this vitally important issue.

I ask unanimous consent that the editorial entitled "False Pride," published in the Corpus Christi Times of February 24, 1969, be printed in the RECORD.

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

FALSE PRIDE

Score a high mark for political courage and humanitarianism for Sen. Ernest F. Hollings, former Democratic governor of South Carolina.

Though knowing how politically unpopular his testimony would be back home, he pulled no punches in dramatically describing the dreadful extent and consequences of hunger in his state. But he did not stop there in the hearings of the Senate's Select Committee on Nutrition and Human Needs, headed by Sen. George McGovern, D–S.D. He went on to say that shamefully he as governor had collaborated in a public policy of covering up human misery in South Carolina because the truth might make the state less attractive to new industry.

That admission of mistake is admirable. And it is a mistake still prevalent in poverty-plagued states, including Texas. This fear of "hurting our image" for industrialization (aburd because industry locators know all social and economic details of an area interesting them) is probably what caused the Senate Rules Committee to try to cut the McGovern committee's $250,000 study expenses to $150,000.

The Senate in a rare move overruled its Rules Committee to give the hunger study its full funds.

We hope Texas public officials will emulate Sen. Hollings' good sense by realizing that a state's economic and social progress is served not by covering up its human misery but by finding out its causes and undertaking its cures. It may hurt state and local pride when our shortcomings are exposed, but that is a false pride that is self-defeating. Any industrial management that does not think better of South Carolina after hearing Sen. Hollings' testimony is not the kind a state should want to attract.

AIR QUALITY STANDARDS FOR CALIFORNIA

Mr. MURPHY. Mr. President, on March 5, I submitted a statement to be included in hearings by the Department of Health, Education, and Welfare being held in Los Angeles, Calif., on California's request for a waiver to implement its Pure Air Act of 1968, as authorized by the Murphy amendment: to the Federal Air Quality Act of 1967.

In this statement, I urged Secretary Finch and his Department to grant the full waiver as requested by the State of California, so that we might continue to establish standards that will bring to California the air quality that the people demand and deserve.

Mr. President, I ask unanimous consent that my statement fully supporting California's request be printed in the RECORD.

In addition, I ask unanimous consent that California Assembly Joint Resolution 8, also supporting California's waiver request, be printed in the RECORD.

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

STATEMENT OF SENATOR GEORGE MURPHY, OF CALIFORNIA, HEW HEARING ON CALIFORNIA'S WAIVER REQUEST, LOS ANGELES, CALIF., MARCH 5, 1969

Mr. Chairman. I strongly urge the complete waiver as requested by the State of California be granted. The granting of the waiver will enable the State to implement the Pure Air Act of 1968, which was passed by the State Legislature and signed into law last year by Governor Reagan. The waiver is a *must*, if California is to achieve the clean air that our people both demand and deserve.

As the author of the "Murphy amendment" which was incorporated into Section 208(b) of the Federal Air Quality Act of 1967, I am obviously very familiar with the congressional intent and the history of the amendment. Under the Air Quality Act of 1967, the federal government pre-empts the field insofar as the establishing and enforcing of automobile emission standards are concerned. This means that the states are not allowed to establish and enforce automobile emission standards. California under my amendment was the only state in the nation granted a waiver from this Federal pre-emption.

Mr. Chairman, the securing of the waiver for California was not an easy matter. Although California's congressional delegation is large, the task of convincing our colleagues from other states that one state should be granted a waiver was a difficult one.

On the Senate side, I was able to persuade my colleagues on the Senate Public Works Subcommittee on Air and Water Pollution that both the need and California's pioneering air pollution efforts justified this special treatment for California. Thus, my amendment preserving California's right to continue its battle against air pollution was adopted in Committee and was included in the bill as it passed the Senate. The Senate Committee report points out the "positive benefits" that would flow from the approach of the Senate—that is, federal pre-emption but with the waiver to California.

"1. Most importantly California will be able to continue its already excellent program to the benefit of the people of that State.

"2. The Nation will have the benefit of California's experience with lower standards which will require new control systems and design. In fact California will continue to be the testing area for such lower standards and should those efforts to achieve lower emission levels be successful it is expected that the Secretary will, if required to assure protection of the national health and welfare, give serious consideration to strengthening the Federal standards.

"3. In the interim periods, when California and the Federal Government have differing standards, the general consumer of the Nation will not be confronted with increased costs associated with new control systems.

"4. The industry, confronted with only one potential variation, will be able to minimize economic disruption and therefore provide emission control systems at lower costs to the people of the Nation."

Thereafter, an all-out campaign was mounted to delete the "Murphy amendment" with the result that the House Interstate and Foreign Commerce Committee deleted the amendment. When this occurred, an aroused and united California congressional delegation girded by a tremendous groundswell of public opinion succeeded in reinstating the "Murphy amendment" on the House Floor. Following this action, I remarked that this was a great victory for the public interest and it demonstrated how the voices of the people can and will make a difference in the action of their Congress.

California through the "Murphy amendment" had won the right to continue to enact legislation to further the State's determination to have clean air. In 1968 the California Legislature responded to the vote of confidence that Congress gave with the enactment of the Federal Air Quality Act of 1967 and demonstrating its desire to continue to be the nation's bellwether in the pollution fight enacted the Pure Air Act of 1968.

In summary, Mr. Chairman, California fought for the waiver and won. They responded to the opportunity afforded them by the amendment by enacting the Pure Air Act of 1968, and they are going to fight for this waiver which will enable them to implement the badly needed tougher standards of the Pure Air Act of 1968.

I am pleased that the hearing is being held in Los Angeles. Here is where the air pollution problem is the most serious. That extraordinary and compelling circumstances exist is so obvious that I feel it is unnecessary to labor this point. That 10,000 citizens have been advised to leave the Los Angeles areas because of the air pollution problem shows that the problem is, as one radio station in Los Angeles called it, a matter of "Life or breath."

Further, Mr. Chairman, the standards of the Pure Air Act of 1968 have been found to be both economically and technologically feasible by a nine-member blue ribbon technical advisory panel, composed of California's foremost engineers, scientists and air pollution experts. Unless the hearings prove that the California standards are not technologically and economically feasible, the "Murphy amendment" requires the waiver to be granted to California.

While I certainly do not agree, I can understand industry's opposition to the California standards. I do not understand, and I emphatically disagree with, the feeling that I get that certain people in the Department of Health, Education and Welfare in the past have attempted to construct any roadblock or strawman they can to prevent California from moving ahead in the air pollution field. I feel confident that under the new Secretary this will not be done in the future. I would think that the Department of Health, Education and Welfare would be delighted to see California increase its efforts to protect the health and welfare of its citizens—efforts that would not only immediately benefit California but ultimately benefit the entire nation.

I was further alarmed to read in Monday's, March 3, Wall Street Journal an article where one nameless "federal expert" indicates that if California is granted the waiver the federal government would be under strong political pressure to tighten federal requirements. The "federal expert" is quoted as saying "the question is if this is feasible for California, why not for the rest of the country?" I would suggest to this "federal expert" that he ought to spend some time studying legislative history and the intent of the Congress. Congress intended that a waiver be granted to California so that California could continue to be the nation's pacesetter in pollution control. I might add further, as serious as the pollution problem is, a little pressure to improve air pollution control across the country would not hurt anything.

The unfortunate truth is that it may have taken California's pressure to get the industry to realize the seriousness of the air pollution problem. I have been encouraged by some recent outstanding and constructive research and action projects now underway by industry. For example, Mr. Miller, retiring chairman of Ford, recently announced a major engineering breakthrough. The Inter-Industry Emission Control Program, jointly sponsored by various automobile companies and the oil industry has invested $4 million into clean air research. Had we pushed earlier, we may not have found ourselves in the serious difficulties that we are in today.

And I would suggest that a good place to start would be for the federal government to put its own house in order by cleaning up pollution from federal facilities. For example, a 1968 report by former Secretary of Health, Education and Welfare, Wilbur Cohen, states, and I quote: "Federal installations account for about 30 per cent of the air pollution of the District of Columbia." We in Los Angeles have certainly done a better job in cleaning up pollution from stationary sources than the federal government has done in cleaning such pollution from the Nation's Capital.

We frequently hear a great deal of criticism that the states are not living up to their responsibilities. While some of this criticism is undoubtedly true, there are states that not only face up to their responsibilities, but also point the way for other states and the federal government. Air pollution is an excellent example, and we should remember insofar as air pollution is concerned, that the federal government is a "johnny-come-lately." If the statistics are accurate regarding pollution from the federal facilities in the District of Columbia and other states, they would indicate that the federal government's record has not been the most enviable one.

As part of a new Administration that has pledged itself to a new era of federal-state relations, I strongly urge that the waiver as requested by the State of California be granted.

Mr. Chairman, I think that a statement by Dr. Joseph Boyle, President of the Los Angeles Medical Association, on the critical nature of the air pollution problem needs to be carefully studied:

"This committee concludes that air pollution is becoming increasingly worse, and could lead to a great loss of life in this community. The evidence is conclusive that the increase in the significant components of this air pollution is due primarily to emissions from motor vehicles. These emissions constitute a serious threat to the health of residents of the Los Angeles Basin. Although this is especially true for those that are ill, the very young or the very aged, it also applies to those who are presently in good health. The Los Angeles County Medical Association wishes to emphasize to the Legislature of the State of California, and the Congress of the United States, that a critical and worsening health crisis exists in Los Angeles County, despite all efforts for its control. The pending crisis is imminent, and demands that every appropriate action, how-

ever drastic, be taken immediately. No further delay can be tolerated, with safety."

So, Mr. Chairman, Dr. Boyle's statement leaves no doubt that we need to accelerate our battle against air pollution. To those government officials and members of industry who say that we should go slow and that we cannot afford to move as rapidly as California wants to and has found it economically and technologically feasible to do so, I would quote from a statement by Mr. M. A. Wright, who, as President of the U.S. Chamber of Commerce, said: "To those who say they cannot afford to take effective antipollution measures, I can only respond that they can't afford not to."

In my judgment, Mr. Chairman, the federal government should be encouraging and urging California to move ahead. It can do so by approving the waiver as I strongly urge.

ASSEMBLY JOINT RESOLUTION 8

Joint resolution relative to the Pure Air Act of 1968

Whereas, Seventy percent of the poisonous smog which each year costs California approximately half a billion dollars is caused by motor vehicles; and

Whereas, The California State Legislature last year developed vehicle emission standards which all new vehicles must meet beginning in 1970 and which become increasingly more stringent through 1974; and

Whereas, California may not implement these standards unless the Secretary of Health, Education, and Welfare finds, under the Federal Air Quality Act of 1967, that the standards are technically feasible and capable of implementation with reasonable economic cost; and

Whereas, The standards in the Pure Air Act of 1968 have been found to be technically feasible and capable of implementation with reasonable economic cost by a technical advisory panel of nine California engineers, scientists, and air pollution experts; and

Whereas, The automobile manufacturers have repeatedly asked that emission standards be established well in advance so that they may have "lead time" to develop the hardware to implement the standards; and

Whereas, All the standards in the Pure Air Act of 1968 are now California state law: the standards for cars as well as larger vehicles, the standards for exhaust emissions as well as evaporative loss, and the standards for 1971, 1972, 1973, and 1974 as well as 1970; and

Whereas, This is the law passed by both houses of the Legislature, and this is the law signed by the Governor; and

Whereas, On November 20, 1968, the California Air Resources Board unanimously adopted test procedures for all the standards in the Pure Air Act: for both exhaust and evaporative loss; for hydrocarbons, carbon monoxide and oxides of nitrogen; and for 1970, 1971, 1972, 1973, and 1974; and

Whereas, Without the strong responsible standards in the Pure Air Act of 1968 there is persuasive medical evidence that California faces a public health crisis of major dimension; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California requests the Secretary of Health, Education, and Welfare to grant California a waiver on all of the standards and procedures in the Pure Air Act of 1968 as promptly as possible; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the Secretary of Health, Education, and Welfare and to each Senator and Representative from California in the Congress of the United States.

MORAL ISSUES BEFORE THE COUNTRY: HUMAN RIGHTS CONVENTIONS—XXV

Mr. PROXMIRE. Mr. President, the debate now proceeding in the Senate on the Nuclear Nonproliferation Treaty is of crucial and unending importance. By ratifying this treaty, the United States will declare its commitment to help end the arms race and prevent the proliferation of nuclear weapons among nations. We should not underestimate the world ramifications of this treaty.

Our technological progress has brought our Nation both comforts and great military capability. It has also brought great problems and major political dilemmas not only to ourselves but to all mankind. Many believe that if this treaty is not ratified, the possibility of an eventual nuclear holocaust and the destruction of nations will be enhanced.

Thus there are great moral issues involved in our foreign policy decisions. This is the time in the case of the Nuclear Nonproliferation Treaty. And it is also time in the case of ratification of the pending Human Rights Conventions on Genocide, Political Rights of Women, and Forced Labor which are still in committee. While we do not live in a jungle, we do not live in utopia either. We have to carry into foreign policy at least some rudimentary sense of ethics and morality. We simply cannot divorce the moral issues from the political issues. We cannot expect to achieve peace in a jungle. We should give further credence to our commitment as a nation to achieve peace and ratify both the human rights conventions and the Nuclear Nonproliferation Treaty.

