By Mr. KASTENMEIER (for himself, Mr. BADILLO, Mr. BROWN of California, Mr. BURTON, Mr. CONYERS, Mr. DELLUMS, Mr. DIGGS, Mr. DRINAN, Mr. ECKHARDT, Mr. EDWARDS of California, Mr. HARRINGTON, Mr. HELSTOSKI, Ms. HOLTZMAN, Mr. KOCH, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. OWENS, Mr. RANGEL, Mr. REES, Mr. REUSS, Mr. ROSENTHAL, Mr. SEIBERLING, Mr. STARK, and Mr. WALDIE):

H.R. 9214. A bill to amend title 18 of the United States Code to provide a code of accountability and liability for Government officials engaged in making national security policy; to the Committee on the Judiciary.

By Mr. NELSEN (for himself and Mr. FUQUA):

H.R. 9215. A bill to amend the National Capital Planning Act of 1952 as amended, and for other purposes; to the Committee on District of Columbia.

By Mr. ROE:

H.R. 9216. A bill to provide for the development and implementation of programs for youth camp safety; to the Committee on Education and Labor.

H.R. 9217. A bill to establish a U.S. Fire Administration and National Fire Academy in the Department of Housing and Urban Development, to assist State and local governments in reducing the incidence of death, personal injury, and property damage from fire, to increase the effectiveness and coordination of fire prevention and control agencies at all levels of government, and for other purposes; to the Committee on Science and Astronautics.

By Mr. ROONEY of New York:

H.R. 9218. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. STEED (for himself, Mr. JARMAN, Mr. CAMP, Mr. JONES of Oklahoma, and Mr. MCSPADDEN):

H.R. 9219. A bill to declare that the United States hold certain land in trust for the absentee Shawnee Tribe of Indians of Oklahoma; to the Committee on Interior and Insular Affairs.

By Mr. GINN:

H.J. Res. 657. Joint resolution proposing an amendment to the Constitution to provide that, except in time of war or economic emergency declared by the Congress, expenditures of the Government may not exceed the revenues of the Government during any fiscal year; to the Committee on the Judiciary.

By Mr. HELSTOSKI:

H.J. Res. 658. Joint resolution, a national education policy; to the Committee on Education and Labor.

By Mr. SANDMAN:

H.J. Res. 659. Joint resolution proposing an amendment to the Constitution of the United States guaranteeing the right to life to the unborn, the ill, the aged, or the incapacitated; to the Committee on the Judiciary.

By Mr. WALSH (for himself, Mr. MCEWEN, and Mr. RONCALLO of New York):

H.J. Res. 660. Joint resolution providing that certain mass transit service operated wholly within one State shall be subject to regulation by that State, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITTEN:

H. Con. Res. 266. Concurrent resolution to provide for the printing of committee hearings on the Relationship of Pesticides to Environmental Issues and other matters; to the Committee on House Administration.

By Mr. ANDERSON of California (for himself, Mr. BROWN of California, Mr. RANGEL, Mr. MCDADE, Mr. ESHLEMAN, Mr. DAVIS of Georgia, Mr. ROSENTHAL, Mr. CONYERS, Mr. HENDERSON, Mr. GUNTER, Mr. OBEY, Mr. RODINO, Mr. BUCHANAN, Mr. DOMINICK V. DANIELS, Mr. HAWKINS, Mr. WILLIAMS, and Mr. STEIGER of Wisconsin):

H. Res. 486. Resolution saluting Hank Aaron for his achievements both on and off the baseball field; to the Committee on the Judiciary.

By Mr. ANDERSON of California (for himself, Mr. HARVEY, Mrs. COLLINS of Illinois, Mrs. CHISHOLM, Mr. DELLUMS, Mr. YOUNG of Georgia, Mrs. BURKE of California, Mr. CLAY, Ms. ABZUG, Mr. DANIELSON, Mr. YOUNG of Alaska, Mr. RIEGLE, Mr. MINISH, Mr. O'BRIEN, Mr. KEMP, Mr. DORN, Mr. MONTGOMERY, Mr. STARK, and Mr. MICHEL):

H. Res. 487. Resolution saluting Hank Aaron for his achievements both on and off the baseball field; to the Committee on the Judiciary.

By Mr. CRONIN:

H. Res. 488. Resolution relating to the employment of student congressional interns in the House of Representatives; to the Committee on House Administration.

By Mr. GIBBONS (for himself, Mr. ANDREWS of North Dakota, Mr. ASPIN, Mr. BERGLAND, Mr. BRASCO, Mr. BURGENER, Mr. CLEVELAND, Mr. COLLIER, Mr. DAN DANIEL, Mr. DULSKI, Mr. EDWARDS of California, Mr. GUNTER, Ms. HOLTZMAN, Mr. HUBER, Mr. KETCHUM, Mr. LONG of Maryland, Mr. MILFORD, Mr. MOAKLEY, Mr. NIX, Mr. PODELL, Mr. REES, Mr. ROSENTHAL, Mr. ROY, Mr. RUNNELS, and Mr. SIKES):

H. Res. 489. Resolution to amend the Rules of the House of Representatives to establish as a standing committee of the House the Committee on Energy, and for other purposes; to the Committee on Rules.

By Mr. GIBBONS (for himself, Mr. THONE, Mr. TIERNAN, Mr. VEYSEY, Mr. WOLFF, and Mr. WON PAT):

H. Res. 490. Resolution to amend the Rules of the House of Representatives to establish as a standing committee of the House the Committee on Energy, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

275. The SPEAKER presented a memorial of the Legislature of the State of California, relative to funding to enforce the necessary laws for the protection of the California desert; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. CHISHOLM:

H.R. 9220. A bill for the relief of Albert and Margerita Harris; to the Committee on the Judiciary.

By Mrs. GRIFFITHS:

H.R. 9221. A bill for the relief of Bogdan Bereznicki; to the Committee on the Judiciary.

By Mr. SHOUP:

H.R. 9222. A bill for the relief of John E. Voth; to the Committee on the Judiciary.

SENATE—*Wednesday, July 11, 1973*

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

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

O Thou, in whose life we find our life, through the gift of whose spirit we do our work and bear our burdens, grant us now the sense of Thy nearness. We would open our hearts freely to Thy spirit, our minds to Thy law, and our wills to Thy quickening energy. Dwell in us and make us fruitful. Amen.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, July 10, 1973, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the Executive Calendar, beginning with New Report.

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

The PRESIDENT pro tempore. The nomination on the Executive Calendar, under New Report, will be stated.

COUNCIL OF ECONOMIC ADVISERS

The second assistant legislative clerk read the nomination of Gary L. Seevers, of Virginia, to be a member of the Council of Economic Advisers.

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

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER FOR STAR PRINT OF S. 1560

Mr. ROBERT C. BYRD. Mr. President, on July 6, the Emergency Employment

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Amendments of 1973 (S. 1560) was reported to the Senate. On receiving a copy of the bill, an error was noted due to a technical mistake in the filing of the bill. There are two section 5's—one of which should have been omitted in the reported committee amendment.

I ask unanimous consent that the bill as reported be star-printed as corrected.

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

TRANSCRIPT OF "FACE THE NATION"—JULY 8, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD a transcript of a broadcast over the CBS television network entitled "Face the Nation" on July 8, 1973, in which I participated.

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

"FACE THE NATION" AS BROADCAST OVER THE CBS TELEVISION NETWORK AND THE CBS RADIO NETWORK, SUNDAY, JULY 8, 1973

GEORGE HERMAN. Senator Byrd, the President's recent letter refusing to testify or to open Presidential and White House papers to the Ervin Committee means that John Dean, for example, cannot, as he promised, make available to the committee copies of his own papers still inside the White House. Do you think the Senate would support an Ervin Committee subpoena of such pertinent White House papers?

Senator BYRD. In the first place, Senator Ervin has indicated that he will not support the issuance of such a subpoena. At the present time, I think the Senate would be likely to go along with whatever recommendation that Senator Ervin would make.

ANNOUNCER. From CBS Washington, Face the Nation, a spontaneous and unrehearsed news interview with the Majority Whip of the Senate, Senator Robert Byrd of West Virginia. Senator Byrd will be questioned by CBS News Correspondent Marya McLaughlin, Milton Viorst, Syndicated Columnist for the Washington Star-News, and CBS News Correspondent George Herman.

HERMAN. Senator Byrd, I'm not sure that I recall Senator Ervin saying that he would not subpoena the papers, for example, of John Dean. If he should, or if the committee should try to subpoena such documents which witnesses have testified about—if that should happen, do you think the Senate would support an all-out confrontation with the President?

Senator BYRD. I may have misunderstood your original question. I think my reference to Senator Ervin may have been with respect to subpoenaing the President himself. I think that the Senate will probably support the position of Senator Ervin if he should elect to subpoena such papers. I would hope that such a confrontation would not occur just now.

VIORST. Senator, the Gallup Polls published this morning say that seven of ten Americans now believe that the President actually participated in the Watergate cover-up. What do you consider, assuming the acquisition of appropriate evidence, as grounds for impeachment, and what trend do you discern within the Senate now on the prospect for impeaching the President?

Senator BYRD. I think that talk of impeachment at the present time is premature. I don't think that there's hard evidence to support impeachment. I think that this is a last resort, and I would hope that we would wait and be a little bit patient before we determine that somebody's guilty.

VIORST. Why do you think seven of ten Americans then have told the Gallup Poll that they think the President's participation was real?

Senator BYRD. In the cover-up?

VIORST. Yes.

Senator BYRD. Well, I think that's the way they feel, but I still don't think the hard evidence is there to support the drastic move for impeachment.

MCLAUGHLIN. Senator, do you think that the way the President has handled this whole situation himself may be a cause for the reflection of that poll?

Senator BYRD. Yes, I do. I think he has contributed to suspicions and doubts by giving a little bit of information at a time, just that which is inevitable and which is required by public opinion.

MCLAUGHLIN. And you think that may give the people the impression that he is trying to cover up?

Senator BYRD. Yes. And on each occasion—you will recall he spoke on August of last year at which time he said that no one on the White House staff or in the administration was involved in this bizarre incident. And then on April 17 he said that he had new information and had launched a new and intensive inquiry, and then on April 30 of course he accepted the resignations of certain White House people, and then on May 22 he gave a new story which involved security aspects. So from time to time he has seemed to condescend to give a little more and a little more by way of explanation, and I think that these variations in his stories and the fact that he has continued to isolate himself from the people and from the press—all of these things I think have contributed to growing suspicions and doubts with respect to the veracity of his stories, and as to whether or not he is indeed telling the whole truth.

HERMAN. Are you ready to amend your own statement of last May, May 23, when you said to this day there is no direct testimony or evidence of Presidential involvement, and unless and until convincing evidence is presented, no man should jump to hasty conclusions based on rumor or hearsay? Have you amended that to a certain extent?

Senator BYRD. No, I still stand by that.

HERMAN. You think there is some convincing evidence now or direct testimony?

Senator BYRD. There is some testimony, but it comes from an individual whose own credibility has been impaired to a considerable extent. Now if that evidence that was presented by Mr. Dean is not discredited, then the situation I think will look worse. I must say that Mr. Dean's credibility has been enhanced by, one, the fact that the White House reluctantly agreed that the President had met with Mr. Dean 30 to 35 times earlier this year, and Mr. Dean's testimony is enhanced also by the fact that he was unflappable and unshakeable during five days of intense questioning. Furthermore, the reluctance of the President or his adamant position, may I say, in refusing to give to the Ervin Committee any of the papers, any of the White House papers—which would include Mr. Dean's papers—would also I think lend additional credibility to Mr. Dean's testimony.

VIORST. Senator, you are a leader of the Senate, and the Constitution provides that if there is to be impeachment, it is the Senate which must actually vote it. Of all the various allegations running across the board associated with the Watergate, which, in your mind as a lawyer and as a constitutionalist, do you believe would be adequate to meet the standards of the Constitution for high crimes and misdemeanors, if indeed the evidence were there?

Senator BYRD. Well, various felonies have been committed here—bribery, the obstruction of justice, conspiracy to obstruct justice, perjury, subornation of perjury. There are several areas in which I think if it could be shown that the President had actively participated, or that he was an accessory to an act, then it would become very serious. I think that—

VIORST. Would that more or less force the Senate's hand, in conjunction with the House which also has certain constitutional obligations?

Senator BYRD. There could be developments which would force, I think, the House and the Senate to act, but, first of all, I think before one can expect impeachment proceedings to begin, public opinion really has to support such a move, and I don't think that public opinion has crystallized to that point.

MCLAUGHLIN. Senator, what would you—if you could tap President Nixon on the shoulder and suggest what he should do next to extricate himself and as much of his administration from this as he possibly can—what should he do?

Senator BYRD. Well, I think he has missed the opportunity to have done something, and that was in the very beginning to have stated fully and frankly and candidly to the American people precisely what happened insofar as he truthfully knew it.

MCLAUGHLIN. What can he do now?

Senator BYRD. I think that the only thing that he can do now is, one, to stop isolating himself from the public; two, to speak to the people yet about the questions that are on the minds of the media and the public. And it would seem to me that the best forum in which he could do this would be a press conference. I don't think that the issuance of press releases, such as that one on May 22, or a televised appearance, such as the one on April 30, will convince the people because there is not the free play of questions, the give and the take, the spontaneity of the questions and the answers, that are so much needed in order to convince the people that the truth, the full truth, is being told.

HERMAN. Well, now, your answer to both Mr. Viorst and Miss McLaughlin lead me to the conclusion that you are in some doubt as to whether the President, as things now stand, can govern the country freely and strongly and without difficulties because of the popular doubt of him.

Senator BYRD. I don't think that we have reached the point yet at which one could say that the President ought to resign because he cannot govern the country. That time may come. I think the possibility of that happening is probably greater than the possibility of impeachment, but even that, I say, is in the future—if it is ever reached.

HERMAN. Are you saying though that there is some loss of ability to govern already?

Senator BYRD. I don't think there is any question about that, but I don't think that it is so mortal at this point as to leave the President no other way out.

HERMAN. Is it perhaps good? Some of his loss of power?

Senator BYRD. No. Well, I would rather say that what has happened is not good for the presidency, for the President, for his party, or for the country.

VIORST. Senator, if we get down to this resignation-impeachment dilemma at some point off in the future, do you think that the President will be able to rely on members of his own party on a partisan basis to support him both within the House and the Senate, or do you think that this is going to be an issue that will be judged apart from partisanship and much more on its merits?

Senator BYRD. If that time ever comes, it will be judged on the basis, I think, of what's good for the country, and will not be so much determined on a partisan basis. I think really that if Mr. President—if the President is ever forced to resign, it will be because, by and large, the people in his own party feel that that is the only thing to do.

VIORST. And you don't think he is going to be able to count on them when the chips are down if the evidence is overwhelming?

Senator BYRD. If the evidence is over-

whelming, I don't think he could count on them.