DESERET NEWS SERIES ON ENDANGERED SPECIES UNDERLINES NEED FOR PASSAGE OF S. 335

Mr. YARBOROUGH. Mr. President, it is increasingly apparent that unless something is done to stop the continued exploitation of wildlife and the destruction of their habitats, this generation may witness the end of most of the world's animals. One observer notes:

By the year 2000, conservationists foresee a world whose polluted continents and oceans are the almost exclusive domain of men, livestock and rats.

Already, hundreds of species are losing the fight for survival by being trapped, hunted, and crowded out of their natural habitats.

I have long been concerned with the rapid disappearance of the world's endangered species. During the 88th Congress, I submitted Senate Concurrent Resolution 52 on August 23, 1965, calling for a World Wildlife Conference to consider the fate of endangered species. On August 28, 1967, I submitted Senate Concurrent Resolution 41 of the 90th Congress, which repeated my concern that such a conference be called. Then, I introduced S. 2984, a bill to prevent the importation of endangered species or parts thereof; and to prohibit the interstate shipment of any domestic species taken contrary to State law. I introduced a similar bill, S. 335, on January 16, 1969, shortly after the 91st Congress convened.

The House has already held hearings on several endangered species bills, and it now appears that Congress is ready to pass legislation that will prevent the further exploitation of endangered species. I am hopeful that the Senate will soon schedule hearings on my bill, S. 335, and will take immediate action on it.

Mr. President, the distinguished Senator from Utah (Mr. Moss), has brought to my attention a series of articles published in the Salt Lake City, Utah, Deseret News. These interesting, informative, and well-written articles, written by Miss Marcia Hays, describe in detail, the plight of endangered species. They should be carefully read by anyone who is concerned with preserving the world's endangered species of fish and wildlife.

I ask unanimous consent that the following articles from the Deseret News be printed at this point in the RECORD: "Vanishing Wildlife: Extinction List Mounts," Tuesday, January 28, 1969; "Our Endangered Wildlife; Born to be Worn," Wednesday, January 29, 1969: "Our Endangered Wildlife: Odd Pets Usually Die," Thursday, January 30, 1969: "Endangered Wildlife: Birds Facing Extinction," Friday, January 31, 1969; "Endangered Wildlife: Why Conservation Pays," Tuesday, February 4, 1969; "Endangered Wildlife: Successes Offer Hope," Wednesday, February 5, 1969.

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

[From the Deseret News, Jan. 28, 1969]

VANISHING WILDLIFE: EXTINCTION LIST MOUNTS

(EDITOR'S NOTE.—By the year 2000 most of the world's wild animals will be extinct. What is behind this problem and what can be done to prevent it is the subject of this series on our vanishing wildlife. The author is currently working under a fellowship in the Advanced Science Writing Program at Columbia University's Graduate School of Journalism.)

(By Marcia Hayes)

This generation may witness the end of most of the world's wild animals.

Trapped, hunted, and crowded out of their natural habitats, hundreds of species are already losing the fight for survival. By the year 2000, conservationists foresee a world whose polluted continents and oceans are the almost-exclusive domain of men, livestock, and rats.

The World Health Organization estimates that there is one rat for every human in the world—3.3 billion of them. But the rest of the world's wildlife has not fared as well. In the name of sport, profit, and progress 550 species of mammals, birds, and reptiles have been pushed to the brink of extinction within the last century. And more names are being added to the list every year.

In the United States alone, 50 native American species have been wiped out in a period of 50 years. It took just over a century to exterminate 5 billion passenger pigeons. Bison, once numbered in the tens of millions, were slaughtered methodically by hunters and cavalrymen until only a few dozen of one species remained.

Among those already extinct here are the sea mink, the Florida wolf, the eastern cougar, two species of bison, and the bighorn sheep.

Today's victims are the American mountain lion, the Canada lynx, the Florida key deer and the American alligator. All are on the verge of extinction. All are being hunted despite restrictions.

In Africa and Asia, cheetahs, leopards, and tigers are being trapped by the hundreds for their furs. Zoologists don't expect them to last out the decade. Orangutans and mountain gorillas are being crowded out of their jungle habitats. Elephants, slaughtered by the thousands for their ivory, are becoming the bison of Africa. And wealthy sportsmen are killing off the rhinoceros, the gazelle, and the polar bear.

Names familiar to every child fill row after row of the list of endangered animals compiled by the International Union for Conservation of Nature and Natural Resources. Among them are seven kinds of whales, five varieties of bears and tigers, seven types of seals and leopards, five species of rhino and nine kinds of gazelle.

Mammals alone are disappearing at a rate of one species per year, according to the IUCN. And the organization reports that the ranks of 250 mammals are dwindling so fast that they may become extinct at any moment—in a year or in a decade.

The predator is man. Whether he wears a hunting jacket, a business suit, or sits at the controls of a bulldozer, civilized man is the most formidable opponent animals have encountered since the first giant reptiles roamed the earth 200-million years ago.

Man hunts primarily for pleasure. But he kills in quantity to satisfy demands for exotic foods and fashions, and he destroys and pollutes animal habitats to make way for his own housing, transportation, and industry.

Before man became civilized, the death of a species was a fairly uncommon event. Geologists estimate that 1,000 species may have become extinct over a period of one million years, a rate of one every millennium. Today the death rate is at least one species per year.

A species is headed for extinction when its death rate exceeds the rate of which new animals are born. Its extermination is assured when its breeding population falls below a certain critical level, which varies with every species. Although a few individuals may remain, they will be easily outnumbered by their natural enemies. And they may be scattered over such wide distances that they cannot find each other to mate.

This is the plight of the great blue whale, largest of the world's mammals, now thought to be extinct as a species. Dr. Ross Negrelli, curator of the New York Aquarium, estimates that less than 1,000 and perhaps as few as two dozen of the whales remain in the vast southern oceans of the world. Dispersed over thousands of square miles, the odds are slim that a mating pair will meet.

Blue whales have been on the endangered list for years. Yet it was 1967 before the whaling industries of Russia, Norway and Japan agreed to stop hunting them. And the industry has yet to set reasonable quotas on other endangered whales.

Conservationists warn that six other species of whale will become extinct unless the kill is drastically reduced. Fin whales are being caught at the rate of 14,000 per year, three times the catch that conservationists say the species can stand. Also hunted indiscriminately are the North Atlantic, Pacific, and southern white whales, and the humpback and greenland whales—all endangered.

There is no limit at all on the sperm whale, and some 29,000 of the mammals are killed every year. The industry argues that since it doesn't know exactly how many sperm whales exist, it cannot set a meaningful quota. Rough estimates of the total number of sperm whales, compiled by mammalogists, have been ignored by the industry.

The dilemma of the whaling nations is shared by all industries that have a stake in endangered wildlife: their source of profit is disappearing, and they know it. Yet the investment in equipment is so great—millions of dollars in the case of whaling ships—and the profits so high, that they will not voluntarily regulate the catch.

Hunters are also a big threat to several endangered species. Although the majority of sportsmen limit their catch and stalk their prey on foot, there are hundreds of callous trophy-seekers who don't care how they get their game.

A number of guide services cater to this type of client. One agency guarantees its customers a polar bear for a $3,500 fee. A spotter plane is sent out to locate the animal, radioing back to a second aircraft, which carries the hunting party to land and shoot the bear.

If the victim is a mother with cubs, the young bears are also doomed. Totally defenseless at birth, Polar Bear cubs are not mature enough to survive alone until they are nearly a year old. The female of the species gives birth every two years—and usually to only one pair of cubs.

The World Wildlife Fund estimates that Polar Bears are being killed at the rate of 1,200 per year, while the total population is less than 12 thousand. Only stiff international controls can save the bears, which drift with the arctic ice sheet through the territorial waters of the United States, Russia, Norway, Greenland and Canada.

In Alaska, the increasingly rare American timberwolf is still hunted for bounty, pursued across the tundra by airborne hunters, who get $50 for every hide they bring in.

And in Egypt and parts of Arabia, ibex and gazelle are hunted from planes and cars. The technique is to pursue the herds until the animals drop from exhaustion.

"Then they shoot them down wholesale, sparing neither the pregnant females nor the fawns," writes conservationist Philip Kingsland Crowe in his book "The Empty Ark," "Every single animal is killed, even the kids. And for the rest of the year, dried carcasses are handed out as favors to friends . . . The horns, some pathetically small, are mounted over the door."

Most nations have laws to protect wildlife, but they lack the money and manpower to enforce them. The worst offenders are poachers—primarily in the fur and hide industries, and the United States is now making an effort to take the profit out of such illegal hunting. A bill introduced into the House last year would prevent the import of hides and skins of endangered wildlife and would forbid the interstate shipment of animals and animal parts taken contrary to state law.

Vehemently opposed by lobbyists for the fur and hide industries, the House bill is awaiting action by the new Congress.

In the Senate, it has the vigorous support of Ralph Yarborough, D-Tex., who has introduced a concurrent resolution calling for a World Wildlife Conference.

Both proposals could regulate the catch of the whaling and food industries. They could also stop or greatly reduce illegal poaching and trapping for the fur and pet industries, practices that are rapidly exterminating the world's most beautiful and strange animals.

[From the Deseret News, Jan. 29, 1969]

OUR ENDANGERED WILDLIFE: BORN TO BE WORN

(By Marcia Hayes)

The last wild tiger in the world could end up on a Seventh-Avenue coat rack. The last American alligators may be sold as a set of matched luggage. Right now the odds are for it. No law says it can't happen.

In the U.S. it is quite possible to import almost any animal, alive or dead, in any number. Likewise the interstate shipment of hides or furs from rare animals is not prohibited.

Legislation is now before the House that would prohibit such imports in interstate traffic. But it is being vigorously opposed by lobbyists from the fur and hide industries and could be shelved indefinitely.

Until a law is passed and strictly enforced, poachers will continue a virtually unrestricted slaughter of endangered fur-bearing animals and reptiles. The United States is a profitable market.

The price of rarity is high, but many are prepared to pay it. Status seeking consumers willingly spend thousands for a "fun fur" and hundreds for a single pair of shoes. The demand is encouraging the methodical destruction of the world's most beautiful and ancient animals: The large cats, the alligators and the crocodile.

Within the next few years, all of the great cats except the lion will be pushed beyond the biological point of no return. The American alligator has already been exterminated over most of its range, and the Chinese alligators are not expected to last much longer.

In the past, the fashion industry came close to doing in the sea otter, the ostrich, the snowy egret, and the trumpeter swan. Luckily, otters were saved at the last moment by a conservation campaign, and the birds were spared by sudden change in style.

But furs don't go out of style, and the market for them continues to increase. Recently, a Somali leopard coat, fashioned from eight skins, was advertised in a New York paper for $16,000. The caption read: "Set free to make its fashion mark."

In a recent full-page magazine ad, three furs from the rare Himalyan snow leopard were shown draped across a model above the caption: "Untamed . . . born free in the wild whiteness of the high Himalayas only to be snared as part of this captivating fur collection!"

Somalis, considered the most desirable type of leopard, are being decimated so quickly that conservationists don't expect the species to last 10 years.

One leading furrier says he bought close to 500 leopard skins from Somaliland alone last year, along with approximately 1,000 less valuable furs from Asia and other parts of Africa. The industry as a whole is estimated to have imported about 7,000 leopard skins, and the yearly world trade is close to 50 thousand.

Mrs. Jacqueline Kennedy Onassis gets the credit from the fur industry for whetting the feminine appetite for leopard. Jackie bought a leopard coat in 1962, says designer Ben Kahn, and the demand has been rising ever since. "We have created our own Frankenstein's monster, a demand that destroys the raw material," he said recently.

Furriers are not happy with the situation. Some, like furrier Jacques Kaplan, find it tragic. Kaplan published a full-page ad in the New York Times declaring his intention to stop trading in the furs of endangered species and encouraging other furriers to do the same.

But he says he has received no response and a lot of abuse from American furriers as a result.

"Only one furrier, another Frenchman named Jacques Ferber, has agreed to stop trading in these animals," says Kaplan. "But since I made my announcement, there is not a trick in the book that hasn't been pulled on me by rival furriers. I can't go into details, it is too nasty. But I am resented by the industry."

Yet Kaplan is a staunch defender of the conventional fur business. "I believe man is entitled to wear real fur. It is part of his heritage," and he points to the species that are bred solely for this purpose: Persian

lamb, mink, and nutria. "But I think it is a terrible thing to destroy a species," he says. "It should be the responsibility of the people in this business to protect wildlife."

Tigers, described as an "interesting" fur by one industry spokesman, are disappearing fast from India. A curator at the American Museum of Natural History estimates that there may be 4,000 Bengal tigers left. Yet, they are shipped by the hundreds to furriers in New York and Paris and they are still hunted on safari.

Two South American cats have had the bad luck to be beautiful. Jaguars and ocelots are shipped out by the hundreds, and the jaguar's future is already in doubt. Ocelots are becoming rare. It takes two dozen of the small cats to make one coat and they are exported accordingly.

Peru alone shipped 11,244 ocelot skins out of the country in recent years. And last year the U.S. customs passed 115,458 from all parts of South America.

So numerous in 1900 that a dozen skins could be brought for $4, chinchillas are believed extinct in the wild. They are now bred in captivity, and the price of a chinchilla fur reflects the expense of raising them. A stole is worth $50,000.

The shy, delicate vicuna, whose soft fur is fashioned into coats, scarves and blankets, is extinct over most of its former range. It is now found only in remote areas of the Andes, where the Peruvian government is taking steps to protect it.

Poachers make between $50 and $100 for a leopard skin, somewhat less for a tiger, and somewhat more for a cheetah. Ocelots bring less than $20. So that the large part of the skin will be unmarked and therefore more valuable, poachers frequently use steel traps to catch the animals, a method that causes slow and painful death by bleeding.

Cats are not the only quarry of the fur trade. At the beginning of this century, sea otters were practically wiped out by fur trappers. But conservationists stepped in at the last moment and saved the species. Rigidly controlled for years, otters are once again numerous enough to be harvested.

But fur seals are now being killed with the same abandon that almost wiped out the otter. Whole herds of seals are trapped on shore, where they are virtually helpless, and beaten to death with huge clubs. Like steel traps, clubs do not kill instantly. But they leave the fur unmarked.

Next to cats, reptiles are the biggest victims of fashions, and the American alligator is the major accessory to the crime. Snapped up by the handbag, shoe and luggage manufacturers as fast as they can be hauled out of the swamps, 'gators have a dim future in the wild unless the government steps in. Pushed further and further into the swamps by encroaching civilization, the 'gators are pursued to the densest, remotest areas by airborne hunters. Using helicopters and airboats, the poachers can land almost anywhere in the vast marshlands.

Such a vast area is hard to control by game wardens, and the only hope of saving the alligator lies in legislation aimed at closing the market.

Since unscarred skins are most desirable, poachers have killed the youngest animals—usually before they reach breeding age. Thus the species is unable to renew itself.

"The American alligator is now common only on a few restricted areas in the state and federal refuges and parks," says a representative of the Southeastern Association of Game and Fish Commissioners. A retired alligator poacher put it more bluntly: "I wouldn't give the 'gator more than four years," he told a reporter recently. "There are 1,000 professional hunters in Florida alone, and the laws are so weak they laugh at them."

Alligators are mourned not for their beauty in the wild but for the part they play in balancing their environment. Predators on gar and other game-fish destroyers, they also open up "Alligator holes," where deer and other game can find water in the dry season.

Alligators bring $6.50 per foot, and hunters can make as much as $300 for three nights of work in the swamps. If they poach in pairs, the profits can often be tripled.

If interstate shipment of alligator skins and products were banned, most of the profit would be taken out of poaching. And legislation has been introduced that would do just that.

HR 11618, now awaiting action by the new Congress, would stop poachers from shipping live alligators, "their carcasses, or parts thereof" across state lines. It would also require customs officials to list all types of skins and furs imported. Those from countries that prohibit the capture of the animal in question would be turned away.

Customs does not presently list all furs or skins by type. Mink and beaver are itemized, but leopards, jaguars and tigers are conspicuously absent from import tallies.

However, the bill will do nothing to control animal skin imports by other countries. Senator Ralph Yarborough, D-Tex., who has introduced a Senate resolution calling for a World Wildlife Conference, believes that international controls are the only permanent answer.

"It will do little good to put restrictions on only one country," he says. "Imports and exports must be controlled throughout the world to end this terrible slaughter of wildlife."

[From the Deseret News, Jan. 30, 1969]

OUR ENDANGERED WILDLIFE: ODD PETS USUALLY DIE

(By Marcia Hayes)

"I have a lovely lion I'd like to donate to the zoo," says the voice on the phone. "When can I bring him over?"

The curator of mammals may find it hard to make a civil reply. His zoo, like most others, is full up with lions. And he is probably fed up with getting calls from the disillusioned owners of exotic pets.

Yet hundreds of queries like this flood into zoos across the country every year. They come from former wild animal enthusiasts who want to trade in a slightly used ocelet, a parrot, or a three-toed sloth. But most zoos don't have room for the unwanted creatures.

"If we know of a zoo that might need an animal, we'll do what we can to place it," says William Conway, Director of the New York Zoological Society. "But too often, no one wants it."

The orphaned animals that end up on a zoo doorstep are the ones lucky enough to survive their captivity. Hundreds of others die in poachers' traps, in a poorly heated airplane hold, or on the petshop shelf.

Alarmed conservationists are viewing the pet business as an increasing menace to wild animal populations. According to U.S. Fish and Wildlife Service reports, approximately 900,000 birds, reptiles, amphibians and mammals are imported by the United States every year. An additional 20 to 30 million fish are brought in for the aquarium trade.

In 1967, out of a total of 830,000 animals imported, 74,300 were mammals, 203,189 were birds, 405,130 were reptiles, and 137,697 were amphibians. There is no legal limit on the type or quantity of animals that can be imported. The only restrictions involve periods of quarantine for animals that may be harboring a communicable disease.

Of the 62,526 primates imported, a large number were designed for medical research. Although usually treated well, the number of monkeys and apes used in research is depleting the wild populations severely. Estimates place the world chimpanzee population at 250,000, and they are being captured at the rate of 5,000 per year.

But conservationists are particularly disturbed by the fact that most wildlife is imported regardless of the chances of survival in captivity. There is no thought of tomorrow among many unscrupulous pet dealers.

Some dealers in Miami will accept any animals shipped to them, according to Dr. Stanley Cain, assistant secretary for Fish Wildlife and Parks. In recent testimony before the House Subcommittee on Fisheries and Wildlife, Cain said that the animal trade from Peru alone supports a special weekly flight from Inquitos to Miami. Exports from Colombia have reached even greater proportions, he said.

Among the unlikely animals to be found in pet stores are prehensile-tailed porcupines, arboreal anteaters, three-toed sloths, and Bornean Flying Lizards.

"Even the most experienced zoologists have trouble keeping these animals alive," says Conway. "But they're being given to 12-year-olds as pets."

On a pre-Christmas visit to the pet department of a large Bronx department store, Conway saw a rare golden-headed quetzal, a scarlet cock-of-the-rock, and an Indonesian fiery bluebird. "These birds both need extremely special care," he says. "They feed on special foods and must have extremely large cages. Yet they were being fed canary food and kept in parakeet cages. They wouldn't live more than a week."

Conway says that it is not uncommon for hundreds of birds to be lost in shipment because the importer wanted to cut costs in packing. Shipped in inadequate boxes under the worst conditions, the birds starve or die of heat, cold or overcrowding.

Compared to the fur trade, the pet industry plays a relatively small part in exterminating a species. But it subjects thousands of animals to needless suffering.

"The main problem here is cruelty," says Conway. "For every animal that makes it to a pet shop, you can be sure that four or five others have died in a native poacher's trap or in an airplane."

In a recent editorial for the Zoological Society magazine, Conway wrote: "It seems inconceivable that a people whose care of dogs, cats, and horses is watched over by innumerable regulations and protective societies should be allowed to starve, mistreat, and buy and sell rare and delicate wild creatures."

The animals that do survive in captivity are as good as dead for any natural purposes. "Once these animals are removed from the wild, they are no longer part of a breeding group," says Conway. "Participation ceases, and they might as well have been shot."

While acknowledging that many persons take excellent care of wild pets, Conway believes this is more often the exception than the rule.

"Unhappily, too many people keep wild animals because of their own exhibitionist tendencies, or because of some more or less serious personality defect in themselves," he says. "And then there are those who attribute human characteristics to their animals, who fall in love with them so to speak. But if people want that kind of relationship with a pet, they're better off getting a dog. He's been bred for that purpose."

Conway believes that very few wild animals make good pets, and he is against importing any of the large carnivores for this purpose.

"In many cases, wild animals are a disease hazard," he explains. "They are always unpredictable. Too many unfortunate accidents have occurred with the large cats."

He and other conservationists are hopeful that a World Wildlife Conference, as proposed by Senator Yarborough, would lead to inter-

national controls on the importation of live animals. As it is, only the U.S. Treasury has restrictions on pet imports, and these, says Conway, are not enforced.

What animals do make good pets? Conway's list is small. "I always recommend frogs," he says. "They're interesting, active, and there are a lot of them."

[From the Deseret News, Jan. 31, 1969]

ENDANGERED WILDLIFE: BIRDS FACING EXTINCTION

(By Marcia Hayes)

On September 1, 1914, the death of a bird in a Cincinnati zoo became frontpage news across the country.

Martin, as the zoo named her, wasn't a particularly pretty bird, but she was as rare as a creature can get. She was the last of a species that had numbered more than 5 billion less than a century before: The passenger pigeon.

At the turn of the 19th Century, ornithologists estimated that a third of all the birds in America were passenger pigeons. One observer in Kentucky reported seeing a flock a mile wide and 200 miles long that blotted out the sun.

The idea that a few hunters could make a dent in this population seems incredible then, as it does now. But 100 years later, the species was exterminated.

Its executioners earned 2 cents a head for every bird they shot. Using a special repeating rifle, predecessor of the machine gun, hunters slaughtered entire flocks of pigeons for the New York markets, where they were prized for their delicate flesh. The feathers were used in women's hats.

A year after the last passenger pigeon died, the Cincinnati Zoo saw the extinction of another native American bird: The Carolina parakeet. A native of semi-tropical cypress swamps, the colorful bird was once numerous in the southeastern United States. But when the swamps were drained for orange plantations, the birds ate the fruit and became a pest. In less than two decades, fruit farmers had exterminated them all.

The passenger pigeon and the Carolina parakeet are martyrs to the cause of conservation, and ornithologists are fighting to keep the tragedy from being repeated. Among the winged candidates for extinction are members of almost every bird family. Geese, owls, whippoorwills, warblers, wrens, finches, doves, hawks, pheasants, bobwhites and parrots, all have relatives on the world's endangered list.

The task of conserving rare birds is difficult. Many, like the whooping crane and the California condor, require several hundred acres of territory for each individual—an especially difficult requirement to fulfill amid the housing developments of suburban Los Angeles.

But ornithologists have a number of successes to their credit. The best-known example is the trumpeter swan. Once hunted for their plumage which decorated women's hats in the 1920s, the trumpeters were reduced to a flock of 73 when conservationists stepped in to save them in 1935.

Today the Interior Department's Bureau of Sports Fisheries and Wildlife estimates there are between four to five thousand of the swans in the U.S.—divided between wildlife refuges in Yellowstone National Park and Lacreek National Park in South Dakota.

Early last month the government officially removed the trumpeter, the nation's largest water bird, from its list of endangered species. It hopes to restore the majestic swans to most of their former breeding range.

Conservationists now have reason to hope that the whooping cranes can be saved from extinction. Down to 14 birds when the bureau began to monitor them in 1948, there are now 43 of the giant birds in the wild and 18 more in captivity.

This March the entire wild flock will leave the wildlife refuge near Corpus Christi, Texas, on its annual 8,000-mile journey north to the breeding grounds on the edge of the Arctic.

Another plus on the conservation scoreboard is the Hawaiian goose. Extremely rare in the wild, they have been raised so successfully in captivity that 30 were recently returned to a refuge on the islands.

But the future looks dim for many other species. The giant Canadian goose is dying out. So is the Florida sand-hill crane. In California, the closely guarded condors are being literally squeezed out of existence by encroaching housing developments. The bald eagle has almost disappeared from the United States and is decreasing in Alaska and Canada.

Louisiana's official bird, the brown pelican, has completely disappeared from the state—victims of the small boats that ply the swamps of southern Louisiana, disturbing the birds' nesting grounds.

Elsewhere, the colonization of New Zealand has been the doom of more than 24 bird forms. On the verge of extinction there is the goose-sized giant rail. Also in grave danger is New Zealand's national bird, the shy little kiwi.

On the Pacific Islands of Laysan and Bonin, egg hunters are harvesting the eggs of the rare Laysan and Stellar Albatross, species that lay only one egg a year.

"The main problem is people," says William Conway, director of the New York Zoological Society. "There are too many of us, and in polluting and destroying our own habitat, we make the environment unfit for wildlife.

[From the Deseret News, Feb. 4, 1969]

ENDANGERED WILDLIFE: WHY CONSERVATION PAYS

(By Marcia Hayes)

Most people will never see a Hairy-Nosed Wombat, or a Bridled, Nailtail Wallaby, and they probably won't regret it. So why, asks the skeptic, should we bother to save these creatures from extinction?

Conservationists are ready with four reasons: moral, economic, ecological, and esthetic. Perhaps the most convincing argument is a selfish one—that in the long run, it is man himself who suffers from the death of a species.

Ecologists, specialists in animal environments, point out that when an animal disappears from the earth, nature is pushed a little more off balance. As predator or prey, the animal was part of a complex natural system by which animal and plant populations are kept healthy.

Put simply, black snakes control the field mouse population. Coyotes prey on rabbits, and timber wolves prey on deer. Without these predators, or without prey, one of the animals would multiply beyond the point where their food supply could support them. They would starve.

But before starving, they become weakened and diseased. In their search for food, they invade man's habitat, eating his crops and spreading disease to his domestic animals.

An equally compelling reason for saving animals, say conservationists, is that many now being slaughtered for hides and skin could be an economic asset to their countries if harvested properly. One square mile of East African Savannah, for instance, can support only 16,000 lbs. of cattle, but can graze up to 90,000 pounds of wild game.