McLAUGHLIN. Senator, there's been some talk that the Congress is reasserting its powers. As a leader, do you see that as a true fact or is it simply because Watergate has so devastated the President that—I'm not indicating that you're trying to hit a man when he's down, but a lot of Republicans who had been backing the President now feel freer not to. Is there any new reassertion of power in the Congress, or is it just Watergate that's given you a little road to travel?

Senator BYRD. I think a reassertion of congressional power was in the making before Watergate came upon the scene. I do think that the President has been wounded, and there's an old line in an old reader which I recall from many years ago which says, that the bird with a broken pinion never soars as high again. Now the President has suffered a broken pinion. Depending upon future developments, he may be able to retrieve some of the confidence and the credibility that have suffered, but at this point I would have some doubts about it. I think in any event the President has been weakened, and I think we can see this in the compromise that came about with respect to the ban on bombing in Cambodia. I don't think that the President would have compromised at all for the setting of any date had it not been for Watergate.

McLAUGHLIN. He—I mean, there's some indication that he may want to come back to you again and extend that bombing. He may not have compromised.

Senator BYRD. Well, he did compromise.

HERMAN. He still has to ask Congress——

Senator BYRD. He still has to ask Congress, and I don't think that—I don't think that Congress will respond to such a request.

HERMAN. You named one example, Cambodia. How about the rest of the horizon? Has the dollar suffered, has the—is the FBI demoralized? What are the other symptoms, if any?

Senator BYRD. There are many other symptoms, and you've named two of such. The devaluation of the dollar, the jittery stock market; the loss of confidence in other countries, in this administration's ability to deal with the economic situation—all of these things, I think, are to some degree phenomena of Watergate.

VIORST. Senator, before you said that you thought the—going back to this impeachment business—the impeachment or resignation decision would be based on the question of the good of the country. Do you mean that in terms of a political decision—I don't mean a partisan decision, but a political decision, as opposed to a decision based upon a clear violation of the law and a violation of constitutional duties?

Senator BYRD. Well, of course, if there were a clear violation of the law, impeachment proceedings might then begin and might succeed. But barring that, there could—and I hope there never will—but there could develop a situation in which the President simply could no longer govern because of the lack of credibility in any of his actions. Take, for example, the economic situation. The greatest disease feared by Wall Street and foreign money markets is the disease of uncertainty. Watergate breeds uncertainty. And the panicky situation that we've seen developing overseas, I think, is to a great extent to be attributed to a feeling on the part of foreign money markets that the administration is in trouble, that it has been badly shaken because of Watergate, and that it does not have the will or the ability to deal with the economic situation. Now if that situation should develop into a serious economic crisis, then it seems to me that the question of the President remaining in power would not be presented in moral and ethical terms alone, but it could shift to the economic and the more material terms. And then I think it would become very serious.

HERMAN. Let's try to explore how far can we push blaming everything on the Watergate. Is the Watergate responsible for inflation? Is the Watergate responsible for the gasoline shortage? How far does it go?

Senator BYRD. No, the Watergate is not in itself responsible, but it is a factor because of the loss of confidence in foreign governments that this government can act with effectiveness as an agent in controlling its—our own economic problems. And I think the strength or weakness of the dollar overseas reflects the strength or weakness of the economy at home.

HERMAN. Well, now, we're in this position where we're banning the exports of soybeans and other feed—high protein feed grains. Every time we ban an export we weaken our position overseas, don't we? It's the exports that help our balance of trade. What's to be done? How do we balance our interests between those two incomes?

Senator BYRD. We're in a very tough situation. I think that there must be an advent of a new, tough Phase IV control program, and hopefully long before the full sixty days that were set for the freeze have terminated. And I think that control program must have the credibility of strong leadership behind it. And in addition to that—

HERMAN. Will it?

Senator BYRD. Well, you say will it? Mr. Shultz is an honorable man; he's a very capable man. But both he and Mr. Dunlop, I think, are strong advocates of the Chicago monetary school of thought, which says that all bets must be placed on free economic forces.

VIORST. Senator, you've mentioned——

Senator BYRD. And I—I agree with this in normal times, but we're living in an abnormal situation.

VIORST. You mentioned Cambodia before. You supported the amendment to cut off funds, and then supported the so-called compromise to continue bombing until August 15. It's been said that that compromise was arrived at only in order to save the President's face—another facet of Watergate—and didn't really make much sense either militarily or diplomatically. Do you have a good explanation for that compromise, for bombing Cambodia up until the fifteenth of August? And what about the administration's talk now about asking for another extension?

Senator BYRD. May I come to that shortly? I want to say further in addressing the question which you gave to me, Mr. Herman, as long as—what I tried to say, I think, or what I was getting to, was that as long as you have men like Mr. Shultz administering the program of tight controls, and daily saying that we—well, we really don't want this and we're going to do away with it as soon as possible—then I think its credibility suffers. And I say this without any reflection upon Mr. Shultz. I think he's a man of the highest caliber, and I have a great deal of respect for him. But I think the President has been—has received conflicting advice, he's received bad advice, and I think that all of these things put together shake the confidence of foreign governments, and our own people, in the control programs that have come along thus far—with the exception of the initial freeze in August of 1971, and Phase II—Phase II, which was prematurely lifted.

Now, what brought about the compromise? In the first place, I think there's a recognition on the part of the leadership in Congress, certainly in the House of Representatives, that the Congress would not be able to muster the two-thirds votes necessary to override a presidential veto. Now it probably could have been done in the Senate. But with this fact of life facing us, we felt that it was—that it was at least a partial achievement of our goal, and the wishes of the people, in setting the August 15 deadline. There—I would say there are a majority of the members of both houses who look with great disfavor upon the continued bombing, even between now and August 15. But legislation really is the art of the possible, and in this instance it was what we could get rather than the doctrinaire position of what we would like to——

VIORST. What argument did the President and his people make that this bombing from now to August 15 would serve some purpose? I—the utility of it is sort of elusive, it seems to me.

Senator BYRD. I agree with you, and I think I come with pretty good credentials in this field. I supported the President on Viet Nam, on his Vietnamization program, and Mr. Laird said that was a success. I supported the President in his efforts to get the prisoners of war home, and he stated that we had achieved an honorable peace. I supported him throughout. But once we had achieved that honorable peace, in his words—once we had—once the Vietnamization program had been a success, once the prisoners of war were home, once Mr. Thieu stated that South Viet Nam would be able to defend itself, then I felt that our job was done, and I think that the American people, in the main, feel the same way. So I don't—I, like you, do not feel that there's any justification for the continued bombing. I'm fearful that a bomber will be shot down, there'll be new prisoners taken, and we'll get deeper and deeper into another Viet Nam.

McLAUGHLIN. Senator, I hate to make you jump around to a lot of different things, but you did mention earlier, when you were talking to George Herman, some of the things affected by the Watergate. The FBI was one of the things mentioned. How do you get credibility back in the FBI, and is it a good idea to keep it under the thumb of the Attorney General, who is an obvious political appointee?

Senator BYRD. Credibility, to use your term in this respect—

McLAUGHLIN. Well, I don't mean to put words in your mouth, you use your—

Senator BYRD. Well, thank you. I think what we both have reference to is a rebirth of confidence in the FBI—from within, and on the part of the American public. I think this confidence will be regained, because under the leadership of Mr. Kelly I would want to believe that the FBI—that the morale will be restored, and that the confidence will be regained.

HERMAN. That's kind of a modest statement—you would want to believe it. Do you not actually believe it?

Senator BYRD. Well, one can only hope—one cannot see into the future what will happen, and we have to accept Mr. Kelly on the basis of his testimony and on the basis of his record of experience. He had 21 years in the FBI, 12 years as the chief police officer in a large American city. And so we think that he is a good man. If he is, I think that that confidence will be restored.

I am concerned, and have been, about the fact that the FBI is so subordinate to the Attorney General—and without any reference to personalities, the Attorney General is a politically-motivated cabinet officer, under any administration, whether it be Democratic or whether it be Republican. And it concerns me that the largest intelligence-gathering network in the free world, and the most effective law enforcement agency, has to get its directives largely from this politically motivated cabinet officer. I think there ought to be a greater degree of independence from that cabinet officer, so that the FBI cannot be used in a partisan way by an administration as a secret police force. I don't know that full independence can ever be given to the FBI. I do think that there ought to be adequate congressional oversight, and I feel that this will come.

VIORST. Senator, you're a member of the Senate Rules Committee. The New York

Times this morning reported that this committee in secret session voted actually to weaken current laws on campaign—political contributions to campaigns, specifically reporting requirements and corporation and labor union gifts. Is the story true? Did you vote for this—this weakening? And in view of Watergate, is this the time to be weakening our laws on campaign contributions?

Senator BYRD. I must say I did—in answer, in direct answer to your question—I did not vote in committee. I was busy with my own bill on the floor while the committee was marking up this bill—my bill shortening the campaign periods. I think that there will be a vigorous fight on the floor, and there will be, I think, many efforts to improve whatever legislation is reported. And I think that in the final analysis we will get a strong bill.

HERMAN. And on that note, thank you very much, Senator Byrd, for being with us today on Face the Nation.

ANNOUNCER. Today on Face the Nation, the Majority Whip of the Senate, Senator Robert Byrd of West Virginia, was interviewed by CBS News Correspondent Marya McLaughlin, Milton Viorst, syndicated columnist for the Washington Star-News, and CBS News Correspondent George Herman.

ORDER OF BUSINESS

The PRESIDENT pro tempore. The minority leader is recognized.

Mr. SCOTT of Pennsylvania. Mr. President, I yield back my time.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes.

A TRIBUTE TO HON. JAMES A. SIMPSON OF BIRMINGHAM, ALA.

Mr. ALLEN. Mr. President, in the death of Hon. James A. Simpson, of Birmingham, Ala., on July 8, 1973, the State of Alabama and the Nation lost one of their greatest citizens.

Senator Simpson, born in McEwen, Tenn., on January 28, 1890, and a 1912 graduate of Vanderbilt University, began the practice of law in Birmingham, Ala., on his admission to the Alabama bar in 1912. Rapidly he became recognized as one of the outstanding lawyers in the State of Alabama, and his law firm, Lange, Simpson, Robinson, and Somerville, one of the most eminent.

He combined a great mind, a rare legal talent, dedication, and love of his profession with a tremendous capacity for hard work which others found it difficult to match. Add to those qualities his sterling character, his loyalty, his faith in God, his love of his country, his family, and his fellow man and you have a portrayal—inadequate though it is—of this great man. How thankful I am that he remained in his prime, with his full force and vigor right up until this death.

Senator Simpson served with distinction in the Alabama House of Representatives in 1927–31, and in the State Senate 1935–47, during the last 4 years of which he was President pro tempore of the Senate.

With a great career of successes in many fields, it must have been a disappointment to him that he was not given the privilege of rounding out his great career by serving the people of Alabama in the U.S. Senate.

In 1944 and 1946 he ran strong races for the U.S. Senate. What an outstanding U.S. Senator he would have made, what an eloquent spokesman for Alabama and the South, what a supporter of States rights and of constitutional government. Had he been elected he would have been a Senator in the mold of Oscar W. Underwood, Gen. John Tyler Morgan, and Gen. Edmund W. Pettus, great Alabamians who were giants in the U.S. Senate.

Many times I have had the occasion to give my appraisal of Senator Simpson. My view is and has ever been that Senator James A. Simpson is the ablest man we have had in the political life of Alabama in my memory. Having had the privilege of being numbered among his friends and having admired and respected him so much through the years, I feel a deep sense of personal loss in his death.

On behalf of the people of Alabama and in my own behalf I salute this great Alabama patriot, statesman, attorney, and outstanding citizen. Mrs. Allen joins me in expressing our deepest sympathy to his widow, Mrs. Florence Simpson, and to his sons, Joseph W. Simpson, James E. Simpson, and Henry E. Simpson.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

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

NOTICE OF INTENTION TO INTERCHANGE JURISDICTION OF CERTAIN CIVIL WORKS

A letter from the Secretary of the Army, and the Secretary of Agriculture, reporting, pursuant to law, on the intention of the Departments of the Army and Agriculture to interchange jurisdiction of civil works and Forest Service acquired lands at Laurel River Lake project, Kentucky (with accompanying papers). Referred to the Committee on Agriculture and Forestry.

REPORT ON DEPARTMENT OF DEFENSE PROCUREMENT FROM SMALL AND OTHER BUSINESS FIRMS

A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting, pursuant to law, a report of Department of Defense Procurement from Small and Other Business Firms, for July 1972–March 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

PROPOSED LEGISLATION FROM DEPARTMENT OF COMMERCE

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to transfer to the Secretary of Commerce certain functions of the Secretary of the Interior relating to encouraging, promoting, and developing travel within the United States, and for other purposes (with accompanying papers). Referred to the Committee on Commerce.

PROPOSED LEGISLATION FROM SECRETARY OF TRANSPORTATION

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to provide for the enlistment and commissioning of women in the Coast Guard Reserve, and for other purposes (with accompanying papers). Referred to the Committee on Commerce.

PROPOSED LEGISLATION FROM DISTRICT OF COLUMBIA GOVERNMENT

A letter from the Mayor-Commissioner, the District of Columbia, Washington, D.C., transmitting a draft of proposed legislation to authorize the Government of the District of Columbia to control the manufacture, sale, and storage of alcoholic beverages, and for other purposes (with an accompanying paper). Referred to the Committee on the District of Columbia.

INTERNATIONAL AGREEMENTS ENTERED INTO BY THE UNITED STATES

A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, international agreements entered into by the United States (with accompanying papers). Referred to the Committee on Foreign Relations.

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS OF NATIONAL WATER COMMISSION

A letter from the Chairman, and Members, National Water Commission, transmitting, pursuant to law, a Summary, Conclusions, and Recommendations of that Commission (with an accompanying document). Referred to the Committee on Interior and Insular Affairs.

PROPOSED LEGISLATION FROM CIVIL SERVICE COMMISSION

A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to promote the effective administration of Federal employees' compensation for work-related injuries (with accompanying papers). Referred to the Committee on Post Office and Civil Service.

REPORT OF ALASKA VILLAGE DEMONSTRATION PROJECTS

A letter from the Acting Administrator, U.S. Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Alaska Village Demonstration Projects," dated July 1, 1973 (with an accompanying report). Referred to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CANNON, from the Committee on Rules and Administration, with amendments:

S.J. Res. 110. Joint resolution to establish a nonpartisan commission on Federal election reform (Rept. No. 93–309); and

S. 372. A bill to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of section 315 with respect to Presidential and Vice-Presidential candidates and to amend the Campaign Communications Reform Act to provide a further limitation on expenditures in election campaigns for Federal elective office (Rept. No. 93–310).

By Mr. CRANSTON, from the Committee on Labor and Public Welfare, with an amendment:

S. 1148. A bill to provide for operation of all domestic volunteer service programs by the ACTION Agency, to establish certain new such programs, and for other purposes (Rept. No. 93–311).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

John R. Wilks, of Indiana, to be U.S. attorney for the Northern District of Indiana; and

George W. F. Cook, of Vermont, to be U.S. attorney for the district of Vermont.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. ROBERT C. BYRD (for Mr. FULBRIGHT), from the Committee on Foreign Relations:

James A. May, of California, for promotion from a Foreign Service officer of class 3 to class 2 and to be also a consular officer;

William H. Sullivan, of Rhode Island, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary to the Philippines;

Paul Rex Beach, of Virginia, to be U.S. Director of the Asian Development Bank, with the rank of Ambassador;

William G. Bowdler, of Florida, for promotion from class 1 to the class of career minister in the Foreign Service;

William B. Buffum, of New York, for promotion from class 1 to the class of career minister in the Foreign Service;

Jack B. Kubisch, of Michigan, for promotion from class 1 to the class of career minister, in the Foreign Service;

Thomas W. McElhiney, of the District of Columbia, for promotion from class 1 to the class of career minister, in the Foreign Service;

Albert W. Sherer, Jr., of Illinois, for promotion from class 1 to the class of career minister, in the Foreign Service;

Malcolm Toon, of Maryland, for promotion from class 1 to the class of career minister, in the Foreign Service;

Philip K. Crowe, of Maryland, to be Ambassador Extraordinary and Plenipotentiary to Denmark;

William D. Brewer, of Connecticut, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to the Democratic Republic of the Sudan; and

William I. Cargo, of Florida, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary to the Kingdom of Nepal.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HATHAWAY:

S. 2138 A bill to amend the provisions of the Small Business Act with respect to certain reporting requirements relating to Government procurement. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. PROXMIRE:

S. 2139. A bill to amend the provisions of law making it a crime to issue a false Government crop report in order to expand such provisions to cover the issuance of any Government report of statistics or information. Referred to the Committee on the Judiciary.

By Mr. DOMINICK:

S. 2140. A bill to amend the act of October 21, 1972, the Indian Peaks study law (Public Law 92–528), to provide for management as a wilderness area during the review period and to provide a date for completion of the review. Referred to the Committee on Interior and Insular Affairs.

By Mr. THURMOND:

S. 2141. A bill to amend the act entitled "An act to authorize the Secretary of Agriculture to execute a subordination agreement with respect to certain lands in Lee County, South Carolina." Referred to the Committee on Agriculture and Forestry.

By Mr. STEVENSON (for himself, Mr. MATHIAS, and Mr. METCALF):

S. 2142. A bill to establish a U.S. statistical commission. Referred to the Committee on Government Operations.

By Mr. BELLMON:

S. 2143. A bill to amend the Natural Gas Act in order to authorize the Federal Power Commission to exempt the production and gathering of natural gas by small producers from the provisions of such act. Referred to the Committee on Commerce.

By Mr. FONG:

S. 2144. A bill to liberalize eligibility for cost-of-living increases in civil service retirement annuities. Referred to the Committee on Post Office and Civil Service.

By Mr. HOLLINGS:

S. 2145. A bill to aid and encourage civilian oceanographic underwater research by providing for standards for underwater research facilities, and for other purposes. Referred to the Committee on Commerce.

By Mr. CHILES:

S. 2146. A bill to amend title II of the Social Security Act to increase to $3,600 the annual amount which individuals may earn without suffering deductions from benefits on account of excess earnings. Referred to the Committee on Finance.

By Mr. DOMENICI:

S. 2147. A bill to authorize and direct the Secretary of the Interior and the Administrator of General Services to conduct a study relating to the procurement and use by the Federal Government of products manufactured from recycled materials. Referred to the Committee on Government Operations.

By Mr. LONG:

S. 2148. A bill to amend the Merchant Marine Act, 1936, to expand the mission of the U.S. Merchant Marine Academy and to change the name of the Academy to reflect the expanded mission. Referred to the Committee on Commerce.

By Mr. LONG (for Mr. MAGNUSON) (for himself and Mr. COTTON) (by request):

S. 2149. A bill to amend title 10, United States Code, to provide certain benefits to members of the Coast Guard Reserve, and for other purposes. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATHAWAY:

S. 2138. A bill to amend section 10 (d) of the Small Business Act with respect to certain reporting requirements relating to Government procurement. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. HATHAWAY. Mr. President, I introduce, for appropriate reference, a bill to amend section 10(d) of the Small Business Act in order to require all executive agencies which contract for goods and services to report quarterly their contract expenditures. This amends the Small Business Act, which presently obligates only the Department of Defense to make this report on a monthly basis. The proposed change calls on all executive agencies to show the appropriated funds which they have expended or obligated under contracts to small business and large business firms during the preceding quarter.

In the Small Business Act, Public Law 85–536, there is a declaration of policy that the "Government should aid, counsel, assist, and protect, insofar as is possible, the interests of small business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts or subcontracts—be placed with small-business enterprises." In order that we can make this determination, we need the statistical data from the procuring agencies.

The Government Procurement Subcommittee of the Select Committee on Small Business held hearings on May 17 and 18, 1973, to consider several recommendations of the Commission on Government Procurement. As a result of our examination of the recommendation for the development of new standards for determining whether small business is receiving a fair proportion of the Federal contracts, we noted that the Small Business Act, in section 10(d), obligates only the Department of Defense to report its procurement statistics. Not to require the same statistics from the civilian agencies and consider them in this determination seems inconsistent with the policy statement at the commencement of the act. While it is true that the Department of Defense continues to award the bulk of the Government's contracts, its relative share of the total procurement effort is declining. Specifically, in fiscal year 1972, the Department of Defense spent 76 percent of the nearly $60 billion procurement dollars. This is to be compared with fiscal year 1962, when the Department of Defense accounted for 85.4 percent of the total procurement of $42 billion.

This proposed modification to the reporting requirements should not pose an undue hardship to the procuring agencies. At present the Defense Department must make a report each month; hence this bill would lighten that obligation. With respect to the civilian agencies, they are currently providing this information on a consolidated basis semiannually.

Under the authority of section 1–16.804 of the Code of Federal Regulations, each civilian executive agency must report its procurement data for the agency as a whole and for each bureau or comparable major organizational unit of the agency to the General Services Administration. I see no reason why this practice should not continue but on a more frequent basis.

Thus the bill I propose today brings into line the reporting obligation of the executive agencies. It is my belief that this is necessary if we are to achieve our statutory goal of assessing the participation of small business in Government contracting.

Mr. President, I ask unanimous consent to have the text of my bill printed in the RECORD at the conclusion of my remarks.

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

S. 2138

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section

10(d) of the Small Business Act is amended to read as follows:

"(d) For the purpose of aiding in carrying out the national policy to insure that a fair proportion of the total purchases and contracts for property and services for the Government be placed with small-business enterprises, and to maintain and strengthen the overall economy of the Nation, each department and agency of the Executive branch which procures goods or services by contract shall make a quarterly report to the President, the President of the Senate, and the Speaker of the House of Representatives, not less than forty-five days after the close of the quarter, showing the amount of funds appropriated to the department or agency which have been expended, obligated, or contracted to be spent with small-business concerns and the amount of such funds expended, obligated, or contracted to be spent with firms other than small business in the same fields of operation. Such reports shall show separately the funds expended, obligated, or contracted to be spent for basic and applied scientific research and development."

By Mr. PROXMIRE:

S. 2139. A bill to amend the provisions of law making it a crime to issue a false Government crop report in order to expand such provisions to cover the issuance of any Government report of statistics or information. Referred to the Committee on the Judiciary.

BILL TO MAKE ISSUING FALSE STATISTICS A CRIME

Mr. PROXMIRE. Mr. President, the chilling prospect of a statistical Watergate, far more potent in effecting the outcome of any election than any bugging or other dirty tricks, needs to be stopped in its tracks by legislation making the willful falsification of Government statistics a crime.

No one has yet "cooked" or falsified the statistical figures. But the temptation to do so is enormous. The announcement of a big drop in unemployment or a huge reduction in the cost of living on the eve of an election could do more to help any administration in power than all the bugging, breaking and entering, and scandalous activities associated with Watergate could ever do.

NOT IMPOSSIBLE

And those who say it is impossible should consider, merely, the fact that equity funding falsified or fabricated hundreds of millions of dollars of phoney insurance policies through computer manipulation.

MAY NOT NOW BE A CRIME

And they should also consider that as of now it appears that juggling the unemployment or cost-of-living figures may not even be a crime.

Under chapter 101 of the code it is a crime to conceal records, make false crop reports, false weather reports, or false entries in connection with money or securities or court records, or to fail to make certain reports, but it is not clearly a crime to falsify the statistical series put out by the Government on which so many activities rely.

It is for that reason that I am introducing this bill today.

RECENT DISTRESSING EVENTS

I think there is a real danger of statistical manipulation. A series of recent events makes this legislation imperative. Here is what has happened.

First, the administration ordered that the press briefings of the Bureau of Labor Statistics be ended when their statistical experts with high professional reputations refused to put the glowing optimistic interpretation on them that the White House and the Secretary of Labor had done.

Second, these same BLS professionals were gagged and then reorganized out of their jobs.

Third, one of the major statistical series was ended when the facts proved unpalatable to the administration. This was the so-called poverty index.

Fourth, the highly competent and professional head of the BLS, Mr. Geoffrey Moore, was himself fired. Until this happened that position was one which was filled for the duration of the 4-year term and one where the head was generally reappointed year in and year out by whatever administration was in power.

Fifth, gross political interpretations have now been placed on the statistical series—unemployment and cost-of-living figures, especially—by political spokesmen from the steps of the White House itself.

Finally, the administration has just appointed two highly unqualified individuals to fill key statistical posts; namely, the Director of the Bureau of the Census and the Commerce Department's Social and Economic Statistical Administration—SESA—which puts out at least 16 major statistical indicators.

FINES, IMPRISONMENT, AND LOSS OF OFFICE

For all of these reasons I send to the desk and ask that it be appropriately referred, a bill which specifies that to falsify, willfully, any of the statistical series can bring with it a fine of $5,000, imprisonment for up to 5 years, forfeiture of office, and disqualification from holding any other office under the United States for the remainder of one's life.

This bill is needed. It is a proper precaution for us to take.

I ask unanimous consent that the bill be printed in the RECORD.

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

S. 2139

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2072 of title 18 of the United States Code is amended (1) by striking out "False crop reports" in the heading and inserting in lieu thereof "False reports of statistics or information", (2) by striking out "relating to the products of the soil" in such section, and (3) by adding at the end of the section "and shall forfeit his office and be disqualified from holding any office under the United States."

(b) The table of contents of chapter 101 of such title is amended by striking out "2072. False crop reports." and inserting in lieu thereof "2072. False reports of statistics or information.".

By Mr. DOMINICK:

S. 2140. A bill to amend the act of October 21, 1972, the Indian Peaks study law (Public Law 92–528), to provide for management as a wilderness area during the review period and to provide a date for completion of the review. Referred to the Committee on Interior and Insular Affairs.

Mr. DOMINICK. Mr. President, in the 92d Congress I cosponsored a bill to establish the Indian Peaks Wilderness. The area was to be studied by the Secretary of Agriculture and he would have been required to report his recommendations within 2 years after the enactment of that bill. The bill further required that the area be managed as a wilderness area during the 2 year study period, so that its suitability for a potential wilderness designation not be impaired. This bill passed the Senate but was amended in the House to delete the time requirement and to delete the provision which would have given the area interim protection prior to a congressional designation as wilderness. The Senate subsequently accepted the House amendment and the bill was signed into law on October 21, 1972.

The legislation which I am proposing today would not only insure that this beautiful area be protected to the highest degree during the Forest Service's study—and for 2 years afterward—but would give the Service ample time within which to complete that review. Study was begun in January pursuant to the law passed last October, the Indian Peaks study law—Public Law 92–528 Thus, the December 1975 deadline in the bill I am introducing would give the Forest Service a total of 3 years to complete its study.

The Service has the enormous task of completing the review of all "primitive areas" by 1975 as required under the Wilderness Act of 1964, as well as having to review a vast number of "roadless areas" such as Indian Peaks. The bill takes this into consideration and will not only protect Indian Peaks from encroaching pressures stemming from the Denver metropolitan area 1 hour away, but will also provide the Forest Service with a reasonable time frame into which it can fit this review project.

There is no question in my mind that this area is worthy of consideration as part of the Wilderness Preservation System. The lands, about 70,000 acres, from the south boundary of Rocky Mountain National Park to Arapaho Pass have been designated by the Forest Service and by the Indian Peaks study law as the "roadless area" presently under consideration. The original Indian Peaks study law was necessary since under the Wilderness Act, the Secretary of Agriculture is authorized to review only those areas classified as primitive on the date of its enactment. This magnificent area is practically untouched by man, yet it suffers from not being classified as "primitive." Thus, although the Forest Service generally maintains a policy of protection for the areas it reviews, this bill will prevent any environmental damage done to the area which could occur under the act as it now exists. Indeed, the vertical walls which overlook the area, the forests which have never been logged, and the wealth of wildlife are deserving of this added insurance.

Proposals for the final boundaries of this unique area vary substantially. However, this bill will provide a stronger mandate for determining the suitability of Indian Peaks Area for inclusion in

the Wilderness Preservation System. On January 26 of this year, several of our distinguished colleagues in the House introduced a bill similar to the one we are introducing today. Mr. President, I now encourage the Senate to recognize the need for this amendment to the Indian Peaks study law.

By Mr. STEVENSON (for himself, Mr. MATHIAS, and Mr. METCALF):

S. 2142. A bill to establish a U.S. Statistical Commission. Referred to the Committee on Government Operations.

NEW AGENCY PROPOSED TO ASSURE "TRUTH IN STATISTICS"

Mr. STEVENSON. Mr. President, I am today introducing legislation, with Senators MATHIAS and METCALF to create an independent Statistical Commission to establish, coordinate, and carry out statistical policy for the United States. This "truth in statistics" bill is designed to protect the integrity, accuracy, and confidentiality of Government statistics and to insure that the process of collecting, analyzing, and publishing these statistics is free of political interference.

Public confidence in our political institutions has fallen to an historic low in the wake of the Watergate disclosure. Men have misused power to retain power. Evasion and dissembling have replaced truth and decency.

Watergate warns us of imperfections in our system of government. This bill will, if enacted into law, correct one of those imperfections.

If the public cannot trust the pronouncements of its Government, then the very legitimacy of that Government is called into question. It is to help insure this does not occur that we are introducing this bill.

Events over the course of the past 3 years have cast doubts upon the integrity of governmental statistics in the minds of those who work most closely with them. The American Statistical Association, in conjunction with the Federal established a committee on the integrity Statistical Users Conference, recently of Federal statistics. The committee, in its report, states:

> During the past two years the integrity of the Federal statistical system has come into question. There is growing concern that the Federal statistical system may become politicized to the extent that political expediency may override the canons of professionalism and objectivity which have long characterized major statistical agencies of the U.S. government.