Lastly, it is morally and esthetically wrong to destroy another form of life, the conservationists argue. "The wildlife of the world is not ours to dispose of wholly as we please," wrote the late conservationist William Hornaday. "We hold it in trust, for the benefit of ourselves and for equal benefits to those who come after us."

This point of view is not new. India espoused it in the Third Century, B.C., when the emperor established wildlife refuges and passed strict hunting laws.

But in the 20th Century, the voices of conservation are being shouted down by the sporting, clothing and pet industries, which have a price on the heads of almost all forms of wildlife—dead or alive.

Unlike the dinosaur, which died out naturally over millions of years, today's endangered wildlife is being wiped out in a second of geologic time. Man has exterminated 110 kinds of mammal since the beginning of the Christian era, with seventy per cent of these losses sustained in the past century and 40 per cent in the past 50 years. This figure is exclusive of the dozens of reptiles, birds and amphibians destroyed in the same period.

"When man came to control his environment he upset the balance of nature and became ecologically dominant," says Lee Talbot, field director for the Smithsonian Institution. Because of this dominance, he continues, man has the responsibility to protect the wildlife he had displaced.

"An animal does not exist by itself," says Talbot in his book, "The Call of the Vanishing Wild," "Instead, it might be considered as the center of a complex ecological web. The strands of the web are the animals' relationship to water, soil, plants, other animals, climate, and parasites. When any strand of this web is altered, it has some effect on most other strands."

The United States government has firsthand experience of what happens when man tampers with this natural balance. Several years ago, officials decided to protect a valued herd of mule deer in the Grand Canyon National Park by destroying all the predators in the area. In their zeal, the officials banned all hunting, killed eagles, coyotes, wolves and more than 800 mountain lions.

As expected, the herd of 4,000 increased fast—much faster than the officials had dared to hope. Within 5 years the herd was up to 50,000 and within a decade it had topped 100,000. Confined to the Kaibab Plateau, with its limited supply of grass and legumes, the animals began to starve.

In their search for food, they pulled the grass out by the roots and trampled the soil into hard clay. They stripped the bark and leaves from the trees, which died as a consequence.

Finally, the entire herd perished from starvation. The plateau was stripped bare, unable to support any form of life.

Predators, like wolves and bobcats, have always had a bad reputation as livestock killers among cattle and sheep farmers, who hunt them down accordingly. Yet conservationists note that nothing will decimate a landscape faster than domestic animals. Livestock overgraze pasturelands, stripping it of its grass, girdling trees, and pounding the soil into hardened, easily eroded clay.

Importing new predators into strange habitats can be as disastrous as removing them entirely. When Australian colonists introduced housecats and foxes to control the burgeoning rabbit population, the predators went to work on marsupials instead. Several varieties of marsupial are now extinct, but rabbits still thrive.

Deprived of its prey, a predator faces certain extinction. In the far west, the rare black-footed ferret is dying out because the prairie dogs, or gophers, on which it feeds are being exterminated by ranchers.

What are the economic advantages to conservation? The legitimate export of hides could be a major source of income for underdeveloped nations, as long as the supply is safeguarded. And in countries where tour-

ism is a big industry, animals that attract visitors are like money in the bank.

Yet some African countries are catering to a different type of tourist: the souvenior hunter. To keep him supplied, elephants are killed for their ivory, and waste baskets are made from their feet. And fly swatters are fashioned from the tails of gnus.

Although many farmers in Africa think of big game as a threat to themselves and to domestic animals, experiments have shown that it is more profitable to promote the growth of wild herds. Game animals eat many type of plant life, while cattle feed only on grass. Thus a small patch of ground containing a variety of plant life can satisfy the selective tastes of a variety of game. Furthermore, antelope contain more meat than most range cattle.

The World Wildlife Conference proposed by Texas Senator Ralph Yarborough could map out educational programs for underdeveloped countries and thus save many vanishing animals. Will it become a reality?

According to Yarborough, the Department of the Interior has made tentative plans to hold such a conference in 1970, but approval is needed by the 91st Congress to make it definite.

[From the Deseret News, Feb. 5, 1969]

ENDANGERED WILDLIFE: SUCCESSES OFFER HOPE

(By Marcia Hayes)

NEW YORK.—Scattered through the dreary records of wildlife conservation are a few success stories that offer hope to the world's endangered animals.

The American Bison, down to a herd of less than 1,000 in 1900, was saved largely through the efforts of one man: Zoologist William Hornaday.

Hornaday, first director of the Bronx Zoo, organized the American Bison Society, which lobbied in defense of the vanishing American Buffalo and finally pushed protective legislation through Congress. Today there are several thousand Bison in the far west, enough to need occasional thinning out.

In England, the Duke of Bedford, has been solely responsible for saving the Pere David deer from extinction. The species was wiped out in its native China at the turn of the century, largely during the Boxer Rebellion. But from a few survivors sent to the Duke a herd of several hundred has been raised.

A number of years ago a pair of the deer were returned to China, but it has been impossible to learn whether they survived.

Sea otters, once almost decimated by the fur trade, have been protected for several years and are now being harvested under strict international law. Trumpeter swams, down to a flock of 73 in 1935, have just been removed from the U.S. list of endangered animals. There are now more than 4,000 of the birds. And whooping cranes seem to be making a comeback.

In Thailand and Kenya, government officials are fixing export quotas by species so that a controlled trade in live animals and their furs and hides can be maintained.

And in this country, a bill has been introduced in Congress that would prohibit the import and interstate shipment of rare or endangered animals, their furs and hides or products made from them.

Happily, some animals don't need to be conserved. In America, the black bear and deer are thriving. And Coyotes, or Prairie Wolves, are increasing as rapidly as their two relatives—the Red and Timber wolves—are dying out. Valuable as a predator of rabbits and other rodents, the coyote has extended its range into almost every state. They have recently been spotted as far north as Vermont and as far south as Florida.

In the crowded suburbs, skunks, flying squirrels, opossums, and racoons have adapted to dense zoning and heavy traffic. Living in trees and burrows, they sleep by day and raid garbage pails by night.

Chipmunks, rabbits, and mice are so numerous that dogs and house cats will never exhaust the supply.

And despite the most ingenious efforts to wipe him out, there is one animal multiplying as rapidly as man himself:

The rat. The World Health Organization estimates that there is one rat for every human on earth, a total of 3.3 billion. It is the only animal species that is a match for man in endurance and tenacity—the only one that is uniquely adapted to his habitat.

Rats thrive on waste and filth. The most congenial environment for them is the sewer, where they find water and shelter. And with the advent of garbage disposal units, a sewer also supplies them with food. Health officials fear that as sewers spread through the suburbs, the rat population will mushroom.

But the numbers of the world's most beautiful and curious animals are dwindling fast. The few conservation credits are canceled out by the huge debit: 550 birds and animals on the verge of extinction.

Pulling for the animals are dozens of organizations with intentions that far outdistance their budgets. Among them are the Defenders of Wildlife, The National Wildlife Federation, the Committee of International Affairs in Ecology and Conservation, the International Union for Conservation of Nature and Natural Resources, and the Sierra Club.

The largest financial contributions have come from both the World Wildlife States, Britain, Austria, West Germany, and Switzerland, and the New York Zoological Society, which sponsors a number of projects in Africa. Its current projects include an expedition to observe the rare mountain gorilla and a donation to the government of Tanzania for the creation of a national park and game preserve.

Almost all of the conservation organizations support the Charles Darwin Research Station in the Galapagos Islands, which is working to preserve the Giant Tortoise and the Marine Iguana. The Zoological Society maintains a full-time conservation warden on the islands.

A World Wildlife Conference, such as the one proposed by Texas Senator Ralph Yarborough, could bring these diverse organizations together and perhaps establish a basis for future cooperative effort. Most importantly it could lead to an agreement among the governments of the world to stay the execution of our greatest national resource.

"The beauty and genius of a work of art may be reconceived," wrote the late Conservationist William Beebe, "but when the last individual of a race of living things breathes no more, another heaven and another earth must pass before such a one can breathe again."

CALIFORNIA HONORS ELGIN BAYLOR, A GREAT LEADER, A GREAT AMERICAN, BOTH ON AND OFF THE COURT

Mr. MURPHY. Mr. President, on March 21 of this year, the entire State of California and all of the sports world of the United States, will pay tribute to one of the greatest athletes in the history of American sports—Elgin Baylor. The night of March 21 has officially been proclaimed "Elgin Baylor Night," and a capacity audience of people of all ages, of all races, will join his Los Angeles Lakers teammates in honoring him in a special hour of tribute at the Los Angeles Forum prior to the Los Angeles Lakers-Atlanta Hawks National Basketball Association game.

Elgin Baylor is a living legend. He is a native of Washington, D.C. His mother and father, who will join Elgin and the rest of his family in Los Angeles for the night of the 21st, still live in our Capital City. Elgin was twice all-American at Seattle University in the State of Washington and was drafted first by the Minneapolis Lakers of the NBA. Elgin was named Rookie of the Year, and made the first all-pro team at forward. This year is his 11th year of professional basketball. Elgin Baylor has been all-pro for 10 of those years, missing only when he was out of action with a knee injury. He is captain of the Los Angeles Lakers and five times has led them into the finals for the world championship. He is the second highest scorer in the history of professional basketball. He is the alltime leading scorer in championship games in the NBA. Many sports followers believe that Elgin Baylor is the greatest basketball player of all times. No other man who ever played the game has mastered all facets of basketball with such incomparable skill.

Leadership is another quality which has been reflected all through his career. He is a natural-born leader of men—all kinds of men. He has won the admiration of a variety of players, announcers, writers, owners and managers, and of the basketball public at large.

Courage is another quality. Only those very close to him really understand the strength and the determination inside of him that brought him back from the crippling knee injuries to his continued all-pro status. Year after year a commentator, or a columnist, has written him off as being in the sunset of his career. And every time, Elgin Baylor has come back again to bring the legend to life, bringing the kind of recognition from his teammates, and from the players on the other NBA teams, that mark him as alltime all-pro cornerman.

Style is another quality. In politics, in government, in the arts, in the entertainment world, it is the same as in the world of sports. Talent may be present. Intelligence may be present. Stamina may be present. But rarely are these characteristics combined with an overall style, the magic that makes a unique personality before the public. No other basketball player has ever possessed the kind of style that Elgin Baylor gives to his every movement on the basketball court.

Dedication is another quality. No one ever saw Elgin Baylor loaf or quit on a court. He is a team man in the purest sense of the word. Because of that, a team has been built around him through the years, as the Lombardi-Green Bay dynasty was built, and as the Joe McCarthy-Lou Gehrig-Babe Ruth-Joe DiMaggio dynasty was built. Everyone who knows Elgin Baylor realizes his complete commitment to the very best that is in him to give, every time he walks on the floor.

Most of all, though, and much more important, the people of California are honoring Elgin because he and Ruby, his wife, and his children represent the very best in American life. The other day,

Bill Russell, of the Boston Celtics, appeared at his old campus in San Francisco and gave a very beautiful and meaningful talk concerning race relationships in this country. He concluded:

It is absolutely vital that we all walk down the street together.

On the night of March 21, 1969, and on all the days of Elgin Baylor's life, on or off the court, literally thousands of Americans of all races will be "walking down the street" with him and his family, and trying to build, with him, a better country in which to live—a country that is so very fortunate to have Elgin Baylor.

Mr. President, there are times these days when it seems that the small minority of misfits, professional protestors, and irresponsible demonstrators among us are threatening not only our heritage but also our future. At such times, we can look to men like Elgin Baylor and the example he has set, and in their deeds we can find reassurance and inspiration. It is a privilege, therefore, for me to join in commending this exemplary American and in wishing him many more years of health, happiness, and success.

TRIBUTE TO THE AMERICAN LEGION ON THEIR 50TH ANNIVERSARY

Mr. YARBOROUGH. Mr. President, I wish to join my many colleagues in the Senate and House who are paying tribute this week to the American Legion on its 50th anniversary. For 50 years, the American Legion has honored and fulfilled the objectives of its founders, who created the organization in Paris at the end of World War I. That war was fought for the United States by an essentially civilian Army. At its conclusion, its veterans were determined to take with them back into civilian life the spirit and principles that had brought them to France. So this week we are marking the golden anniversary of the American Legion, which has embraced veterans of subsequent wars and has carried out expanded programs of assistance to veterans and civic education for the Nation's youth.

The American Legion numbers more than 2,600,000 members, drawn from among the veterans of World War I, World War II, and the Korean war, and those brave men and women who have had service during the present period of hostilities. Joining the Legion in its many fine programs is the American Legion Auxiliary, with a membership of nearly 1 million women. The combined organizations comprise more than 3½ million dedicated Americans working at the community, State, and national level for a better America.

For 50 years, the American Legion and its Auxiliary have worked especially hard for disabled veterans and for the widows and orphans of those who are deceased. They have worked in VA hospitals, particularly among those who are bedridden with chronic diseases. They have proposed and supported legislation expanding and improving compensation and pension benefits and they have made it their business to lend sympathetic interest and care where it has been needed most.

The American Legion has many fine programs and among them none are more commendable than those encompassed within the scope of the overall rehabilitation program. I am sure that all of us in Congress can join in commending the Legion for its first 50 years and in expressing hope that Legionnaires and auxiliary members will continue to find satisfaction and success in their work with the sick and disabled veterans and their dependents, and in their service to the community, State, and Nation.