Philip Hauser, the director of the Population Research Center at the University of Chicago, also addressed this situation in an article in the American Statistician. Hauser writes:

> Developments over the past several years have raised serious questions about the extent to which political pressures are being exerted on government statisticians so as to compromise the integrity of their product; and about the way in which the statistical product is being used in the interest of the Administration or the administrator of an agency, rather than in the interest of the general public. The political smoke which has risen from developments in the Bureau of Labor Statistics and the Bureau of the Census, and smolderings in a number of other statistical agencies, including those in the Department of Agriculture, the Department of Health, Education and Welfare, and the Statistical Policy Division of the Office of Management and Budget, have incited many, including statisticians, politicians, businessmen, labor leaders, reporters and editorial writers, to look for statistical fires. After all, it is part of our folk wisdom to assume that "where there is smoke there must be fire."

I ask unanimous consent to have Professor Hauser's article in its entirety printed in the RECORD at the conclusion of these remarks.

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

(See exhibit A.)

Mr. STEVENSON. Mr. President, recently, the President has underscored Professor Hauser's point by appointing to head the Social and Economic Statistical Agency and the Census Bureau—two of the most important statistical posts in the U.S. Government—men who appear to have no professional background or qualification for these offices. Indeed, the only qualification of these men appears to be political: One is a former official of the Committee to Reelect the President, and the other is a market researcher who conducted political polls for Mr. Nixon. Rather than going out of its way to avoid appearances of playing politics with statistics the White House has appointed men who are clearly partisan Republican politicos. I ask unanimous consent to insert in the RECORD at the conclusion of these remarks a Washington Post article describing these appointments and an editorial commenting upon them.

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

(See exhibits B and C.)

Mr. STEVENSON. Mr. President, in order to protect the integrity of our statistics from political intrusion, this bill could create a new U.S. Statistical Commission. The Commission would be insulated from partisan politics. Of the seven appointees, three would be made by the President, with the advice and consent of the Senate, two by the President pro tempore and two by the Speaker of the House. The appointments would be on an overlapping basis for a period of 7 years, and the appointees could not be removed by the President except for cause, such as neglect of duty or malfeasance in office. The Commissioners would select their own chairman.

Several agencies and statistical functions would immediately be transferred to the new Commission: the Bureau of Labor Statistics, the Social and Economic Statistical Administration—which includes the Census Bureau and the Office of Business Economics—the National Technical Information Service of the Department of Commerce, and the Statistical Reporting Service and Economic Research Service of the Department of Agriculture.

The transfer of these units into a single agency within the executive branch was recommended to the President by the Advisory Council on Executive Organization, chaired by Roy Ash, in 1970. The President's initial proposal for a Department of Economic Affairs reflected the Ash committee recommendation. This bill accepts that recommendation but places the new unit not within an executive department where it is fully susceptible to political influence, but in an independent statistical agency isolated as much as possible from political intrusion.

The bill I am introducing today also transfers the statutory statistical functions of the Office of Management and Budget to the new Statistical Commission. Under authority granted by chapter 35 of title 44, United States Code, OMB approves all records and forms of any Federal agency used to collect statistical data. The Statistical Policy Division of OMB uses this authority as the lever to coordinate statistical policy throughout the Government.

It may be that other statistical functions in addition to those recommended by the Ash Commission report and the President, ought to be transferred to the new statistical agency. As a rule statistical functions which are intimately related to ongoing program operations ought to remain within the agency administering the program, while statistical functions divorced from program operations are candidates for transfer. Under this criteria there are many important statistical functions which are not included in the initial transfer but which ought to undergo further study for possible transfer.

This bill, therefore, sets up a temporary 1 year blue ribbon commission to study and make recommendations to Congress concerning what other statistical functions and units should be transferred to the new Statistical Commission. The mandate for the temporary commission directs it to particularly investigate the feasibility of transferring FBI crime statistics to the Commission.

Provisions assuring confidentiality of information are included in the bill. The very strict provisions now applying to data collected by the Census Bureau would apply to all data collected by the new agency.

In addition to assuring the integrity of Federal statistics, a single U.S. statistical agency would greatly improve coordination of statistics, enhance efficiency, encourage analysis, and avoid duplication.

A staff study published last year by the Subcommittee on Census and Statistics of the House Committee on Post Office and Civil Service concluded that—

> Consideration should be given to the feasibility and desirability of establishing one central independent agency to collect and process all general purpose statistical data for the federal government.

The report concluded that such an agency would:

First. Reduce the opportunity for an incumbent administration to exercise a partisan effect on or influence vital statistical information which should bring about more credibility in published data.

Second. Focus Federal statistics at one point where the data could be used to the greatest public advantage.

Third. Remove the fragmentation and diffusion of overall Government statistics now being produced by four principal Government agencies.

Fourth. Reduce duplication of gathering and reporting certain related statistical data.

Fifth. Increase efficiency and economy in statistical data operations by better utilization of enumerators and complex automatic data processing hardware.

Sixth. Reduce confusion and inconvenience experienced by the general public and lower levels of government—State, city, and county—which arise because several statistical data gathering agencies approach the public and lower government levels at different times to obtain information. Also, all statistical data could be obtained from one source in the Federal Government.

Seventh. Combine the existing separate gathering and publication of statistics affecting the economic picture—parts of the overall economic picture are now being developed by Agriculture, BLS, and Census.

Eighth. Bring about uniformity in publishing statistical data.

Ninth. Create an ability on the part of the Government to assign responsibility and accountability for all Federal statistics.

This bill would accomplish all these worthwhile purposes.

Mr. President, I ask unanimous consent that a section-by-section analysis and a copy of the bill be included in the RECORD following these remarks.

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

SECTION-BY-SECTION ANALYSIS

Sec. 1—States title of Act as "Federal Statistical Information Act"

Sec. 2—Findings and Purpose: Finds that integrity, accuracy, and confidentiality of government statistics is indispensable to faith and trust of U.S. Citizens in their government and to effective operations of that government and that intrusion of political considerations into statistical operations serves to compromise the integrity of government statistics and diminishes public confidence in the government. States that the purpose of the act is to safeguard the integrity of government statistics.

Sec. 3—Establishes a U.S. Statistical Commission as an independent agency. This establishment and the transfer of functions set forth below shall take effect within 90 days of enactment of this Act.

Sec. 4—Functions: The function of the Commission shall be to establish, co-ordinate and execute *a statistical policy* for the U.S. government. Transfers to the Commission functions now performed by the BLS, Social and Economic Statistics Administration (that is, Census) and the National Technical Information Service from the Commerce Department, and the Statistical Reporting Service and Economic Research Service of the Agriculture Department. The President may at any time transfer additional functions to the Commission. The statistical policy coordinator functions now performed by statute by the Office of Management and Budget are also transferred.

Sec. 5—Commission membership; Commission shall be composed of 7 members, 3 appointed by the President, 2 by the President pro tempore of the Senate, and 2 by the Speaker of the House, all with the advise and consent of the Senate. The Commission shall select its own Chairman. The Commissioners shall be people of professional eminence with respect to the Commission's functions. No more than 4 shall be members of the same political party. They shall serve 7 year terms, which will be staggered so that the term of one commissioner shall expire each year. The Commissioners may not be removed by the President except by reason of inefficiency, neglect of duty, or malfeasance of office.

Sec. 6—Personnel of Commission: The Commissioners shall appoint an administrator and a deputy administrator who shall administer the agency on a day-to-day basis.

Sec. 7—Confidentiality of information: The Commission may not 1) use information it receives for any purposes other than statistical purposes, 2) make any publication or disclosure which would identify it by individual or establishment, and 3) permit anyone other than officers and employees of the Commission to examine reports of individuals or particular establishments. The Commission may furnish copies of tables and aggregate data upon request and may make special statistical surveys for other federal agencies, state or local officials, private concerns or individuals upon payment of the actual or estimated cost of such work.

Sec. 8—Advisory Committee on Statistical Agency: Establishes an advisory committee of eminent professionals to advise the Commission (similar to the Advisory Committee of statisticians which now advises the Statistical Policy Division of OMB).

Sec. 9—Temporary Study Commission: Establishes a temporary study commission of one year duration to make recommendations to the President and Congress concerning other functions and units of the federal government that should be transferred to the Statistical Commission. It shall particularly consider crime data and income tax data. The Temporary Commission shall be composed of 12 members appointed as follows: 4 by the President, 2 from the Executive Branch and 2 from private life; 4 each by the President of the Senate and the Speaker of the House respectively (in each case, two members of the body—one from each political party—and 2 from private life. The Temporary Commission shall make its report and recommendations to the President and Congress no later than one year after its first meeting.

Sec. 10—Transfers: Transfer of personnel, assets, liabilities, property, records, etc.

Sec. 11—Powers: technical provisions; also Commission's budget goes directly to Congress as well as to OMB.

Sec. 12—Annual report: Requires Commission make an annual written report to the President for submission to Congress.

Sec. 13–14—Technical provisions.

Sec. 15—Effective date: Act shall take effect 90 days after enactment or on such prior date after enactment as President shall prescribe and publish in Federal Register.

S. 2142

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 "Federal Statistical Information Act".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that the integrity, accuracy, and confidentiality of the statistics collected, analyzed, and published by the United States Government are indispensible to the faith and trust of United States citizens in their Government and to the effective operations of that Government. The Congress further finds that the intrusion of political considerations into the statistical operations of the United States Government or the appearance of such intrusion can only serve to compromise the integrity of Government statistics and to cast doubt upon the legitimacy of the Government itself.

(b) The purpose of this Act is to safeguard the integrity, accuracy, and confidentiality of the statistics of the United States Government and to assure that the administrative mechanism charged with collecting, analyzing, and publishing these statistics is independent and free of political influence.

ESTABLISHMENT

SEC. 3. There is established, as an independent establishment of the executive branch of the United States Government, the United States Statistical Commission (referred to in this Act as the "Commission").

FUNCTIONS

SEC. 4. (a) The Commission shall have the primary function of establishing, coordinating, and executing a statistical policy for the United States Government.

(b) In order to assist the Commission in carrying out such primary function, there are transferred to the Commission, and the Commission shall perform, those functions carried out by—

(1) the following agencies:

(A) the Bureau of Labor Statistics, Department of Labor;

(B) the Social and Economic Statistics Administration, Department of Commerce;

(C) the National Technical Information Service, Department of Commerce;

(D) the Statistical Reporting Service, Department of Agriculture; and

(E) the Economic Research Service, Department of Agriculture; and

(2) by the Secretary of Labor, the Secretary of Commerce, the Secretary of Agriculture, and by the heads of such agencies, insofar as any such function relates to a function transferred under this subsection from any agency referred to in clause (1) of this subsection.

(c) There are transferred to, and the Commission shall perform, those functions of the Secretary of Labor, the Secretary of Commerce, and the Secretary of Agriculture with respect to, and being administered by such Secretary, through any such agency referred to in subsection (b)(1) of this section.

(d) At any time after the effective date of this section, the President may transfer to the Commission any function of any other agency or office, or part of any agency or office, in the executive branch of the United States Government if the President determines that such function relates primarily to the primary function of the Commission or to functions transferred to the commission by this section.

(e) On and after the effective date of this section, any agency referred to in subsection (b)(1) of this section shall cease to exist.

(f) Chapter 35 of title 44, United States Code, is amended as follows:

(1) In section 3503—

(A) in the section caption, strike out "Director of the Bureau of the Budget" and insert in lieu thereof "United States Statistical Commission"; and

(B) in the text of the section, strike out "Director of the Bureau of the Budget" and insert in lieu thereof "United States Statistical Commission".

(2) In section 3504, strike out "Director of the Budget" and "Director" wherever they appear and insert in lieu thereof "United States Statistical Commission" and "Commission", respectively.

(3) In section 3506, strike out "Director of the Bureau of the Budget" and "Director" and insert in lieu thereof "United States Statistical Commission" and "Commission", respectively.

(4) In section 3507, strike out "Director of the Bureau of the Budget" and insert in lieu thereof "United States Statistical Commission".

(5) In section 3509—

(A) in the section caption, strike out "Director" and insert in lieu thereof "United States Statistical Commission";

(B) in clause (1), strike out "Director" and "Director of the Bureau of the Budget" and insert in lieu thereof "United States Statistical Commission" and "Commission", respectively; and

(C) in clause (2), strike out "Director" and insert in lieu thereof "Commission".

(6) In section 3510, strike out "Director of the Bureau of the Budget" and insert in lieu thereof "United States Statiscal Commission".

(7) In the anaylsis of such chapter—

(A) amend item 3503 to read as follows: "3503. Duties of United States Statistical Commission."; and

(B) in item 3509, strike out "Director" and insert in lieu thereof "United States Statistical Commission".

COMMISSION MEMBERSHIP

SEC. 5. (a) The Commission shall be composed of seven commissioners appointed as follows:

(1) Three commissioners appointed by the President, by and with the advice and consent of the Senate, not more than two of whom shall be from the same political party;

(2) 2 commissioners appointed by the President pro tempore of the Senate, from different political parties; and

(3) 2 commissioners appointed by the Speaker of the House of Representatives from different political parties. Persons shall be appointed on the basis of their professional eminence with respect to the functions to be performed by the Commission. The Commission shall elect a chairman and vice chairman from among its members.

(b) The commissioners shall exercise all powers necessary to carry out the purposes, functions, and powers of the Commission. The commissioners may delegate to any officer, employee, or agency of the Commission such powers vested in the commissioners as the commissioners deem appropriate.

(c) Commissioners shall serve for terms of 7 years, except that—

(1) (A) such 3 commissioners first appointed by the President under subsection (a) (1) of this section shall serve, as designated by the President at the time of appointment, 1 for a term of 2 years, 1 for a term of 4 years, and 1 for a term of 6 years;

(B) such 2 commissioners first appointed by the President pro tempore of the Senate under subsection (a) (2) of this section shall serve, as designated by the Majority Leader at the time of appointment, 1 for a term of 3 years, and 1 for a term of 7 years; and

(C) such 2 commissioners first appointed by the Speaker of the House of Representatives under subsection (a) (3) of this section shall serve, as designated by the Speaker at the time of appointment, 1 for a term of 1 year, and 1 for a term of 5 years; and

(2) any commissioner appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall serve for the remainder of such term.

(d) Each commissioner shall receive $125 a day (including traveltime) during which he is engaged in the actual performance of his duties as a commissioner. In addition, each commissioner shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

(e) Vacancies in the membership of the Commission, as long as there are 4 commissioners in office, shall not impair the powers of the Commission to execute the purposes, functions, and powers of the Commission. Four commissoners shall constitute a quorum for the transaction of business.

(f) Any commissioner may be removed by the President only for inefficiency, neglect of duty, or malfeasance in office.

PERSONNEL OF THE COMMISSION

SEC. 6. (a) (1) The Commission shall appoint an Administrator and a Deputy Administrator who shall perform such duties as the Commission may determine. Such appointments may be made without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The Deputy Administrator shall serve as Acting Administrator during the absense or disability of the Administrator. The Deputy Administrator shall, in addition, perform such other duties as the Administrator may determine.

(2) Section 5314 of title 5, United States Code, relating to level III of the Executive Schedule, is amended by adding at the end thereof the following new item:

"(60) Administrator, United Statistical Commission."

(3) Section 5315 of such title, relating to level IV of the Executive Schedule, is amended by adding at the end thereof the following new item:

"(98) Deputy Administrator, United States Statistical Commission."

(b) The Commission is authorized to appoint and fix the compensation of such officers and employees, and prescribe their functions and duties, as may be necessary to carry out the provisions of this Act.

(c) The Commission may obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

CONFIDENTIALITY OF INFORMATION

SEC. 7. (a) Neither the Commission, nor any other officer or employee of the Commission may, except as provided in subsection (b) of this section—

(1) use the information furnished to carry out this Act for any purpose other than the statistical purposes for which it is supplied;

(2) make any publication whereby the data furnished by any particular establishment or individual to carry out this Act may be identified; or

(3) permit anyone other than the sworn officers and employees of the Commission thereof to examine the individual reports.

No department, bureau, agency, officer, or employee of the United States Government, except the Commission in carrying out the purposes of this Act, shall require, for any reason, copies of reports which have been retained by any such establishment or individual. Copies of reports which have been so retained shall be immune from legal process, and shall not, without the consent of the individual or establishment concerned, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

(b) (1) The Commission may furnish transcripts or copies of tables and other records and make special statistical compilations and surveys for State or local officials, private concerns, or individuals upon the payment of the actual, or estimated cost of such work. In the case of nonprofit organizations or agencies, the Commission may engage in joint statistical projects, the cost of which shall be shared equitably as determined by the Commission and provided that the purposes are otherwise authorized by law.

(2) In no case shall information furnished under the authority of this subsection be used to the detriment of the persons to whom such information relates.

(3) All moneys received in payment for work or services enumerated under this subsection shall be deposited in a separate account which may be used to pay directly to costs of such work or services, to repay appropriations which initially bore all or part of such costs, or to refund excess sums when necessary.

ADVISORY COMMITTEE ON STATISTICAL POLICY

SEC. 8. (a) (1) There is established within the Commission an Advisory Committee on Statistical Policy (hereafter referred to in this Act as the "Committee"). The Committee shall advise the Commission with respect to the statistical policy of the United States Government. The Committee shall continue in existence unless hereafter abolished by law.

(2) The Committee shall be composed of 15 members appointed by the Commission, to serve at the discretion of the Commission, from among individuals having special knowledge and distinguished backgrounds with respect to matters relating to statistics and statistical information. The Committee shall elect a chairman and vice chairman from among its members.

(3) Each member of the Committee who is appointed from private life shall receive $125 a day (including traveltime) for each day during which he is engaged in the actual performance of his duties as a member of the Committee. A member of the Committee who is otherwise employed by the United States Government shall serve without additional compensation. All members of the Committee shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

(b) In accordance with the applicable provisions of the Federal Advisory Committee Act, the Commission shall provide the Committee with such personnel, facilities, and financial and supportive services as the Commission considers appropriate.

TEMPORARY STUDY COMMISSION

SEC. 9. (a) There is established a temporary commission to make a complete study and investigation with respect to other functions and units of the United States Government that should be transferred to the United States Statistical Commission in order to carry out its functions and the purposes of this Act.

(b) (1) The temporary commission shall be composed of the following twelve members:

(A) Four members appointed by the President, two from the executive branch of the United States Government and two from private life;

(B) Four members appointed by the President of the Senate, two from the Senate (one from e ach of the two major political parties) and two from private life; and

(C) Four members appointed by the Speaker of the House of Representatives, two from the House of Representatives (one from each of the two major political parties) and two from private life.

(2) Any vacancy in the temporary commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made. Seven members shall constitute a quorum, but a lesser number may conduct hearings.

(3) The temporary commission shall elect a chairman and vice chairman from among its members.

(4) Each member of the temporary commission who is appointed from private life shall receive $125 a day (including traveltime) for each day during which he is engaged in the actual performance of his duties as a member of the commission. A member of the temporary commission who is otherwise employed by the United States Government shall serve without additional compensation. All members of the temporary commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

(c) (1) The temporary commission or, on the authorization of that commission, any subcommittee thereof, may, for the purpose of carrying out the provisions of this section, hold such hearings as may be required for the performance of its functions under this section, and administer oaths for the purpose of taking evidence in any such hearings. Any member authorized by the commission may admin-

ister oaths or affirmations to witnesses appearing before the temporary commission, or any subcommittee thereof.

(2) Each department, agency, and instrumentality of the executive branch of the United States Government is authorized to furnish to the temporary commission, upon request of the chairman or vice chairman, such information as the commission deems necessary to carry out its functions under this section.

(d) The Commission shall furnish the temporary commission such personnel, facilities, and financial and supportive services as the Commission considers appropriate to carry out this section.

(e) The temporary commission shall submit to the President, the Congress, and the Commission a report on its study and investigation not later than one year after the temporary commission first meets, together with such recommendations, including recommendations for legislation, as it deems advisable.

(f) The temporary commission shall cease to exist 30 days after the submission of its report.

(g) Appropriations made available to the Commission may be used to carry out this section.

TRANSFERS

SEC. 10. All personnel, assets, liabilities, contracts, property, and records as are determined by the Director of the Office of Management and Budget to be employed, held, or used primarily in connection with any function transferred under the provisions of section 4 (including amendments made by that section), are transferred to the Commission.

POWERS

SEC. 11. (a) The Commission may, in addition to the authority to delegate and redelegate contained in any other Act in the exercise of the functions transferred to the Commission by this Act, delegate any of its functions to such officers and employees of the Commission as the Commission may designate, may authorize such successive redelegations of such functions as it may deem desirable, and may make such rules and regulations as may be necessary to carry out its functions.

(b) In order to carry out the provisions of this Act, the Commission is authorized—

(1) to adopt, alter, and use a seal;

(2) to adopt, amend, and repeal rules and regulations governing the manner of its operations, organization, and personnel, and the performance of the powers and duties granted to or imposed upon it by law;

(3) to accept gifts or donations of services, money, or property, real, personal, or mixed, tangible or intangible;

(4) to enter into contracts or other arrangements or modifications thereof, with any government, any agency or department of the United States, or with any person, firm, association, or corporation, and such contracts or other arrangements, or modifications thereof, may be entered into without legal consideration, without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5);

(5) to make advance, progress, and other payments which the Commission deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529); and

(6) to take such other action as may be necessary to carry out the provisions of this Act.

(c) The Commission is authorized to obtain information from any Executive agency but only—

(1) if the information is in the form of statistical totals or summaries;

(2) if the information as supplied by persons to the Executive agency had not, at the time of collection, been declared by that agency or by a superior authority to be confidential;

(3) when the persons supplying the information consent to the release of it to a second agency by the agency to which the information was originally supplied; or

(4) when the Executive agency to which another Executive agency releases the information has authority to collect the information itself and the authority is supported by legal provision for criminal penalties against persons failing to supply the information.

Upon request of the Commission, the Executive agency shall furnish such information to the Commission. For purposes of this subsection, "Executive agency" has the same meaning given that term under section 105 of title 5, United States Code.

(d) Notwithstanding any other provision of law—

(1) in any civil action, the Commission is authorized to act in its own name and through its own attorneys; and

(2) attorneys for the Commission shall supervise, and may in the discretion of the Commission conduct, all litigation in any civil action to which the Commission is a party.

(e) (1) Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States Government shall have any authority to require the Commission to submit its legislative recommendations, or testimony, or comments on legislation, to any officer or agency of the United States Government for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

ANNUAL REPORT

SEC. 12. The Commission shall, as soon as practicable after the end of each fiscal year, make a report in writing to the President for submission to the Congress on the activities of the Commission during the preceding fiscal year.

SAVINGS PROVISIONS

SEC. 13. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective in the exercise of functions which are transferred under this Act, by (A) any agency or office, or part thereof, any functions of which are transferred by this Act, or (B) any court of competent jurisdiction; and

(2) which are in effect at the time this Act takes effect;

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Commission, by any court of competent jurisdiction, or by operation of law.

(b) The provisions of this Act shall not affect any proceedings pending at the time this section takes effect before any agency or office, or part thereof, functions of which are transferred by this Act, except that such proceedings, to the extent that they relate to functions so transferred, shall be continued before the Commission. Such proceedings, to the extent they do not relate to functions so transferred, shall be continued before the agency or office, or part thereof, before which they were pending at the time of such transfer. In either case orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or repealed by the Commission, by a court of competent jurisdiction, or by operation of law.

(c) (1) Except as provided in paragraph (2)—

(A) the provisions of this Act shall not affect suits commenced prior to the date this section takes effect; and

(B) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted.

No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any agency or office, or part thereof, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any agency or office, or part thereof, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of actions, suits, or other proceedings may be asserted by or against the United States or such official of the Commission as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(2) If before the date on which this Act takes effect, any agency or office, or officer thereof in his official capacity, is a party to a suit, and under this Act—

(A) such agency or office, or any part thereof, is transferred to the Commission; or

(B) any function of such agency, office, or part thereof, or officer is transferred to the Commission;

then such suit shall be continued by the Commission (except in the case of a suit not involving functions transferred to the Commission, in which case the suit shall be continued by the agency, office, or part thereof, or officer which was a party to the suit prior to the effective date of this Act).

(d) With respect to any function transferred by this Act and exercised after the effective date of this Act, reference in any other Federal law to any agency, office, or part thereof, or officer so transferred or functions of which are so transferred shall be deemed to mean the Commission or the officer in which such function is vested pursuant to this Act.

(e) This Act shall not have the effect of releasing or extinguishing any criminal prosecution, penalty, forfeiture, or liability incurred as a result of any function transferred under this Act.

(f) Orders and actions of the Commission in the exercise of functions transferred under this Act shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the agency or office, or part thereof, exercising such functions, immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this Act shall apply to the exercise of such function by the Commission.

(g) In the exercise of the functions transferred under this Act, the Commission shall have the same authority as that vested in the agency or office, or part thereof, exercising such functions immediately preceding their transfer, and actions of the Commission in exercising such functions shall have the same force and effect as when exercised by such agency or office, or part thereof.

CODIFICATION

SEC. 14. The Commission shall submit to Congress, within 2 years after the effective date of this section, a proposed codification of all laws which contain functions transferred to the Commission by this Act.

EFFECTIVE DATE; INITIAL APPOINTMENT OF OFFICERS

SEC. 15. (a) This Act, other than this section, shall take effect 90 days after the enactment of this Act, or on such prior date after enactment of this Act as the President shall prescribe and publish in the Federal Register.

(b) Notwithstanding subsection (a) of this section, any of the officers provided for in sections 5 and 6 (a) of this Act may be appointed in the manner provided for in this Act, at any time after the date of enactment of this Act. Such officers shall be compensated from the date they first take office, at the appropriate rates provided for this Act or amendments made by this Act. Such compensation and related expenses of such officers shall be paid from funds available for the functions to be transferred to the Commission under this Act.

EXHIBIT A

STATISTICS AND POLITICS

(By Philip M. Hauser)

Statistics had its origin in politics—in the broad sense of the term. Historically considered they were "state-istics" and statisticians were once "statists." But "politics" in the title of this essay is used in the narrow sense—in the narrow usage associated with the way in which this nation conducts its system of governance on the federal, state and local level. That is, examined here is the relationship between the politician in office and the collection, compilation and analyses of quantitative data which are derived from government records or censuses and sample surveys conducted by government. In the broad sense this involves the consideration of the role of statistics and of the statistician in government and the use of the statistical product by policy officials in government, elected and appointed.

More specifically, what is examined is the extent to which statistics and statisticians are subjected to pressures to make a given administration, administrator or agency "look good," 'make a case" or support a decision already taken on other than factual grounds.

First, it is well to state at least some of the basic assumptions on which this discussion rests. Among them are:

1. Statistics are quantitative facts collected, aggregated and analyzed to provide intelligence, to facilitate understanding and to serve as a foundation for formulation of policy, development and administration of programs and evaluation of the impact of programs.

2. The statistician is the professional specialist whose function it is to design, produce and analyze statistics and to present his findings in an objective manner with probity and integrity for use by policy makers, administrators, researchers and consumers in general.

3. The consumers of statistics constitute the audience for whom statistical intelligence is produced and who, it is assumed, want to "know the facts."

4. Although the relationship between consumers and producers of statistics must be a close one so that the information produced is relevant to the problems which confront consumers, this relationship should not in any way have the effect of impairing the integrity of the statistical undertaking as a fact finding enterprise or requiring the equivalent of a "directed verdict."

THE PRESENT SITUATION

Developments over the past several years have raised serious questions about the extent to which political pressures are being exerted on government statisticians so as to compromise the integrity of their product; and about the way in which the statistical product is being used in the interest of the Administration or the administrator of an agency, rather than in the interest of the general public. The political smoke which has risen from developments in the Bureau of Labor Statistics and the Bureau of the Census, and smolderings in a number of other statistical agencies, including those in the Department of Agriculture, the Department of Health, Education and Welfare, and the Statistical Policy Division of the Office of Management and Budget, have incited many, including statisticians, politicians, businessmen, labor leaders, reporters and editorial writers, to look for statistical fires. After all, it is part of our folk wisdom to assume that "where there is smoke there must be fire."

The widespread suspicion that unwholesome pressures have been placed by the present Administration on statistics and statisticians and much public airing of the matter in the mass media have, thus far, produced no clear-cut evidence *pro* or *con*. Even to those of us close to the production and analysis of government statistics the situation is a complex one with, at best, mixed or or conflicting information about even the most publicized cases.

As a statistician, with now more than 42 years of continuing contact with government statisticians and statistics, I have, of course, become aware of the statistical "smoke." Specific instances which have occasioned suspicions of undue political pressure include:

1. The sequence of events which lead to the premature retirement of the Deputy Director of the Census, the Chief of the Population Division, the Chief of the Construction Statistics Division, and a number of other senior statisticians in that Bureau.

2. The sequence of events which led to termination of the monthly press conference by the Assistant Commission of the Bureau of Labor Statistics *in re* the *Monthly Report on the Labor Force*, his reassignment and, eventually, his premature retirement.

3. The contemplated reorganization of statistical activities within the Office of Management and Budget, fortunately rescinded, which would have made the old Division of Statistical Standards an arm of that Bureau's management personnel and which did remove the title of Assistant Director of the Office from the head of statistical activities in that office.