It has been my honor to be a member of the American Legion since my return from overseas service in the Army in June of 1946. I salute all the Legionnaires.

TOWARD A SOCIAL REPORT: INCOME AND POVERTY

Mr. MONDALE. Mr. President, it is almost 2 months since I introduced the Full Opportunity Act of 1969—S. 5. The bill would establish a Council on Social Advisers to prepare an annual social report and a joint congressional committee to review the report and the President's recommendations.

I wish to speak today about the fourth chapter of "Toward a Social Report: Income and Poverty." As Senators know, this document was prepared by HEW as a preliminary working model for a social report.

We are all aware that we are fortunate to live in the most prosperous country of the world. We are all also aware that in the midst of the unprecedented plenty, there are pockets of poverty. For the many people who live in these pockets of poverty the goal of S. 5, full opportunity for every American, has not been realized.

While there are fewer people today than there were 20 years ago who are earning incomes below the poverty line, the distribution of income in our country over the same period of time has not been altered. As the report notes:

In 1947 the median money income of nonwhite males was a little over half that of white males.

While both groups' money income in 1966 was two-thirds larger, the income "level for nonwhite men was still only a little over half that of white men." The report goes on to indicate that—

Based on extrapolations from current trends, poverty in the United States is not likely to disappear in the near future even for those groups most helped by the War on Poverty.

This, of course, is no excuse for us to throw up our hands in despair and deescalate our efforts. If there is a war which should be escalated, it is the war on poverty. This is an effort which all of us should be committed to. If this effort is to be successful, it must be intelligently planned for.

"Toward a Social Report"—even though it is only a preliminary working model—it is invaluable because in the process of analyzing our present programs and diagnosing their flaws it has yielded vital information upon which to formulate future programs. Programs, I might add, which are to be directed toward consciously picked and carefully formulated goals.

Knowledge of this type is essential if we are to avoid creating future programs like aid to families with dependent children which has, the report indicates, "contributed to dependence and stultified initiative and self-help." This type of information generated by a social report will allow us intelligently to reform our "system of income maintenance" so that we not only include those who deserve to be included but also provide adequate aid for them.

Mr. President, I ask unanimous consent that the fourth chapter of "Toward a Social Report" entitled "Income and Poverty," be printed in the RECORD.

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

CHAPTER IV. INCOME AND POVERTY

Are we better off?

Income is a rough but convenient measure of the goods and services—food, clothing, entertainment, medical care, and so forth—available to a person or a family or a nation. This chapter first discusses the general level of income in the United States: What is happening to total and average income for the country as a whole? Next, it describes the distribution of that income: Are incomes becoming more or less equally distributed and how are Negroes faring relative to whites? Third, it discusses poverty: How many people have incomes which are lower than what is generally considered a minimum standard of decency? Finally, this chapter discusses, at somewhat greater length than other chapters, the policy implications of present trends: What are we doing to eliminate poverty and what could we do?

Obviously, income is not the only measure of the well-being of individuals, families, or nations. If two people have the same income but one is sick and one is healthy, the healthy person is clearly better off. Similarly, the well-being of a nation is measured, not just by its level of income, but also by its health, its education, and many other aspects of national life, some of which are discussed in other chapters of this report.

Moreover, people, individually and collectively, often trade income for leisure. As productivity has increased in the United States and other advanced countries, the workweek has fallen. We have chosen to give up additional income for increased leisure.

Money income, of course, cannot buy happiness, and it is by no means obvious that satisfaction rises along with income. Perhaps the very poor in contemporary America feel most dissatisfied with their level of income; perhaps not. It may be those who are most dissatisfied have incomes just below the average and see all about them evidence of a generally high standards of living to which they aspire but cannot reach. Since we cannot measure satisfaction and dissatisfaction, however, we must turn to the more easily measurable statistics of money income.

Affluent America

The most obvious fact about American income is that it is the highest in the world and rising rapidly. In terms of gross national product per capita—or any other measure of the average availability of goods and services—the United States far outranks its nearest competitors, Canada and the countries of northern Europe. Average incomes in the

United States are several orders of magnitude larger than those in the underdeveloped world.

Aggregate personal income (the amounts paid to individuals in wages, grants, interest, dividends, and other forms) increased from $14 billion at the turn of the century to about $584 billion in 1966 or more than 40-fold. After adjusting for price level increases and population increases, it is estimated that personal income per capita in constant dollars was four times greater in 1966 than at the turn of the century. In other words, those of us living today have four times as much in the way of goods and services as did those living in 1900.

The signs of affluence are everywhere. Americans own more than 60 million automobiles; 95 percent of American households own at least one television set, 25 percent own at least two; and over 60 percent of American families own their own homes.

The distribution of income

Although overall income levels are high and rising, the distribution of income in the United States has remained practically unchanged in the last 20 years. As table 1 shows, the Depression of the 1930's brought a sharp drop in the share of the top 5 percent of all families and unrelated individuals and a rise in the share of the lowest 20 percent. World War II brought an even more marked rise in the share of the lowest 20 percent. However, since the mid-1940's, there has been little observable change in the overall distribution of income. The lowest 20 percent of households have consistently received 5 percent or less of personal income and less than 4 percent of total money income.

Perhaps one of the most interesting questions with respect to income and its distribution is what has happened to nonwhites relative to whites.

Income Levels of Whites and Nonwhites: The ratio of nonwhite to white median incomes for several different groups in selected years is shown in table 2. In 1947, the median money income of nonwhite males was a little over half that of white males. By 1966, both groups had money incomes about two-thirds larger ($2,961 and $5,364), but the level for nonwhite men was still only a little over half that of white men. However, the trends for nonwhite women and for nonwhite families as units have been more favorable.

The most dramatic shift has been in the position of nonwhite women. In 1953, the median income of nonwhite women was about 60 percent that of white women. In the North, it was about 80 percent, and in the South it was less than 50 percent. At the end of 1966, the median income of nonwhite women was about 75 percent that of white women. It was above that of white women in all regions except the South where it was slightly more than half that of white women.

There are several factors accounting for this change. It would appear that nonwhite women in the North and West have been shifting into higher paying jobs. Nonwhite women are also more likely to work full time than are white women. For the country as a whole, full-time employment among nonwhite females has been increasing to a greater extent than part-time work, while the opposite has occurred among white women.

In interpreting these differences, several factors are important. The longer hours worked by nonwhite women have been noted. Nonwhite men, on the other hand, experience more unemployment or part-time employment than do white men. Nonwhites, both men and women, are generally employed in the low-paying occupations. Beyond this, there is some indication that even within the same occupations, there may be significant differentials in the opportunity to advance.

TABLE 1.—DISTRIBUTION OF PERSONAL AND MONEY INCOME: MEAN INCOME AND SHARE OF AGGREGATE RECEIVED BY EACH FIFTH AND TOP 5 PERCENT OF FAMILIES AND UNRELATED INDIVIDUALS, SELECTED YEARS, 1929–66

Year and income	Mean income before tax (current dollars)	Percentage distribution of aggregate income					
		Lowest fifth	Second fifth	Middle fifth	Fourth fifth	Highest fifth	Top 5 percent
PERSONAL INCOME							
Families and unrelated individuals:							
1929	$2,335		12.5	13.8	19.3	54.4	30.0
1935–36	1,631	4.1	9.2	14.1	20.9	51.7	26.5
1944	3,614	4.9	10.9	16.2	22.2	45.8	20.7
1947	4,126	5.0	11.0	16.0	22.0	46.0	20.9
1957	6,238	4.7	11.1	16.3	22.4	45.5	20.2
1962	7,262	4.6	10.9	16.3	22.7	45.5	19.6
MONEY INCOME							
Families and unrelated individuals:							
1947	3,224	3.5	10.5	16.7	23.5	45.8	19.0
1957	4,861	3.4	10.8	17.9	24.8	43.1	16.7
1962	6,049	3.5	10.3	17.3	24.5	44.3	17.3
1966	7,425	3.7	10.5	17.4	24.6	43.8	16.8
Families:							
1947	3,566	5.1	11.8	16.7	23.2	43.3	17.5
1957	5,483	5.0	12.6	18.1	23.7	40.5	15.8
1962	6,811	5.1	12.0	17.3	23.8	41.7	16.3
1966	8,423	5.4	12.3	17.7	23.7	41.0	15.3
Unrelated individuals:							
1947	1,692	2.9	5.4	11.5	21.3	58.9	33.3
1957	2,253	2.9	7.2	13.6	25.3	51.0	19.7
1962	2,800	3.3	7.3	12.5	24.1	52.8	21.3
1966	3,490	2.8	7.5	13.2	23.8	52.7	22.5

Source: Ida C. Merriam, "Welfare and Its Measurement," Indicators of Social Change, Sheldon & Moore, eds., p. 735.

TABLE 2.—RATIO OF NONWHITE TO WHITE MEDIAN INCOMES FOR SELECTED GROUPS AND YEARS, 1947–66

	1947	1953	1957	1964	1966
Males 14 and over	0.54	0.55	0.47	0.57	0.55
Females 14 and over	.49	.59	.62	.70	.76
Families	.51	.56	.54	.56	.60
Unrelated individuals	.72	.80	.67	.69	.73

Source: Ida C. Merriam, "Welfare and Its Measurement," Indicators of Social Change, Sheldon & Moore, eds., p. 744.

TABLE 3.—TOTAL MONEY INCOME OF NONWHITE FAMILIES: MEAN INCOME AND PERCENTAGE SHARE RECEIVED BY EACH FIFTH AND TOP 5 PERCENT, 1947–66

Year	Mean income	Percentage distribution of aggregate income					
		Lowest fifth	Second fifth	Middle fifth	Fourth fifth	Highest fifth	Top 5 percent
1947	$2,016	4.8	10.2	15.7	23.6	45.8	17.0
1948	2,104	4.3	10.1	16.9	24.4	44.3	16.6
1949	1,965	3.8	9.9	16.6	24.6	45.1	17.1
1950	2,128	3.8	9.7	17.9	25.1	43.4	16.6
1951	2,368	3.8	10.3	16.9	25.3	43.8	16.1
1952	2,639	5.0	11.4	17.9	23.7	41.9	16.0
1953	2,890	3.9	10.7	17.0	25.1	43.4	15.2
1954	2,758	3.6	10.0	17.2	25.8	43.4	15.5
1955	2,890	4.0	10.3	17.8	25.5	42.4	14.3
1956	3,073	3.9	10.5	17.2	25.3	43.1	15.0
1957	3,241	3.6	10.2	16.9	26.0	43.1	15.0
1958	3,351	4.0	9.9	16.2	25.0	44.9	17.0
1959	3,523	4.1	9.5	16.5	25.3	44.7	16.2
1960	3,913	3.9	9.6	16.4	25.4	44.7	16.2
1961	4,031	4.0	9.6	15.9	24.5	46.0	17.4
1962	4,020	4.2	10.6	16.6	24.2	44.5	16.3
1963	4,340	4.4	10.2	16.1	24.6	44.7	17.2
1964	4,772	4.5	10.5	16.2	24.3	44.6	16.7
1965	4,903	4.6	10.7	16.5	24.7	43.5	15.5
1966	5,526	4.7	10.7	16.8	24.9	42.9	15.4

Source: Ida Merriam, "Welfare and Its Measurement," Indicators of Social Change, Sheldon & Moore, eds., p. 797.

One analysis, which takes account of the effects of family background, education, mental ability, number of siblings, and occupation concludes that perhaps one-third of the difference in average income (for 1961) between Negroes and whites "arises because Negro and white men in the same line of work, with the same amount of formal schooling, with equal ability, from families of the same size and the same socioeconomic level simply do not draw the same wages and salaries."[1]

Measured by income levels, nonwhites have made substantial progress in absolute terms and, to a lesser degree, in comparison to whites. However, the degree of inequality of income among nonwhites has changed very little.

Table 3 shows how total nonwhite income was shared by nonwhites. As in the overall distribution of income in the U.S., there has been little change in the share of the lowest 20 percent of nonwhite households. In 1947, the lowest 20 percent received 4.8 percent of total money income. In 1966, their share stood at 4.7 percent. There does, however, seem to be a rising trend in the share of this group beginning with 1960.

It may also be significant that in 1947 nonwhites comprised 8.3 percent of the families in the lowest 20 percent of all families (whites comprised 91.7 percent), and received 4.1 percent of the total income which accrued to this group of families (whites received

[1] Otis Dudley Duncan, *Inheritance of Poverty or Inheritance of Race* (forthcoming).

95.9 percent). In 1966, nonwhites accounted for 10 percent of the families in the lowest 20 percent of all families and received 5.5 percent of the income.

Poverty

Although the distribution of income has remain virtually unchanged, rising income levels have meant that fewer and fewer people have incomes below the "poverty line."

In 1963, the Council of Economic Advisers established a tentative level of "poverty income" of $1,500 or less per year for individuals and $3,000 or less per year for families of two or more. By that standard, there were 33 million poor Americans in 1963. The standard was a useful first approximation; but, it obviously was only that.