4. The reported political pressures from the Secretary's office in the Department of Agriculture on the statistical activities within that Department.

5. The conflict within the Department of Health, Education and Welfare in regard to the conduct of a survey on nutritional deficiencies of children in this nation.

6. The order to the Bureau of the Census to stop using "Poverty" in the title of its annual report on the poor in the United States. (This was almost an ingenious and quick way to abolish poverty in this nation.)

7. The reprimand of the Census staff associated with the release of the 1971 poverty report.

8. The cancellation of the Urban Employment Survey during this election year 1972, which since 1969 had been providing labor force and other information about residents in "poverty areas" in much of urban America.

9. The imposition of political clearance procedures for members of statistical as well as other advisory committees. This has initiated a widespread search for Republican statisticians, demographers, and other scientists. (Perhaps there can now be developed new fields of Republican mathematical statistics, Republican demography, Republican physics, Republican medicine and so on.)

10. The placement within the Bureau of the Census of five persons who are not inaccurately described as "political commissars" whose function it was to oversee statistical operations and analyses. In one flagrant situation the Assistant Chief of one of the Census divisions was peremptorily removed from his office for the convenience of the political functionary who was then provided with amenities not previously afforded assistant division chiefs. (I have the names of the five political functionaries now reduced to two by reason of presures brought to bear.)

11. The collapse of morale among statisticians in a number of agencies by reason of the "reign of terror" generated by the presence of political functionaries placed at the statistical operating and analytical levels. This, of course, was one reason for the premature retirement of many able career service statisticians.

12. The tendency to delay or withhold statistical reports deemed adverse to the interests of the Administration.

I am sure that many other instances could be added to this list which would further bolster the suspicion that statistics and statisticians are being subjected to unprecedented political pressures. I say unprecedented having in mind the scale of events generating suspicion. On the basis of my own experience with government statistics I know of no administration in which some zealous politician or politically minded press relations "eager beaver" did not, at some point, try to impair the integrity of statistical reports; but never have I witnessed as widespread and insistent efforts to politicize the statistical enterprise.

Furthermore, in the midst of the clamor about possible political contamination of statistics the President's Commission on Statistics in the Federal Government issued its report without even a reference to the importance of safeguarding the integrity of the Government's statistical output. The Commission included statisticians of unquestionable competence. I do not challenge either their integrity or their competence. But I do think that they can legitimately be faulted for their collective insensitivity to the political issue.

Another piece of possible evidence of protecting the Administration, even if this were not the explicit intent, is to be found in the Commission's position on the proposed quinquennial census of population. Despite the fact that this issue has been before the nation for a century, during which time a quinquennial census has been recommended repeatedly and, most recently, by the Decennial Census Review Committee of the Secretary of Commerce (of this Administration) in the Spring of 1971, the Commission stated that the evidence on behalf of a quinquennial census was neither positive nor negative and suggested that the Bureau of the Census, which has been on record for it for many years, make still another study of the matter to see if one was needed in 1975. The fact that the Administration opposed such an undertaking as an element in its Budget policy may well have had an impact on the Commission—deliberate or unconscious.

In most of the instances cited above there is not as yet clear-cut evidence that the Administration acted only and entirely out of political motives. In placing political appointees in statistical agencies below the level of Presidential appointees the political motive is clear and perhaps can be defended, at best (or worst?), as examples of patronage not unknown on the American scene. Similarly, the insistence on political clearance of members of advisory committees is certainly politically motivated and may similarly be defended as another instance, even if carried to an extreme, of political patronage. There is reason to conclude, however, that these actions constitute a deliberate effort to place into statistical agencies an ideological point of view comparable to the placement of "conservatives" and "strict constructionists" on the Supreme Court. Some Administration supporters have explicitly stated that in their judgment too many "New Dealers" and "liberals" have been frozen into civil service status in the statistical agencies; and that, consequently, this Administration must protect its own ideology and political interests. It would seem reasonable to take the position that the burden of proof for

this assertion rests upon this Administration, a burden which certainly it has not yet assumed.

In the other instances listed, there is no case in which the Administration has not given reasons, other than political, for the actions taken. For example, in the case of the Deputy Director of the Census it was true that the time schedule on the production and release of 1970 Census information was not kept; and that the Deputy Director was not always responsive to the wishes of his political superiors. Furthermore, it is also true that he was offered a position of the same civil service grade in another agency which he declined. In the case of the reprimands to census staff associated with the 1971 Poverty report it was alleged that release procedures were violated and that some elements of the press were given a priority over others. In the case of the Assistant Commissioner of Labor, it had been previously decided that a civil servant should not be asked to hold a press conference on the employment and unemployment statistics because he would necessarily be subjected to political questions and placed "on the spot." Furthermore, his reassignment was the result of a reorganization of the entire statistical system set in motion before the conflict in the interpretations of the labor force report of the Assistant Commissioner and the Secretary of Labor.

The proposed reorganization of the Office of Management and Budget in which the Division of Statistical Standards would be abolished and merged with a management function could be defended in terms of some prevailing concepts of management structure and function. The abolition of the word "poverty" and substitution of "low income" for the term can be defended as insistence on a more neutral designation than that adopted by the previous administration for its political purposes. The abolition of the Urban Employment Survey can be justified by the need to revise the sample of "poverty areas" in the light of the 1970 Census returns.

Examples of pure political pressure uncontaminated by other factors are difficult, if not impossible, to find. Yet the total picture, if not any one specific instance, certainly justifies suspicion and action to assure that the integrity of Federal statistics is not impaired.

REACTION AND OUTLOOK

Fortunately, the statistical and social science fraternity, both within and without government, is endowed with professional *elan* and political independence. In their professional capacities, statisticians can often be browbeaten but never subdued. Fortunately, also, the Government is not a monolithic structure and not all Republicans, nor all Democrats, are subservient to political pressures from their respective political parties. In consequence, it should not be surprising to learn that forces within as well as without this Administration are resisting and are determined to resist any political contamination of the government statistical product. Resistance and reaction to the types of pressures described are mounting even among the ranks of those in high office appointed by this Administration. In general, it may be said that both statistical and non-statistical personnel with professional backgrounds are resisting attacks on the probity of statistics and exerting pressures of their own against their Republican colleagues playing the pro-Administration political and public relations game. Evidence of such resistance is to be found even within the Executive Office of the President, for the Chief Statistician and head of the new Division of Statistical Policy within the Office of Management and Budget, supported at least by the former Director of that Office (now the Secretary of the Treasury) have pursued courses to maintain the probity of Federal statistics. (The Chief Statistician, before reorganization, was an Assistant Director of the Bureau of the Budget and head of the Division of Statistical Standards.)

For example, a significant step has been taken to protect the integrity of government statistics in Circular No. A–91, originally issued in February, 1969 and revised on April 26, 1972, which calls for the prompt compilation and release of statistical information. This Circular, addressed to "Heads of Executive Departments and Establishments," requires that "the shortest practicable interval should exist between the date or period to which the data refer and the date when compilation is completed." Moreover, it states that "prompt public release of the figures should be made after compilation." The Circular applies to "the principal statistical series . . . issued by agencies to the public annually or more frequently . . . and that the publication dates . . . are made publicly available in advance." In accordance with the objectives of the Circular, release dates for principal economic indicators appear each month in the OMB *Statistical Reporter* and agencies are required to submit reports to OMB on the release of statistical series.

Although Circular A–91 constitutes a significant step in the right direction, its enforcement is beset with problems, especially in respect to statistical reports that are intermittent and not usually on a rigid time schedule. Obviously, the action taken by OMB is designed to prevent deferring or advancing the release of statistics better to serve political interests. It cannot but help to protect statistics against, at least, one form of political interference.

Perhaps the most significant feature of this Circular is that requiring a "one-hour separation between the issuance of the release by the statistical agency and related commentary." This provision clearly separates the professional statistical product from subsequent "interpretations" which may be politicized. Each administration certainly has the prerogative of interpreting the data as it sees fit at its own risk; but it is important to distinguish such interpretations from the original statistical report.

Another example of efforts to protect the integrity of statistics within the Administration is afforded by the pressures brought to bear by OMB upon the Department of Commerce and the Director of the Census to eliminate three of the five political functionaries placed within the Census Bureau. Of the two that remain one, I understand, achieved civil service status and in this new role, hopefully, this person will serve the Government as a professional rather than as a political overseer.

The Committee on Statistical Policy, which is advisory to the OMB and which is appointed by the OMB in consultation with the ASA, has also been active on behalf of the integrity of statistics. This Advisory Committee comprises mainly past presidents of the American Statistical Association. It exerted pressure upon the OMB to restore the independence of the Division of Statistical Policy, an action that was taken; and it recommended to the Association the creation of a Committee to investigate any possible political interference with statistics or statisticians. Other organizations joined in this recommendation. In consequence, as reported in *The American Statistician* (Vol. 26, No. 3, June 1972, p. 2) the Board and Council of the Association on January 28th authorized the President to appoint a Committee on Integrity of Federal Statistics to work with a similar committee from the Federal Statistics Users' Conference, which had expressed similar concerns. This Committee, which is holding its first meeting at this annual meeting of the Association, includes: Daniel H. Brill, Commercial Credit Corp.; A. Ross Eckler, a former President of the Association and former Director of the Census; Robert S. Schultz, New York State Council of Economic Advisers; and De Ver Sholes, Chicago Association of Commerce and Industry. The Population Association of America and the American Sociological Association have been invited to send observers to the meeting. A Committee of the Conference on Income and Wealth has also asked to be kept informed of the new Committee's work. Other professional societies will undoubtedly follow the work of the Committee with interest and may join in its work.

Another instrumentality that may be expected to exert increasing influence on behalf of statistical integrity is the newly created Committee on National Statistics of the National Academy of Science. This Committee, of which William Kruskal, a member of the now defunct President's Commission on Statistics, is Chairman, has as its terms of reference a continuing review and evaluation of the national statistical output. It is, in effect, a semi-private mechanism for, among other things, monitoring the probity of government statistics.

Pressures in behalf of preserving the integrity of government statistics are to be found in many other significant places; but the ability to resist political interference is not always successful even when such resistance is offered by Bureau heads who, in the last analysis, must serve their political superiors or exercise their option to resign.

CONCLUDING OBSERVATIONS

The American Statistical Association and related interest professional association can, of course, expect an impartial and competent report from its Committee on the Integrity of Federal Statistics. I am sure that its major work will come after the confusion of this election year and that it will have implications and impact transcending the tenure of this Administration. In the meantime, it is essential that all statisticians be alerted to the possibility of political pressures and make such information as they may acquire available to the Association's Committee.

With the increasing complexity and interdependence of our society requiring increasing government interventionism, statistics are becoming ever more important in providing a basis for policy and action, both in the government and private sectors. In consequence, the temptation to use statistics for administration, agency or other interest, as distinguished from public interest, will increase.

Although the politician may be able adversely to influence statistics in the short run, there can be no doubt that his cause is a hopeless one in the long run. The Association and the other professional associations are aware that just as "eternal vigilance is the price of liberty," similar vigilance is required to defend statistics and statisticians from political contamination. If necessary, the professional fraternity can appoint statistical "truth squads" that can hold their own press conferences to counter political distortions or falsifications, delays or withholdings of the data. In defending the probity and integrity of statistics, statisticians and related professional personnel are not only exercising an important professional and citizenship right and obligation but, also, in the long run they are defending the politician for himself; for nothing could undermine the politicians as much as accumulated and intense public distrust and the generation of both a credibility and incredibility gap.

EXHIBIT B

FLAP STIRS ON NONSTATISTICIANS PLACED IN KEY U.S. DATA POSTS

(By Morton Mintz)

A dispute is developing over the choice of men without statistical training or experience to head two key federal statistical agencies, the Bureau of the Census and the

Social and Economic Statistics Administration.

The principal antagonists are the president of the American Statistical Association, who has attacked the appointments as being "in direct conflict with the judgments of responsible statisticians," and the Secretary of Commerce, who says the men were chosen to provide necessary "intensive administrative management."

Vincent P. Barabba, a market researcher in Los Angeles who did political polling, primarily for Republicans, faces a confirmation hearing—on a date not yet set—on his nomination to be director of the Census Bureau.

Barabba's nomination should be "examined in the greatest detail," Sen. Hubert H. Humphrey (D-Minn.) said in a letter to committee chairman Gale W. McGee (D-Wyo.).

Humphrey also asked McGee to call the president of the association, Prof. Clifford Hildreth of the University of Minnesota, to testify on the nomination.

The other appointment, announced by Commerce Secretary Frederick B. Dent, was of Edward D. Failor, a former official of the Committee for the Re-election of the President, to head the statistics administration.

"Appointments of this kind merely deteriorate the professional competence of the government's statistical agencies," Humphrey said.

His Minnesota colleague, Sen. Walter F. Mondale (D), agreed, saying that "even the appearance of political control" over the preparation of government statistics should not be allowed to impair their integrity.

Barabba himself declined to comment on the ground that it would be "inappropriate" to do so while his nomination awaits Senate action. However, a bureau spokesman said that four of his six predecessors since 1941 also were not professional statisticians.

The spokesman also said that the statistical association, at the administration's invitation, suggested its own list of possible candidates for the Census post; that the Office of Management and Budget had contacted those on the list, and that all, for one reason or another, had said they didn't want the post.

Failor told a reporter that he was chosen for his management capability on the basis of a record that "spoke for itself."

Before joining the re-election committee, Failor was for a time enforcing the coalmine safety law as chief of the Office of Assessments and Compliance Assistance in the Interior Department's Bureau of Mines.

His performance in that role was sharply criticized by the General Accounting Office last August, Failor rejected that criticism as "inaccurate."

The controversy over the appointments began with a letter from Dr. Hildreth to Secretary Dent.

"It is our firm conviction that our efforts and those of statisticians in government cannot be highly effective unless the programs are headed by good administrators of demonstrated statistical profession," Hildreth said.

Except for Barabba's "brief service on a Census Advisory Committee, I find no evidence" that either Barabba or Failor "has had statistical training, experience or contact with the statistical profession," Hildreth said.

His protest is the latest in a series made by economists and statisticians against purported politicalization of government statistics by the Nixon administration.

Secretary Dent, in a letter of reply to Hildreth, said it is his expectation that Barabba and Failor "will sustain and strengthen the present high quality and integrity of the statistical and analytical functions" of the Commerce Department.

EXHIBIT C

STATISTICAL INTEGRITY

The federal statistics on the economy need to be above suspicion. But the Nixon administration is now attempting to fill two crucially influential jobs in the statistical agencies with men who have no visible qualifications but active service in the President's re-election campaign. These choices suggest that the administration's current adversities have not, unfortunately, sharpened its sense of propriety.