To gain a greater understanding of the nature and composition of our poor population, the Social Security Administration developed new criteria built around minimum food requirements. The amounts required to purchase necessary food are based on the Department of Agriculture's "economy food plan." This plan is described as "for temporary or emergency use when funds are low." The base established by the food budget is raised by a factor of approximately three to allow for the minimum amounts necessary to purchase housing, clothing, medical care, etc. Adjustments are also made to reflect differences in family size, age, and farm or nonfarm residence. In 1966, the poverty level for a nonaged, nonfarm, male headed family of four was $3,335. Using this standard, the poor numbered some 40 millions persons in 1960. By 1967, that number had dropped to 26 million (the most recent year for which poverty statistics are available).

The decline in poverty came during a unique period of sustained economic expansion and in the midst of increased governmental efforts to alleviate the poverty problem. Not surprisingly, the benefits of economic growth and of the War on Poverty have fallen unevenly on the poor population. As table 4 shows, the sharpest declines have been in those families headed by an able-bodied working man. From 1961 to 1966, the number of nonaged, male-headed poor families declined by more than 35 percent. In contrast, the number of aged poor households declined by about 6 percent, and among the unemployed and families headed by a female, the decline was less than 5 percent.

TABLE 4.—POOR HOUSEHOLDS, 1961-66, BY AGE, FAMILY STATUS, AND SEX OF FAMILY HEAD

Status	1961 number	1966 number	Percent change
Total households (thousands) (excluding military)	12,881	10,826	−16
Nonaged households	8,360	6,591	−21
Families	6,149	4,476	−27
Male headed families	4,579	2,900	−37
White	3,416	2,102	−39
Worked	3,005	1,740	−42
Didn't work	411	362	−13
Nonwhite	1,163	797	−32
Worked	1,060	691	−35
Didn't work	103	106	+2
Female headed families	1,570	1,576	(1)
White	939	934	−1
Worked	451	460	+1
Didn't work	488	474	−3
Nonwhite	631	642	+1
Worked	383	376	−3
Didn't work	248	266	+7
Unrelated individuals	2,211	2,115	−4
Male	815	712	−13
White	567	534	−6
Worked	421	386	−8
Didn't work	146	148	+1
Nonwhite	248	178	−28
Worked	186	116	−38
Didn't work	62	62	0
Female	1,396	1,403	(1)
White	1,048	1,079	+3
Worked	590	571	−3
Didn't work	458	508	+10
Nonwhite	348	324	−7
Worked	204	199	−3
Didn't work	144	125	−13
Aged households	4,521	4,235	−6

[1] Less than 0.5 percent.

Although the reduction in poverty has been impressive among some groups, an extrapolation of past trends suggests that poverty in the United States is not likely to disappear in the near future even for those groups. With a 4 percent rate of growth in GNP (in constant dollars, which is higher than the average growth since 1960), there are likely to be close to 17 million persons in poor households in 1974 compared to 26 million in 1967. Of these, more than 4 million will be in families headed by a nonaged working male compared to 10 million in 1967. Moreover, unless we are more successful than in the past in dealing with the problem of inadequate income among the aged, and among those in families headed by a female or an unemployed male, these groups will still account for 11 million poor persons in 1974, compared to 13 million in 1967.

Again, it is important to emphasize that these estimates are based on a poverty standard which, by 1974, will have remained unchanged for 15 years except for adjustments to reflect changes in the cost of living. Should our notion of what constitutes a minimum income change during this period, the forecast of poverty made above would be even more bleak.

The pattern of present programs

The incidence of poverty and the distribution of income are overwhelmingly determined by the operation of the Nation's economic system. In large part, this means earnings for work.

Employment and wages depend primarily on the tastes, preferences and incomes of consumers, the technology used in producing goods, the productivity of labor as determined by education, experience, age, skill levels, and so forth, and the supply of labor. Overlaying these basic forces are other factors which also have a powerful effect on employment and wages. These include the bargaining power of labor unions and discriminatory practices with respect to the aged, women, and nonwhites.

Since the wage system is driven primarily by market forces, it does not necessarily insure everyone an adequate income or an equitable distribution of income for the Nation as a whole.

The programs which have evolved since the 1930's to deal with the shortcomings of the wage system fall essentially into two categories. On the one hand, insurance type solutions have been applied in cases where loss of earnings is due to a severing or weakening of the tie to the labor force due to age, disability, death, or unemployment. This approach has been supplemented by a more or less parallel system of public assistance for those individuals not covered by the insurance type mechanism or for whom protection, though available, is inadequate.

On the other hand, solutions to the problem of low income for those who work have been primarily concerned with increasing the level and coverage of the minimum wage and, more recently, with a series of human investment programs designed to help individuals become more productive members of the labor force. The Federal Government has not directly intervened in the market place to supplement the earnings of those who work but still have inadequate incomes.

Although this section is confined to a discussion of those programs which provide a direct transfer of money income from one group to another or increase the income of some groups relative to others through the wage system, it is important to realize that almost every Government program can and does have an effect on the distribution of real income and wealth (physical and human), sometimes explicitly, sometimes implicitly. Government programs to finance the cost of health services for large segments of our population are examples of a large and explicit redistribution in which the beneficiaries receive a service at a much lower cost (or no cost) rather than money incomes. The Food Stamp Program is another example.

What is not frequently realized is that other Government policies, such as provisions for tax deduction of interest paid on owner-occupied homes, for oil depletion allowances, and for farm price supports represent intentional and unintentional transfers in the other direction.

With these thoughts in mind, we now turn to a discussion of some of the more important programs affecting the distribution of income.

Social Insurance: It is fair to say that our insurance type programs have worked better and gained greater acceptance than either our public assistance programs or those designed to aid the working poor. This is undoubtedly due, in large part, to the idea that protection grows out of the work that people do, with eligibility for, and the amount of, benefits related to past earnings and contributions. Also characteristic is the absence of any individualized means test. Just about all industrial countries now base their "income maintenance" systems on social insurance.

In the United States, the largest and most important of the social insurance programs is the Federal system popularly called social security. This program insures against the loss of earnings due to retirement, disability or death and pays benefits to meet the great bulk of hospital and medical costs in old age.

This year, 90 million people will contribute to social security. Ninety percent of our population age 65 and over are eligible for monthly social security benefits. More than 95 out of 100 young children and their mothers are eligible for monthly benefits in the event the family breadwinner should die. Four out of five people of working age have income protection against loss of earnings due to long-term severe disability of the breadwinner. When the Federal civil service system, the railroad retirement program, and State and local government staff retirement systems are taken into account, nearly everyone now has protection under a Government program against the risk of loss of earned income for selected causes.

Public Assistance: Public assistance and programs for the working poor have worked less well. In 1965, only 20 percent of poor persons received public assistance payments and, of these, 82 percent remained poor after payment. Payment levels are erratic with wide State-by-State differences; in New York, for example, the average monthly payment for a family of four on Aid for Dependent

Children is almost $250, compared to $115 in Ohio and $35 in Mississippi. Moreover, the determination of eligibility has frequently been made by procedures which detract from dignity and which stigmatize the recipient as being on relief or the beneficiary of a welfare handout.

The program of Aid to Families with Dependent Children has come in for the lion's share of the criticism of present welfare programs. Originally conceived as a program for widowed mothers and their children, over time, the character of the program has changed; the source of dependency has been rooted less and less in the death or incapacitation of the father and increasingly in socially less acceptable causes—the absence of a father due to divorce, desertion, imprisonment, or even the lack of a legal father.

At the same time, public attitudes toward working mothers have become less negative and in the postwar period, there has been a tremendous upsurge in labor force participation of married women.

Both of these facts must form the backdrop for understanding the recent attacks on public assistance. Not only have payment levels been so miserably low in some places that the perpetuation of poverty from one generation to another seems inevitable, but paradoxically, the program has contributed to the creation of dependency for less socially acceptable causes—family breakups—and at the same time has stultified individual initiative and self-help because of the fact that additional income from earnings or elsewhere meant an equal reduction in assistance payments, in effect a 100 percent tax rate on earnings.

Recently enacted changes in public assistance should improve the program on the latter point. After July 1, 1969, recipients of AFDC will be permitted to exempt the first $30 of earnings and one-third of earnings above that in determining assistance levels. In addition, the 1967 Amendments established a Work Incentive Program of training and education, and increased support for day care and related services to enhance the employability of AFDC recipients.

Minimum Wage and Training Programs: Minimum wage legislation, as a solution for the problem of the working poor, has been criticized by its supporters for establishing a minimum wage level which is too low and for restricting coverage too narrowly. It has been attacked by its critics on the grounds that it results in significant unemployment of marginal workers and that this loss outweighs the gain in higher wages for those who remain employed. Hard data on the quantitative effects are lacking.

Advocates and skeptics also abound with respect to manpower training programs, and in some sense over the same issues: coverage and effectiveness.

Although no analyses are available which resolve these issues, it is clear that even if there were no employment effects, increases in the minimum wage would be an inefficient and not totally effective way of redistributing income because—

It does not distinguish between large and small families. Adequate levels for small families would be inadequate for large ones.

Many households have inadequate incomes, but no connection with the labor force.

Many of the poor work intermittently. A high minimum wage would not assure them adequate annual incomes.

It is also clear that, even under the most optimistic assumptions about the effectiveness of manpower training programs, these programs alone cannot be an entirely satisfactory solution to the problems of income redistribution because—

It would take 5 to 10 years to reach all of the employable poor even with much heavier funding than at present.

We have few programs that deal with persons at the lower end of the income distribution who work full time (or even part time).

In 1966, about one-third of the persons in poverty were in families headed by a man or woman who worked all year.

Finally, it should be noted that there are some ethical issues involved. Even if everybody who was employable had training and/or a job there would be a good deal of variance in income levels. Wages are largely a function of skill levels. The skill levels with which one enters the labor force are largely a function of the opportunities available in early life to get education, training, and to grow up healthy. Yet, the opportunity structure is not uniformly open.

This has meant that the risk of poverty is much greater for some than others, and that for these the poverty of one generation is more likely to be perpetuated in the next. Children born into poor families will not only be poor children, but face a higher probability that they will be poor adults and that they, themselves, will raise poor children. There is mounting evidence that malnutrition in early childhood may cause permanent and irremediable mental retardation. Children in poor families often tend to drop out of school to contribute to the family support, an action that drastically increases the risk of being poor adults. It is unrealistic to suppose that training programs can overcome all the barriers to obtaining an adequate income exclusively from the wage system when these same barriers are the product of an imperfect opportunity structure.

However, even if we had a completely equal opportunity structure, there would still be a question of equity. Under these circumstances, the distribution of income from earnings would largely reflect distributions among the general population of abilities that are in demand in the labor market—primarily intelligence. It is quite conceivable that the resulting income distribution would still be unsatisfactory on social grounds and one could argue for systematic redistribution of income.

The next section looks at some of the alternatives which are currently being considered for achieving such a redistribution.

Income maintenance alternatives

Without question, there is a growing consensus that social security programs need improvement, that public assistance is badly in need of reform, and that better ways must be found to help the working poor and their families. There is no lack of statements on the subject of income maintenance by business and labor groups, Government officials, those from the academic community, and the press. The question, it seems, is not whether, but how, and on that, there is far from a consensus.

The issue of "how" revolves around two fundamental but inter-related questions:

To what extent can present programs be modified to develop a more adequate system of economic security?

Which of the major new proposals put forward in recent years should be selected to round out the Nation's system of income maintenance?

With respect to social security, the specific issues raised by the first question concern the benefit structure, the benefit levels, program coverage, and the financing of benefits. Social Security is a social insurance program. As is the case in most countries with such programs, the benefits replace a higher proportion of previous earnings for low than for high income groups and minimum benefit levels have been established. A small number of aged persons have been blanketed into the program with benefits financed from general revenues. Benefit levels have been adjusted from time to time to reflect rising price and real income levels. To what extent should social security be further modified to provide additional income to the poor?

As a practical matter, the answer probably depends on how successful we can be in reforming our present welfare system or developing a new program based on need. To the extent that a decent standard of living for the aged, the disabled, and surviving widows and children can be insured through a humanely administered program of public welfare or a negative income tax, it can be argued that to try to re-fashion social security so that it meets all income maintenance needs would be inefficient, and possibly detrimental to the program.

The question of how and whether public assistance should be modified is a complex one. One proposal which has been put forward would federalize the system for the present federally aided categories, establish minimum standards at the poverty level, and finance the program entirely with Federal funds.

Such a program would overcome many of the defects of the present system:

Within categories, much of the wide variation in payment levels in present programs would be eliminated.

The program would be more adequate in terms of coverage—by 1974, between 70 and 75 percent of those who are poor would fall in the categories eligible for aid and would receive it compared to 55 percent under present programs.

The programs would be more adequate in terms of level of support—by 1974, it would close about 60 percent of the total poverty gap.

The program would provide substantial financial relief for the States by removing the shared cost of the present Federal/State public assistance program. By 1974, the States would realize a saving of about $4 billion in welfare costs which could be allocted to other uses.

Despite these improvements, however, the program has several distinct drawbacks:

The poor in households headed by a male who works, numbering about 10 million in 1967, and expected to account for about 5 million persons in 1974, would not be eligible for supplementation.

The program would provide a substantial monetary incentive for the adult members of intact families to establish separate households.

The program would intensify already serious equity problems with respect to different treatment of poor families headed by a male who works and those headed by a female who works. A man with a wife and two children who works full time would receive no supplementation whereas a woman with three children who works full time and earns the same amount could receive a substantial amount of additional support. This difference is much less under present programs because of the low payment levels in some States for female headed families.

As these facts suggest, the problem of income inadequacy cannot be completely solved by reforms in public assistance. The third major building block in addition to social security improvements and welfare reform should be designed to close the remaining gaps in our income maintenance system. The main options which have been advanced are the Negative Income Tax and Children's Allowance.

* * * * *

The children's allowance is a "demogrant" program; that is, entitlement is based on a demographic characteristic, in this case, age. Benefits would be paid to all families based on the number and perhaps the age of the children. It would not, of course, meet the income needs of other groups, and thus would have to be part of a multiprogram package including public assistance, social security, and so on.

The chief advantage of the children's allowance is that it is not income tested. It is also its chief disadvantage. Programs without an income test do not develop the stigma associated with programs that have an income test. Being on social security is not demeaning. Being on public assistance can be and frequently is. The basic argument in

favor of using an income test is that it more efficiently channels funds to those who are needy. Transferring funds on the basis of age or sex, rather than on the basis of need, means that many nonneedy persons are eligible and thus the percentage of total benefits going to the poor may be small.

It is precisely this inefficiency which has led most children's allowance proponents to include "recoupment" features in their plans. One common recoupment plan would eliminate the $600 children's exemption in the present tax laws. This, and similar plans, tend to move the costs of children's allowance programs toward a negative income tax for children.

In summary, there is no such thing as a single, simple answer to the problems of poverty and of economic security. There are no magic solutions. We will unquestionably continue our multifaceted attack on the problem.

Nearly 35 years ago, in a message to Congress preceding the passage of the Social Security Act, President Roosevelt outlined the goal that still lies before us:

"Our task of reconstruction does not require the creation of new and strange values. It is rather the finding of the way once more to known, but to some degree forgotten, ideals and values. If the means and details are in some instances new, the objectives are as permanent as human nature.

"Among our objectives I place the security of the men, women, and children of the Nation first.

"The security for the individual and for the family concerns itself primarily with three factors. People want decent homes to live in; they want to locate them where they can engage in productive work; and they want some safeguards against misfortunes which cannot be wholly eliminated in this mandate world of ours."

TRIBUTE OF SENATOR B. EVERETT JORDAN TO LAWSON B. KNOTT

Mr. JORDAN of North Carolina. Mr. President, I think most of us will agree that Government is to a large extent a composite reflection of the people who serve it and that its effectiveness hinges on the quality of their performance.

Granting the truth of that observation, I think ours has been considerably the better because it has had the services of men like Lawson B. Knott.

As many Senators now know, he retired late last month as administrator of the General Services Administration after 34 years of service in that and other Government posts.

Of all the positions he held, his last one was by far the most demanding, exacting, and important. He was responsible for billions of dollars in Federal property and for activities directly affecting thousands of people in every part of the country.

He performed the job with dedication, imagination, skill, tact, and unshakeable integrity which made his contributions doubly valuable.

I am proud to stress the fact that Lawson Knott is a native of my own State of North Carolina and am equally proud to call him my good friend.

I salute him as an outstanding man and outstanding public servant whose record should serve as an example to those he leaves behind in Government.

I cannot believe that at 56 he is going to be really retired for very long and I wish him every success and satisfaction in whatever new activity he undertakes after he has paused long enough to catch his breath from those 34 years he has devoted to his country.

SOIL CONSERVATION SERVICE

Mr. MUNDT. Mr. President, through the years the Soil Conservation Service has been extremely helpful to farmers of the country. Conservation processes initiated and sponsored by the Service have saved many acres of valuable farmland from wind and water erosion.

The Senate Agricultural Appropriation Subcommittee, of which I am a member, has given attention over the years to providing adequate funds for the Soil Conservation Service. However, because of the generally tight budget the last few years, funds have not been available to provide as much technical personnel and assistance to districts as have been needed. The shortage is critical and has recently been considered by the legislature in South Dakota. The legislature has passed house concurrent resolution 513 which points up the serious situation that exists. I hope that Senators will help those of us who serve on the Agricultural Appropriations Subcommittee in alleviating this situation and 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:

HOUSE CONCURRENT RESOLUTION 513

Concurrent resolution, memoralizing the Congress of the United States to give priority consideration to the needs of technical assistance by the Soil Conservation Service to conservation districts for the conservation and development of soil, water and all related natural resources

Be is resolved by the House of Representatives of the State of South Dakota, the Senate concurring therein:

Whereas there is a national shortage of technical personnel to tend the growing demand for technical assistance to Conservation Districts and their cooperating land occupiers; and

Whereas manpower ceilings and budget proposal reductions have resulted in a steady decline of assistance; and

Whereas South Dakota has eleven Conservation Districts without a District Conservationist and many Districts operating without Conservation Technicians; and

Whereas the Soil Conservation Service has less funds and personnel to now serve over 40,000 Conservation District cooperators in South Dakota than was necessary to serve 25,000 cooperators: Now, therefore, be it

Resolved by the House of Representatives of the forty fourth Legislature of the State of South Dakota, the Senate concurring therein, That the Congress of the United States be memorialized to take whatever action it deems appropriate to assure that additional funds and manpower be made available to provide necessary technical assistance to South Dakota's seventy Conservation Districts for the conservation of soil, water and related natural resources; be, it further

Resolved, That ways and means be provided to assure funds and technical personnel necessary to carry out the program of each Conservation District and district cooperator to assure the conservation and development of soil, water and related natural resources of South Dakota and the nation; be, it further

Resolved, That copies of this Concurrent Resolution be transmitted by the Clerk of the House of Representatives of the State of South Dakota to the offices of the President and Vice-President of the United States, the Speaker of the House of Representatives of the United States, the members of the Congressional delegation of the State of South Dakota and the Governor of the State of South Dakota.

Adopted by the House of Representatives, February 20, 1969,

Concurred in by the Senate, February 27, 1969.

DEXTER H. GUNDERSON,
Speaker of the House.

Attest:

PAUL INMAN,
Chief Clerk of the House.

JAMES ABDNOR,
President of the Senate.

Attest:

NIELS P. JENSEN,
Secretary of the Senate.

SUPPORT OF PROPOSALS FOR EARLY RATIFICATION OF NUCLEAR NONPROLIFERATION TREATY BY EDUCATIONAL COMMITTEE TO HALT ATOMIC WEAPONS SPREAD

Mr. COOPER. Mr. President, Mr. Arthur Larson, who was an able adviser to former President Eisenhower, has been very active in efforts to achieve support for the Nonproliferation Treaty. Arthur Larson is chairman of a most distinguished committee, the Educational Committee To Halt Atomic Weapons Spread, whose membership includes many of this country's most distinguished citizens. I ask unanimous consent that an open letter to President Nixon and a list of the committee's membership be inserted in the RECORD at the conclusion of my remarks because of the valuable contribution they have made to the widespread approval of the Nonproliferation Treaty.

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

OPEN LETTER TO PRESIDENT JOHNSON AND PRESIDENT-ELECT NIXON

We strongly support your proposals for early ratification by the U.S. Senate of the Nuclear Nonproliferation Treaty. Appproval of this Treaty, providing for action to stop the spread of nuclear weapons and to increase the peaceful uses of atomic energy, is urgent, both for our own safety and for the well-being of all mankind.

Eighty-two nations have signed this pact—positive evidence of its critical importance to global peace. The favorable report of the Senate Foreign Relations Committee gave the world reason to expect prompt ratification, particularly since the Senate itself, in an almost unanimous vote in recent months, had urged the U.S. to conclude a non-proliferation agreement.

Any further postponement of ratification may cause irreparable damage to the Treaty's prospects. Already there are indications that opposing forces are active. Every day's delay increases the chance that some near-nuclear states may decide to take the nuclear road.

The prestige which the United States gained through its leadership in achieving the agreement is being eroded by the delay. If the United States postpones final action, sudden changes in the international climate could forever foreclose the opportunity for what may be the most crucial vote in the nuclear age.

Public opinion polls, nation-wide editorials, and supporting mail to the Senate all indicate widespread approval for this agreement, won through four years of patient and difficult negotiation. We urge you to do all in

your power to facilitate ratification immediately after the Senate convenes in January.

Sincerely,

ARTHUR LARSON,
Chairman.

(NOTE.—The Educational Committee To Halt Atomic Weapons Spread was initiated in 1966 by the Disarmament Issues Committee of United Nations Association of the United States of America.)

LIST OF SIGNATORIES TO THE STATEMENT ON THE NUCLEAR NONPROLIFERATION TREATY

(Titles used are for purposes of identification only)

A

Mr. I. W. Abel, President, United Steelworkers of America, Pittsburgh, Pa.

Mr. Conrad Aiken, Author, Brewster, Mass.

Dr. Alan C. Aisenberg, Asst. Prof. of Medicine, Harvard Medical School, Boston, Mass.

Dr. Samuel E. Allerton, Ph. D., Asst. Prof. of Biochemistry, U. of So. California, Los Angeles, Calif.

Prof. William P. Allis, Cambridge, Mass.

Mr. Frank Altschul, New York, N.Y.

Mr. Hoyt Ammidon, Chairman, United States Trust Co., New York, N.Y.

Mr. Ernest Angell, Attorney, Former Pres. American Civil Liberties Union, New York, N.Y.

Mr. J. Garner Anthony, Lawyer, Honolulu, Hawaii.

B

Mrs. Louise Laidlaw Backus[1], UNA–USA Board; Chrm. of NY Chapter, New York, N.Y.

Mr. A. Doak Barnett, Professor of Government, Columbia University, New York, N.Y.

Mr. Robert S. Beaupre, President, Seattle First National Bank, Seattle, Wash.

Mr. Paul Benloff, Chemist, Argonne National Laboratory, Argonne, Ill.

Mr. Louis T. Benezet, president, Claremont University Center, Claremont, Calif.

Dr. Emile Benoit,[1] professor of International Business, Columbia University, New York, N.Y.

Mrs. Bruce B. Benson, president, League of Women Voters of the United States, Washington, D.C.

Harold Berry, vice president, Fisher New Center Co., Detroit, Mich.

Mr. Sidney Blackstone, writer, Chicago, Ill.

M. Hildred Bleivett, senior physicist, Argonne National Laboratory, Argonne, Ill.

Mr. Joseph L. Block, chairman, executive committee, Inland Steel Co., Chicago, Ill.

Kenneth E. Boulding, professor of economics, University of Colorado, Boulder, Colo.

Charles W. Brashares, bishop United Methodist (retired), Ann Arbor, Mich.

Dr. Michael J. Brower, assistant professor of management, M.I.T. Sloan School, Cambridge, Mass.

Dr. Harrison Brown, professor of geochemistry, science, Government, California Institute of Technology, Pasadena, Calif.

Dr. Jerome S. Bruner, professor of psychology, Cambridge, Mass.

Mr. James F. Bunting, executive director, National Council of YMCA's, New York, N.Y.

Mr. Frederick Burkhardt, president, American Council of Learned Societies, New York, N.Y.

William H. Burnett, county judge, Denver, Colo.

Mr. Edgar M. Buttenheim, president, Buttenheim Publishing Corp., New York, N.Y.

Rev. George W. Barrett, bishop of the Episcopal Diocese of Rochester, Rochester, N.Y.

Jacob Bigeleisen, Professor of Chemistry, Univ. of Rochester, Rochester, N.Y.

D. G. Brennan, Hudson Institute, Croton-on-Hudson, N.Y.

Dr. Hans Bethe, 1967 Nobel Laureate Physics, Professor of Physics, Cornell University, Ithaca, N.Y.

C

Rev. Donald R. Campion, S.J., Editor, America, New York, N.Y.

Milton M. Carrow, Attorney, New York, N.Y.

Charles W. Carson, Community Savings Bank of Rochester, Rochester, N.Y.

Dr. F. Carter, Vice President, Systems Development Corp., Santa Monica, Calif.

David F. Cavers, Professor of Law, The Law School, Harvard University, Cambridge, Mass.

Stuart Chase, Economist, Georgetown, Conn.

Carl Q. Christol, Professor, Int'l. Law, University of So. California, Los Angeles.

Walter C. Clemens, Jr.,[1] Associate Professor of Government, Boston University, Boston, Mass.

Benjamin V. Cohen,[1] Former Member U.S. Mission to U.N., Washington, D.C.

Robert S. Cohen,[1] Professor & Chairman, Dept. of Physics, Boston Univ., Watertown, Mass.

Ernest Cadman Colwell, Professor, Claremont Graduate School, Claremont, Fla.

Randolph P. Compton, Investment Banker, Kidder, Peabody & Co., New York, N.Y.

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EXECUTIVE SESSION

Mr. BYRD of West Virginia. Mr. President, I move that the Senate return to executive session.

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

TREATY ON THE NONPROLIFERATION OF NUCLEAR WEAPONS

The Senate resumed the consideration of Executive H., 90th Congress, second session, the Treaty on the Nonproliferation of Nuclear Weapons.

Mr. BYRD of West Virginia. Mr. President, I voted against the Nuclear Test Ban Treaty in 1963, and I voted against the Consular Convention between the United States and the Soviet Union in 1967. However, I intend to vote for the Treaty on the Nonproliferation of Nuclear Weapons, which is now under consideration by the Senate.

I am no longer a member of the Senate Committee on Armed Services, but I have read the hearings conducted by that committee on the treaty. Based on the testimony given before that committee, I have reached my decision.