After the last election, among dozens of other officials, the White House ousted George Hay Brown, the head of the Census Bureau, and Geoffrey Moore, the commissioner of labor statistics. Both are entirely reputable and competent economists. Census and the Bureau of Labor Statistics come under a Commerce Department division called the Social and Economic Statistics Administration. That agency was run by the equally reputable and competent assistant secretary of commerce, Harold C. Passer, who was also ousted.

As the new head of the Social and Economic Statistics Administration, the White House now chooses a former official of the Committee to Re-Elect the President, Edward D. Failor. He is a newcomer to the world of statistics and economics. But that, apparently, is not what counts. To head the Census Bureau under Mr. Failor, the White House has picked a Los Angeles market researcher named Vincent P. Barabba. The relevant part of Mr. Barabba's past experience is that he took polls for Mr. Nixon during the last campaign. The Bureau of Labor Statistics has had no permanent head since January. The administration mutters that it can find no statistician who meets its requirements, an explanation that may well be correct.

These technical agencies compute the statistics on inflation, unemployment, economic growth, the balance of payments, and a hundred other issues of acute political interest. Suppose that you were a public official, or a union negotiator, or a businessman. Would you want to stake your decisions on the reliability of figures prepared under a former Nixon campaign polister, who reports to a former employee of the Committee to Re-Elect the President?

By Mr. BELLMON:

S. 2143. A bill to amend the Natural Gas Act in order to authorize the Federal Power Commisson to exempt the production and gathering of natural gas by small producers from the provisions of such Act. Referred to the Committee on Commerce.

SUPPORTING LEGISLATION TO EXEMPT OIL PRODUCERS OF NATURAL GAS FROM THE NATURAL GAS ACT

Mr. BELLMON. Mr. President, in December of last year, the U.S. Court of Appeals in the District of Columbia, in a 2 to 1 decision set aside the Federal Power Commission Order 428 which would have exempted small natural gas producers from area price ceilings. This unfortunate action in the words of the small natural gas producer caused "confusion and bitterness among producers who relied on that government order and sold their gas interstate when they could have sold it to the intrastate market." At a time when this Nation faces a severe energy shortage, this kind of action resulting in clear-cut disincentive for the hundreds of independent natural gas producers, it is clearly not in the national interest. Under the FPC order, a small natural gas producer is identified as one who produced not more than 10 billion cubic feet of gas in any calendar year. The exemption, if upheld, would relieve these small producers from much of the filing requirements and other administrative burdens required in area pricing decision. These proceedings are lengthy and expensive. For example, permian basin decision initially ordered by the FPC in December 1960; it was not until 7½ years later that a decision was rendered. It was an enormous undertaking requiring 250 days of hearings and over 30,000 pages of transcripts. After it was all over, 7½ years later, the natural gas producers finally learned what price they could charge for gas sold in interstate commerce. The costs of the producers has not been tabulated. It can be assumed that it is substantial. Clearly, the small producer does not have the kind of economic wherewithall that would give him the luxury to participate in these kinds of proceedings without imposing severe economic restrictions. Additionally, time and money spent by the producers and the accompanying uncertainty arising from the lack of decision for so many years clearly must have had a negative impact upon the development of this Nation's natural gas resources.

Mr. President, the decision of the court was based upon the lack of language the Natural Gas Act would permit the FPC to grant exemptions for small natural gas producers.

Mr. President, I therefore propose in the legislation that I am introducing that the Natural Gas Act be amended to authorize the Federal Power Commission to exempt the production and gathering of natural gas by small producers from the provisions of the Act. However, Mr. President, my proposal is clearly intended to be a provisional measure. A measure that would give immediate relief to the small producer under the Court ruling in jeopardy of his existence, but yet by no means does it tend to preclude the most vital and necessary step of all—that of total deregulation of wellhead prices by the FPC and this should be the primary and overall objective.

I ask unanimous consent that the bill be printed in the Record.

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

S. 2143

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Natural Gas Act (15 U.S.C. 717) is amended by inserting at the end thereof the following:

"(d) The Commission may exempt the production and gathering of natural gas by small producers, as defined by the Commission, from the provisions of this Act for the purpose of promoting such production and gathering by small producers and promoting competition among all producers."

By Mr. HOLLINGS:

S. 2145. A bill to aid and encourage civilian oceanographic underwater research by providing for standards for underwater research facilities, and for other purposes. Referred to the Committee on Commerce.

Mr. HOLLINGS. Mr. President, just a few short weeks ago, this Nation was

moved by the agonizing plight of four American ocean explorers who lay helplessly trapped at the bottom of the sea. As the hours fled by, we all had initial hope that the scientists in the *Sea Link* would be rescued. After all, we knew almost exactly where they were. We are a nation of great technical ability and resourcefulness, so we indulged in an abiding conviction that the means of rescue, safety, and life were close at hand.

But as time passed, Mr. President, there slowly came upon us the realization that perhaps the lives of these men were beyond our capacity to save.

Indeed, subsequently, two of these oceanographers finally perished. I know that many Americans shared my deep sense of frustration. I do not intend in any way to prejudge the investigations of this tragedy which are presently being conducted. But there is a clear course of action through which we, in Congress, can make a necessary contribution to the well-being of future ocean explorers as a result of this unfortunate instance.

In taking action to insure the safety of future deepsea explorations, we can give constructive meaning to the loss of these dedicated men.

No one can say whether the steps I propose would have saved these lives. But future oceanographers and, in essence, the future of oceanography clearly will be aided by the enactment of the legislation which I propose today. It provides for the first time specific, technically oriented and meaningful safety standards for all civilian underwater research facilities financed directly or indirectly with Federal funds. This, I believe, will effectively include almost all underwater research facilities.

It took an event such as the loss of the lives of many men helplessly trapped at the bottom of a coal mine to bring to light an urgent legislative requirement for mine safety. This recent event should lead us to doing the same for civilian underwater research.

Oceanography is a highly technical and specialized task and is presently limited in the numbers of persons and facilities involved. It cannot be compared to underground mining. But the highly technical nature of the legislative subject as well as the growing dimensions of the art should not deter us from providing the means of saving human life and keeping pace with new developments in the field. The Subcommitte on Oceans and Atmosphere, of which I am chairman, has considered the many ramifications of this rapidly developing scientific field.

Under Commerce Committee is the National Oceanic and Atmospheric Administration—NOAA—created in 1970. It has been a great experience to be so directly involved in this country's civilian oceanic activity. The creation of NOAA, on the recommendation of the Stratton Commission, was a milestone event. Through NOAA, the scientific expertise of our Government and our private institutions is focused upon the resources of the seas. Our subcommittee has been involved since the beginning and, as its chairman, I see a great need which the legislation I am introducing is designed to meet In committee, we will devote the necessary time and study to this issue to insure that the bill will come back to this body in a form to meet the requirements to preserve human life. In so doing, my bill is designed to promote oceanography by encouraging more ocean scientists to become involved in moving into phase II of our Nation's oceanography program.

Our purpose also is to insure that the provisions of the new act do not unduly burden the emerging oceanographic research industry, both governmental and private. In the past few years, we have seen occasions where legislation was enacted in the name of safety which had a stifling effect upon the industries involved. This was because the requirements were laid out in too broad and general a fashion and without any understanding of each affected industry, its needs, manner of operation and special circumstances. My bill is designed to prevent this from occurring. We do not want, and cannot afford, to inhibit this vital research effort by imposing unnecessary or superfluous requirements. My subcommittee will explore this consideration in depth so that we know that only necessary requirements for oceanographic research will be imposed.

I know, for instance, that the U.S. Navy has developed standards for military underwater operations and that the American Bureau of Shipping and the Marine Technology Society have published standards for the safe operation of manned underseas systems. We will work closely with these and similar groups. The bill provides that they and the U.S. Navy, as well as other groups and agencies, will be involved in the process of developing national standards for underwater research facilities. The guidelines which these groups have developed, I might add, are presently followed by NOAA in its manned underseas science and technology—MUST—program.

NOAA during the past 2 years has utilized underwater research submersibles and habitats of the type which will be included under the provisions of my bill. NOAA knows this field and will, I am confident, provide the experienced, technical ability which is necessary to carry out this program.

As the bill specifically pertains to underwater research facilities financed directly or indirectly by Federal funds, both my subcommittee and NOAA already have knowledge and contact with most of those to whom the bill will apply.

The act will be helpful to those sponsoring underwater research and those building underwater research facilities. Once the standards are developed, they will have available to them carefully developed minimum guidelines.

Extensive scientific studies from surface ships utilizing remote sensing instruments have essentially outlined the main features of living and nonliving resources of the continental margins. We now have a good feeling for the depth, geology, oceanographic parameters, biological productivity, and potential resource value of the continental margins of the United States and to a much lesser extent other parts of the oceans. But this knowledge is not nearly sufficient to allow for safe and economical retrieval of resources. More precise observations and measurements are needed. The next phase of our scientific investigations and the supportive technological advancements will require detailed onsite observations and measurements. This is especially true if we are to fully understand and utilize the resources of the submerged continental margin and the vast space of the world's oceans to the extent we are currently using the land masses of the world.

The development of standards to protect these ocean pioneers will encourage them to successfully undertake the challenge of deepsea research. The standards which need to be developed and enforced apply only to civilian underwater research programs supported directly or indirectly by Federal funds. The need for legislation of this nature is clear when one considers that many operations take place at some distance from shore where extensive support and rescue capabilities are not readily available unless special provisions are made.

One means of underwater research is through the use of deep diving submersibles. On June 22, I addressed the woeful inadequacy of this Nation's support of the Manned Underseas Science and Technology—MUST—program in the National Oceanic and Atmospheric Administration. I pointed out that, "Of the 16 submersibles now operable, only five are being used and they are only being put to part-time operation."

This, Mr. President, is the time to act—before the operation and construction of underwater research facilities continues further. We should not wait for further tragedies, and we should act before extensive capital is invested in the construction of facilities which may not meet national standards.

I ask unanimous consent to have printed in the RECORD a section-by-section analysis of my bill and the bill itself.

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

S. 2145

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to provide for a comprehensive, long-range, and coordinated national program in marine science, to establish a National Council on Marine Resources and Engineering Development, and a Commission on Marine Science, Engineering and Resources, and for other purposes", approved June 17, 1966 (80 Stat, 203), as amended (33 U.S.C. 1101–1124, 86 Stat. 1280), is further amended by adding at the end thereof the following new title:

"TITLE IV—CIVILIAN OCEANOGRAPHIC UNDERWATER RESEARCH FACILITIES ACT OF 1973

"SEC. 401. This title may be cited as the 'Civilian Oceanographic Underwater Research Facilities Act of 1973.'

"FINDINGS

"SEC. 402. The Congress hereby finds that—

"(a) The oceans represent the dominant feature of our physical environment;

"(b) In the future, use of the oceans, and other waters, as a source of raw material will increase and marine foods will play an increasing role in providing the nutritional needs of this nation for which future civilian underwater research is a prerequisite;

(c) There is an immediate and compell-

ing need for better protection from natural hazards and for a better understanding of the total environment through civilian underwater oceanographic research;

(d) Increased civilian underwater oceanographic research is essential to the present and future health, welfare and safety of this nation;

(e) Increased civilian oceanographic research can be promoted and encouraged by the provision of standards of safety for underwater research facilities, both mobile and stationary, to protect human life and safety while occupying such facilities;

(f) The National Oceanic and Atmospheric Administration, in the Department of Commerce, is the civilian agency designated with responsibility to provide "leadership in developing a national oceanic and atmospheric program of research and development" and to "coordinate its own scientific and technical resources with the technical and operational capabilities of other government agencies and private institutions" (Reorganization Plan No. 4 of 1970) and, as such, is the primary Federal agency responsible for encouraging and promoting both Federal and private non-military underwater research. Human safety in underwater oceanographic research facilities is hereby determined to be an integral part of such responsibility in the fulfillment of which the National Oceanic and Atmospheric Administration shall prescribe standards as hereinafter provided by this Act.

DEFINITIONS

SEC. 3. For the purposes of this Act, the term—

(a) "Secretary" means the Secretary of Commerce in whose Department the National Oceanic and Atmospheric Administration is operating, utilizing the said National Oceanic and Atmospheric Administration to the fullest possible extent.

(b) "Underwater Research Facility(ies)" means any civilian facility, laboratory, vessel or habitat designed for, or engaged in, civilian underwater research within which a person, or persons, is housed apart from the water while underwater, including both stationary and mobile underwater research facilities, when said underwater research facility is used under waters subject to the jurisdiction of the United States, including the waters of the contiguous fisheries zone and also includes the waters of the high seas when the said underwater research facility is owned or operated by persons subject to the jurisdiction of the United States. The term includes underwater research facilities owned or operated by private persons, including corporations and other entities and owned or operated by the United States, or an agency thereof, a political subdivision thereof or any other government or agency.

(c) "Civilian" means not military, either in ownership or operation. "Civilian" also does not include research performed by contract for the military.

(d) "Standard(s)" means standards of human safety prescribed pursuant to Section 4 of this Act.

(e) "Federal Agency" means any civilian Department, agency or other instrumentality of the Government of the United States.

STANDARDS

SEC. 4(a) The Secretary, not later than 12 months of the effective date of this Act shall prescribe, by regulation, minimum standards of human safety for the use, occupation, inhabitation, maintenance and intrinsic construction of underwater research facilities;

(b) Such standards shall be developed as provided in Section 5 of this Act;

(c) Such standards shall include, but not be limited to,:

(1) Necessary external support facilities, mechanisms, procedures, devices, equipment and personnel for the reasonable assurance of the safety of occupants of the underwater research facility.

(2) Necessary external and internal support, mechanisms, procedures, devices, equipment and personnel for safe rescue of the occupants of the underwater research facility, promptly in the event of a threat to their safety requiring such a rescue.

(3) Adequate warning, alarm and communication mechanisms devices, equipment necessities and procedures.

(4) Other necessary procedures, equipment, devices and mechanisms and personnel for operation, maintenance and intrinsic construction, including inspections and reports.

(d) Such standards shall be revised from time to time as may be required;

(e) Such standards may be prescribed in recognition of pertinent distinct classes or categories of underwater research facilities and their uses such as depth, duration of use, extent of external and internal support, whether mobile or stationary, and similar such pertinent distinctions;

(f) The Secretary shall conduct such research as is necessary to assure that standards prescribed under this Section are adequate; and

(g) The Secretary shall consider existing applicable standards prescribed, or recommended, for safety in such underwater research facilities.

ADVISORY BOARD

SEC. 5(a). There is hereby established the "Underwater Research Facilities Safety Advisory Board" (hereinafter referred to as the "Board");

(b) The Board shall be comprised of—

(1) The Administrator of the National Oceanic and Atmospheric Administration who shall be its Chairman.

(2) A representative of the Maritime Administration located in the Department of Commerce and such representatives of such other relevant agencies, or key officers, of the Department of Commerce as the Secretary may designate, including the General Counsel of the National Oceanic and Atmospheric Administration who shall advise the Board.