All witnesses who appeared before the committee were unanimous in their support of the treaty. Among these witnesses were Gen. Earle G. Wheeler, U.S. Army, Chairman of the Joint Chiefs of Staff, and Dr. John S. Foster, Jr., Director of Defense Research and Engineering, De-

partment of Defense. I am personally acquainted with both men, and I have confidence in their knowledge, ability, and judgment.

The central purpose of the treaty before the Senate is to prevent the spread of nuclear weapons. It was patterned after the Atomic Energy Act of 1954, which forbids transfer of U.S. nuclear weapons to other countries. The treaty before us makes such a prohibition binding on all other signatory nuclear weapons countries, and it bars non-nuclear-weapons countries from receiving nuclear weapons and from manufacturing or receiving any assistance in the manufacture of nuclear weapons. The treaty, at the same time promotes the development of nuclear energy for peaceful purposes under safeguards.

The danger of a general proliferation of nuclear weapons constitutes a problem of pressing concern. Such proliferation would be attended by consequences of accident or a miscalculation by an aggressor nation, which could lead to an all-out nuclear holocaust. I believe that it is not only in the good interests of our own national security but that it is also in the interests of mankind everywhere that we try to take whatever steps are possible to prevent such a tragic occurrence.

I have never trusted the Soviet Union. I believe that the leaders in the Soviet Union can only be depended upon to keep an agreement so long as to do so is in their own best interests. In the case of the treaty before us, I believe that it is in the best interests of the Soviet Union to ratify and obey the provisions of this treaty. It is generally felt that the Soviets are as fearful of proliferation as we are, and that they consider it to be as dangerous to their own security as we think it is dangerous to ours. In reality, the thrust of the treaty is not primarily to restrain the Soviet Union or the United States from developing and deploying nuclear weapons, but it is rather intended to stop non-nuclear-weapons countries from acquiring or manufacturing nuclear weapons.

Some concern has been expressed to the effect that the treaty would inhibit a continuation of vigorous research and development activities by the United States on nuclear weapons as required for our own national security, but Dr. Foster testified that "there are no provisions of the nonproliferation treaty which will in any manner restrict these activities."

Some people have said that the treaty would foreclose the option to defend our allies. The treaty does prohibit the transfer of nuclear weapons or their control to any other nation, but such transfer of weapons and/or their control is already prohibited by Federal statute, and, accordingly, the treaty would not change the present arrangements which we have today with our allies for maintaining custodial control of our nuclear systems.

As I have already indicated, the treaty contains provisions for the development of safeguards which are designed to insure that nuclear energy is not diverted from peaceful uses to nuclear weapons or other nuclear explosive devices. The non-nuclear-weapons signatories to the treaty must undertake to accept such safeguards. The safeguards are to be as set forth in agreements to be negotiated and concluded with IAEA, the International Atomic Energy Agency. The negotiation of such safeguards shall commence within 180 days from the original entry into force of the treaty, which shall occur upon the deposit of instruments of ratification by 40 signatory states in addition to the United States, the United Kingdom, and the Soviet Union. The inspection procedures provided by such safeguards will insure that there is no diversion of nuclear materials into a nuclear weapons program within any non-nuclear-weapons signatory state. As Dr. Foster stated in his testimony before the Armed Services Committee:

> A safeguard system should have access to those facilities associated with nuclear activities, be able to observe their operation and be able to make an inventory of materials going into the operation and coming from the operation so that it is possible to tag the nuclear atoms and the source material for the operation.

It has been thought by some persons that the United States would be at a disadvantage, under the treaty, in that inspections would be permitted with respect to some of our facilities while, at the same time, the Soviet Union would refuse to allow such inspections. The fact is, however, that the treaty safeguards clause does not apply to any nuclear power, for example, the United States, the United Kingdom, or the Soviet Union. These nations already possess nuclear weapons and the facilities and know-how for the manufacture of additional nuclear weapons. The object of the treaty is to prevent the spread of such knowledge and manufacture to nations which presently do not possess nuclear weapons. Consequently, the inspections need only be made in the signatory countries which are not already nuclear powers. It is true that President Johnson offered, and President Nixon has likewise offered, to let inspectors go through our nuclear facilities for peaceful purposes. However, the gratuitous offer made by Mr. Johnson and Mr. Nixon deals only with the examination of commercial nuclear activities. The offer does not deal with the inspection of our military activities or any of our facilities which pertain to nuclear weapons. According to General Wheeler:

> The President very carefully excluded our military nuclear facilities from any inspection.

Dr. Glenn T. Seaborg, Chairman of the U.S. Atomic Energy Commission, said, during the course of his supporting statement on the treaty, that the reason for the offer by Mr. Johnson and Mr. Nixon to place our peaceful nuclear activities under IAEA safeguards, excluding all of those that have a national security significance, "is that there was concern by some of our own friends, Western allies, that if their peaceful nuclear activities were subjected to these inspection procedures they might be at a disadvantage with respect to us if our's were not inspected, because of the possible leak of trade secrets and things of that sort." So, the offer was made in order to further encourage non-nuclear-weapons countries to become signatories of the treaty, while, at the same time, protesting them commercially.

It is interesting to note that, according to Dr. Seaborg, at least seven nations, which do not now possess nuclear weapons, have the capability of producing them within a spread of 5 to 10 years. He named 16 additional nations as being capable of producing cruder nuclear weapons with less delivery capability "and possibly over a longer period of time." So, I think it is quite evident that the danger of proliferation of nuclear weapons grows with each passing year.

It is said that this treaty is a step along the road toward additional agreements between the United States and the Soviet Union leading to disarmament. As a matter of fact, the treaty expresses the determination of the parties that the treaty should lead to further progress toward arms control and disarmament. To be specific, I shall quote article VI of the treaty, which is as follows:

> Each of the Parties to the Treaty undertakes to pursue negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament, and on a treaty on general and complete disarmament under strict effective international control.

As I have already stated, I do not trust the Soviet Union to keep any agreement which is not in its own best interests. The Soviets are notorious for having broken scores of agreements. Although I want us to pursue every path which can reasonably lead to a deescalation of the arms race, I think we must continue to keep our eyes open and our guard up. I am not one who believes that we have made progress simply because we have reached an agreement with the leaders of Communist countries. I am opposed to anything which, in essence, amounts to unilateral disarmament on our part, but I am in favor of doing everything we can to slow down the proliferation of nuclear weapons, because every additional nation that acquires nuclear weapons is just one more finger on the trigger of nuclear war.

I do hope that this treaty would operate to discourage such proliferation.

General Wheeler stated that he saw "no military disadvantages to the treaty insofar as our country is concerned." He went on to say that he believed that "if, indeed, the treaty operates to preclude the proliferation of nuclear weapons in other areas of the world, then in a general sense, a broad sense, it is helpful to our national security."

General Wheeler stated that the treaty would not impose any obligations on us to unilaterally withhold deployment of an ABM defense system or of any offensive strategic system, and that it would not impose any limitation or restriction upon our own country's research and development in connection with nuclear defensive or offensive systems. The same can, of course, be said with respect to the Soviet Union, but as I have indicated above, the treaty is not calculated to inhibit development and deployment of nuclear weapons systems in current nuclear countries. Its purpose is to prevent the proliferation of nuclear weapons.

Some people have expressed the fear that the Soviet Union would not allow access to Warsaw Pact countries for the purpose of implementing the inspection safeguards, but Dr. Seaborg stated that there was no indication that the Soviets would want to deny access of safeguards inspectors to Warsaw Pact countries. However, the Soviets would be in violation of the treaty if they exported fissionable material to satellite countries without the accompanying required international atomic energy safeguards. The Soviets had their fingers burned when they helped Red China to get started with nuclear activities leading to the development of nuclear weapons and, according to those individuals who have testified in support of this treaty, the Soviets are very interested in making sure that there is no diversion from peaceful facilities in their satellites. They do not want their satellites to get nuclear weapons. In any event, there is no limitation at the present time on the Soviet Union's supplying nuclear materials or nuclear facilities to any of its satellite countries, because no treaty exists and no safeguards exist. In other words, if the Soviet Union wishes to supply nuclear weapons to Warsaw Pact countries now, it can do so. There are no restrictions or inhibitions against it. So, we would be no worse off under the treaty, in this regard, than we are now without it. There is no limitation at the present time on the transfer of nuclear weapons by the Soviet Union to any other country. There is no treaty or agreement, but there is self-interest, and the treaty would further that self-interest on the part of the Soviets.

Article X of the treaty provides a right of withdrawal upon 3 months notice if a party finds that extraordinary events related to the subject matter of the treaty have jeopardized its supreme interests. Therefore, our country will have the option of withdrawing from the treaty if the circumstances should dictate our doing so at some future date.

The treaty also provides for a conference, 5 years after the treaty enters into force, to review the operation of the treaty, and for further review conferences, at 5-year intervals, to be held if requested by a majority of the parties. The treaty provides, moreover, for a conference to be held 25 years after the treaty enters into force, at which a majority of the parties will decide whether the treaty shall continue in force.

Parties to the treaty who renounce the acquisition of their own nuclear explosive devices will be able to obtain benefits from the peaceful applications of nuclear explosions through the provision by nuclear states of what would be, in effect, a peaceful nuclear explosion service. The nuclear explosive devices would remain at all times under the custody and control of the nuclear weapons state. The recipient nations would pay for the cost of the nuclear explosive devices, such cost to exclude any charges for research and development of the devices. According to Dr. Seaborg:

> Such services will be performed on the basis of full cost recovery . . . including, among other things, the full cost of all materials, the fabrication of the explosive device, and the firing of them. Appropriate overhead costs would also be included.

A total of 87 nations have signed the treaty, although only nine nations have deposited their statements of ratification. France has indicated that it will not sign the treaty, but it has indicated its intention, nevertheless, to live up to the provisions of the treaty. Red China, another nuclear state, will not sign the treaty nor will it abide by the provisions thereof, but there is nothing to prevent that country even at the present time from contributing to the spread of nuclear weapons, so we will be no worse off under the treaty than we are at the present time insofar as Red China is concerned.

In closing, Mr. President, I wish to state my belief that, on balance, the treaty will be in the interest of our own national security. When one looks back to the beginning of World War II and considers the fact that, just 30 years ago, the nuclear fission reaction had not yet been discovered—the reaction that makes possible nuclear weapons—one shudders to think what the next 30 years will bring if the proliferation of nuclear weapons grows apace. We owe it to ourselves and to our posterity to do everything we can to get other nations committed as early as possible to satisfactory inspections and safeguards against proliferation. By so doing, we prevent, to some considerable degree at least, the possibility of a nuclear exchange too horrible to contemplate. It is not a matter of trusting the Russians, in this instance; it is a matter of believing that they are as interested in self-preservation as we are; and it is also a matter of recognizing that a handful of fingers on the nuclear trigger is far better than a half hundred or more of such fingers. I am not nearly so afraid that the Soviets, the British, the French, or the Americans will pull that trigger, realizing that to do so would invite sudden, full, and unacceptable retaliation, as I am afraid that some small country, in an effort to commit aggression against a small neighbor, might resort to nuclear weapons and, in so doing, create a chain reaction among other nations which would result in the catapulting of the superpowers into a mutually destructive effort.

I believe that the treaty provides a hope against the proliferation of nuclear weapons, and, therefore, I shall vote for the resolution of ratification.

ORDER OF BUSINESS

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

RECESS UNTIL 10 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, the Senate stand in recess, in executive session, until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 5 o'clock and 21 minutes p.m.) the Senate took a recess, in executive session, until tomorrow, Thursday, March 13, 1969, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate March 11 (legislative day of March 7), 1969, under authority of the order of the Senate of March 11, 1969:

HOME LOAN BANK BOARD

Preston Martin, of California, to be a member of the Federal Home Loan Bank Board, for the remainder of the term expiring June 30, 1970, vice Robert L. Rand, resigned.

FOREIGN SERVICE

William B. Buffum, of New York, a Foreign Service officer of class 1, to be the Deputy Representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary.

UNITED NATIONS

Christopher H. Phillips, of New York, to be Deputy Representative of the United States of America in the Security Council of the United Nations.

Glenn A. Olds, of New York, to be the representative of the United States of America on the Economic and Social Council of the United Nations.

Executive nominations received by the Senate March 12 (legislative day of March 7), 1969:

U.S. COAST GUARD

The following licensed officers of the U.S. Merchant Marine to be permanent commissioned officers in the Regular Coast Guard in the grades indicated:

To be lieutenant

Leo G. Vaske.

To be lieutenant (junior grade)

James L. Hassall.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 12 (legislative day of March 7), 1969:

GENERAL SERVICES ADMINISTRATION

Robert L. Kunzig, of Pennsylvania, to be Administrator of General Services.

COMMODITY CREDIT CORPORATION

Richard E. Lyng, of California, to be a member of the Board of Directors of the Commodity Credit Corporation.

FEDERAL HIGHWAY ADMINISTRATION

Francis C. Turner, of Virginia, to be Administrator of the Federal Highway Administration.

WITHDRAWAL

Executive nomination withdrawn from the Senate March 12 (legislative day of March 7), 1969:

FOREIGN SERVICE

William R. Tyler, of the District of Columbia, for promotion from a Foreign Service officer of the class of career minister to the class of Career Ambassador, which was sent to the Senate January 16, 1969.