(3) The Secretary of the Department in which the Coast Guard is operating or his designee.

(4) The Secretary of the Navy, or his designee.

(5) The Secretary of the Interior, or his designee.

(6) The Secretary of the Department in which the Corps of Engineers is located, or his designee.

(7) The Secretary of Labor, or his designee.

(8) The Secretary of the Smithsonian Institution, or his designee.

(9) The Director of the National Science Foundation, or his designee.

(10) Representatives from non-Federal entities, associations and institutions engaged in ocean research or knowledgeable in underwater research facility safety as may be appointed by the President upon the recommendation of the Secretary which shall include the American Bureau of Shipping and the Marine Technology Society.

(d) The Board, utilizing the resources of the respective agencies, Departments and organizations of each member, shall provide technical assistance and guidance to the Secretary to assist him in the prescription of safety standards for underwater research facilities as provided in Section 4 of this Act and in his other duties.

The Board, in the performance of its duties shall review existing standards, criteria and guidelines which may be made applicable to underwater research facilities and provide recommendations to the Secretary thereon. The Board shall meet at the call of the Chairman beginning the month after the effective date of this Act and not less than biweekly until the initial standards have been published and, thereafter, shall meet on the call of the Chairman, but not less than bimonthly.

PROHIBITION

SEC. 6(a). No appropriated funds of the Federal Government shall be used to finance directly or indirectly, in whole or in part, any underwater research utilizing an underwater research facility unless the underwater research facility is determined to meet the applicable safety standards prescribed pursuant to Section 4 of this Act;

(b) The prohibition of this Section is applicable to the construction of underwater research facilities with Federal funds, directly or indirectly;

(c) In the event the Comptroller General of the United States, in consultation with the Secretary, determines that any Federal agency owns, or has directly operated, an underwater research facility, without compliance with the standards prescribed pursuant to Section 4 of this Act, funds appropriated for that project, or projects, shall not be available therefor and if already paid, they shall be recovered:

(1) I shall be the duty of every Federal agency to be assured that it is in compliance with such standards and to notify the Comptroller and the Secretary if it ascertains that it may have owned or directly operated an underwater research facility which was utilized in violation of such standards after their effective date.

(d) In the event the Comptroller General of the United States, in consultation with the Secretary, determines that an underwater research facility, or facilities, has been, or is proposed to be, utilized with financing in whole or in part, with appropriated funds, indirectly such as by grant, cost sharing, contract, rebate, reimbursement, credit, offset, other benefit or in any way to which subsection (c) of this section does not pertain and such underwater facility is not, or was not, in compliance with the standards prescribed pursuant to Section 4 of this Act, when utilized, such appropriated funds, or benefits, shall not be paid so as to provide such indirect financing. In the event such funds, or benefits, have already been paid, the amount or value thereof shall be recovered from the recipient in the same manner as other mispaid funds of the United States and shall be so regarded. It shall be the responsibility of the Federal agency paying the funds or providing the other benefits to see that the recovery is made in the same manner as other mispaid funds or benefits by that Federal agency.

(1) It shall be the duty of every Federal agency providing such indirect financing or benefits with appropriated funds to be assured that the underwater research facilities so utilized are in compliance with such standards and to notify the Comptroller General and the Secretary if it has cause to believe that it may have provided such funds or benefits where an underwater research facility was not in compliance with such standards.

DETERMINATIONS OF COMPLIANCE AND VIOLATIONS

SEC. 7(a). On request, the National Oceanic and Atmospheric Administration shall provide advice and assistance to Federal Agencies and others affected by Section 6 of this Act in interpreting the standards prescribed pursuant to Section 4 of this Act;

(b) In the field, the Coast Guard shall be responsible for making investigations, discovering violations, or potential violations, and making determinations of compliance and shall report its findings to the Comptroller General of the United States, the Secretary and the affected Federal agency, all pursuant to rules and regulations promulgated by the Secretary with the concurrence of the Secretary of the Department in which the Coast Guard is located.

(c) The Comptroller General of the United States shall be responsible for audits

and reviews of all Federal agency activities and records to determine compliance and noncompliance by such agencies with the requirements of this Act and for taking action thereon as provided by this Act.

OTHER FEDERAL AGENCIES AND LAWS

SEC. 8(a). Nothing in this Act shall be deemed to supplant or modify any Federal statute or existing authority of Federal agencies, nor shall it affect or modify any treaty or provide exemption from any Federal or State law.

EXISTING UNDERWATER RESEARCH FACILITIES

SEC. 9 (a). Underwater research facilities in existence on the effective date of this Act shall be subject to all its requirements just as those which in the future are constructed. *Provided,* however, that the Secretary may, upon application of any interested party or Federal agency, grant exceptions from applicable standards relating to conditions of such facilities which cannot be altered without substantial expense or hardship and which such applicant demonstrates, to the satisfaction of the Secretary, will not pose an unreasonable threat to human safety in the underwater research to be undertaken.

(b) Exceptions granted pursuant to subsection (a) of this Section shall be granted only with such conditions as the Secretary, in the premises, determines necessary and proper for protection of human safety which may include, but shall not be limited to—

(1) Depth limitations and specifications

(2) Location limitation and specifications

(3) Special equipment requirements, both internal and external and including support equipment

(4) Reporting and inspection requirements

(5) Other procedural requirements, such as length of operation and special training

(6) Insurance policies or funds for occupants' safety

(7) Time periods in which to achieve compliance

(8) Notifications to intended occupants

(c) Exemptions granted pursuant to this Section may be revoked or modified by the Secretary at any time without cause shown.

(d) This Section shall be applicable to underwater research facilities which are in compliance with the initial, or subsequent, standards but are not in compliance with more recently adopted standards as a result of modifications or additions thereto of which the owner, operator, or maker did not know, or could not reasonably have anticipated, in time to incorporate the necessary modifications in the said underwater research facility.

REGULATIONS

SEC. 10. The Secretary is authorized to adopt such regulations as are necessary to carry out this Act.

APPROPRIATIONS

SEC. 11. There is hereby authorized to be appropriated $2,000,000 for the fiscal year 1974 and each fiscal year thereafter for the purposes of administering this Act.

SECTION-BY-SECTION ANALYSIS

SHORT TITLE: THE CIVILIAN OCEANOGRAPHIC UNDERWATER RESEARCH FACILITIES ACT OF 1973

Section 402—*"Findings"*—declares that oceanography is an ever increasing important science upon which this nation is dependent for sources of material and food and for protection from natural hazards; that the Science of Oceanography will be aided and advanced by the provision of standards for operation and maintenance of civilian underwater research facilities and that the National Oceanic and Atmospheric Administration ("NOAA") as the civilian agency responsible for national oceanic research, should be responsible for establishing the technical standards for such underwater research.

Section 403—*"Definitions"*—defines "Secretary" as the Secretary of Commerce. "Underwater Research Facilities" are defined as civilian facilities, laboratories vessels or habitats, occupied for underwater research, both stationary and mobil. The definition specifies the applicability of the Act to waters within the territory of the United States, the Contiguous Fisheries Zone and, if a facility is owned or operated by a person subject to United States jurisdiction, it also includes the High Seas. It is specified that the Act does not apply to facilities owned by, operated by, or doing research for, the military.

"Federal Agency" includes all forms or divisions of the United States Government.

Section 404—*"Standards"*—provides that the Secretary, within 12 months, shall establish necessary minimum standards of human safety for underwater research facilities and deliniates types and methods of standards contemplated, internal and external, including external support equipment and methods and procedures for safe rescue. The standards, of course, will additionally go to the integrity of the facility itself for occupation and use in underwater research and other necessary requirements to reasonably assure the safety of ocean scientists in such facilities.

Provision is made for recognition of categories of facilities, necessary research by the Secretary, and consideration of existing standards.

Section 405—*"Underwater Research Facilities Safety Advisory Board"*—comprised of NOAA's Administrator, other pertinent Commerce Department representatives, such as from the Maritime Administration, the Coast Guard, the Secretaries of Navy, Interior, Labor and of the Department in which the Corps of Engineers is located. Also, the Secretary of the Smithsonian Institution, the Director of the National Science Foundation, and representatives from other nonfederal groups, including the Bureau of Shipping and the Marine Technology Society.

The Board, using its members' resources, advises and assists the Secretary of Commerce in developing the standards under the Act.

Section 406—*"Prohibition"*—The "teeth" of the Act are in its prohibition of the use of appropriated funds, directly or indirectly, to in anyway finance in whole, or part, underwater research in facilities not meeting the applicable standards. Construction of such facilities is included.

The Comptroller General of the United States (GAO) is responsible for policing the various agencies to assure the expenditure of funds only in accordance with the Act.

Provisions are made for the recovery of mispaid funds and for the responsibility of each Federal agency to refrain from making expenditures contrary to the Act.

Section 407—*"Determinations of Compliance and Violations"*—The Administration of NOAA provides assistance to those engaged in underwater research in interpreting the standards. The Coast Guard is charged with responsibility for making field investigations and determinations.

Section 408—*"Other Federal Agencies and Laws"*—It is provided, the Act is not intended to modify any existing federal law or authority or treaty. Nor shall it provide exemption from any Federal or State law.

Section 409—*"Existing Underwater Research Facilities"*—Although the Act is applicable to existing facilities, discretion is permitted the Secretary to grant specific exemptions on grounds of hardship or substantial expense for existing facilities. Such exemptions are subject to conditions that the exception will not pose an unreasonable threat to human life and, further, that the Secretary shall provide offsetting restrictions to assure human safety, such as special equipment standing by, depth limitations, etc.

Section 410—*"Regulations"*—authorizes the adoption of requisite regulations to carry out the Act.

Section 411—*"Appropriations"*—authorizes $2M. for each fiscal year to carry out the Act.

By Mr. CHILES:

S. 2146. A bill to amend title II of the Social Security Act to increase to $3,600 the annual amount which individuals may earn without suffering deductions from benefits on account of excess earnings. Referred to the Committee on Finance.

Mr. CHILES. Mr. President, during my years in the State Legislature and in the U.S. Senate, I have become more and more concerned about the need for a better understanding of the problems facing the aged. In this Congress, I have been appointed to the Special Committee on Aging in the Senate, and we are holding hearings regarding "Future Directions in Social Security," a matter of vital concern to almost all older Americans. Also in my efforts to listen and learn from the people themselves with regard to their specific problems, I sponsored two conferences in my home State of Florida. These conferences were attended by about 70 representatives of the government, specialists in geriatrics, and thousands of concerned senior citizens.

In these various contacts with the elderly, I was continually confronted with their desperate cry of frustration. These Americans, many able-bodied and willing to work, are being penalized and discouraged in their efforts by the present earnings limitations we have placed on social security payments. The situation is critical and therefore, Mr. President, I am introducing a bill today, which would allow a social security recipient to earn $3,600 per year as compared to the present amount of $2,100 per year, without being forced to receive a reduction in benefits. Considering the present spiralling cost of living, I can not stress enough the need for our direct and immediate action.

We all hear complaints in our home States that America has become a welfare haven; but still, we deny over 8 million self-sufficient citizens an opportunity for a sense of fulfillment that gainful employment provides. Can we continue to force many of these people to remain in poverty, unable to improve their situation, for fear of a loss of benefits?

It seems to me that we have forgotten that social security recipients are not seeking handouts, but rather benefits that are justly earned in a lifetime. Even more absurd, we deny ourselves the benefits of their talents and labor—contrary to the American tradition of stressing the worth of the individual. Somehow, the original theory of social security as a retirement insurance has become muddled in a multitude of restrictions and qualifications.

Mr. President, the bill I am introducing simply seeks to remove somewhat, penalties we have placed on those senior

citizens who want to work but are thwarted by present arbitrary limitations. In essence, the bill proposes to allow involved Americans who seek more than mere existence, a chance to live with the self-respect and dignity they justly deserve.

By Mr. DOMENICI:

S. 2147. A bill to authorize and direct the Secretary of the Interior and the Administrator of General Services to conduct a study relating to the procurement and use by the Federal Government of products manufactured from recycled materials. Referred to the Committee on Government Operations.

Mr. DOMENICI. Mr. President, the production and use of materials in America has grown concurrently with our economic power. Two centuries ago, early settlers developed an effective agricultural economy and planted the roots of our materials production system. In the 19th century, increasing amounts of labor and capital were imported, chiefly from Europe, to exploit our natural resources. These resources, a gift of providence, are what made it possible for America to become industrialized, for without them we would have remained a chiefly agricultural Nation.

Thus, the transition from an agricultural society to an industrial power took place at this time, and with the continued intensive application of labor, capital, and energy, made possible the explosive productivity gains that we have witnessed in the 20th century. However, these gains have not come without paying a price. The successful development of our natural resources at our current levels of production has taxed many of our local ecosystems. The foulness of the air and water in our major cities is witness to this. Congress has already taken steps to remedy the production byproducts of pollution and ecosystem destruction; however, we should explore all means available to us to improve our environment and to conserve our natural resources.

Recycling of waste material is just such a move. If we can learn to recycle our waste material rather than throw it away, we will also alleviate one of the Nation's fastest growing urban problems—solid waste disposal.

Many cities are running out of disposal sites for their refuse; it is predicted that the eastern seaboard sanitary landfill areas will virtually all be filled by 1978. The danger to our environment of nonsanitary landfill disposal sights is obvious: they are an eyesore to the community, breeding ground for rats and infectious diseases, ordorous, and dangerous to children, who seem to have a natural affinity for them. Yet paper, which constitutes 35 percent by weight and 60 percent by volume of urban waste, and which could be recycled to extend the life of these disposal sights, is not recycled to a significant extent. Paper recycling alone should be one of our highest priority goals.

Additionally, the large scale recycling of waste material would conserve our natural resources. Since the earliest times, Americans have considered their natural resources limitless; today we are learning just how false this supposition was. The oil crisis provides the most current and vivid example of the finite character of our natural resources. Recycling waste material and returning it to the economy would turn waste into a natural resource and thereby alleviate some of the strain on our environment and on our natural resources.

At present, there are over 40 bills that have been introduced into the 93d Congress on the subject of recycling. Yet only four House resolutions come close to dealing with the overall question that can be eventually answered by the passage of this bill—what materials can and should be recycled or should use recycled goods as part of their composition.

The bill I am introducing today will deal directly with this question by setting up a committee to study the Federal Government's capacity for use of recycled materials. Limiting the bill to Government use of materials was done for two reasons. First, it will allow the study to be done in a reasonable amount of time with a minimum amount of expense. Second, the findings of this report can be made to apply to the many other facets of our economy. Additionally, I have placed particular emphasis on the recycling of paper due to the vast amount of it that is used and discarded in Government operations.

I am convinced that action of the kind contemplated by my proposal is absolutely essential and I urge prompt consideration and passage of this bill in order to help conserve our precious natural resources and eliminate one of our most pressing pollution problems.

I ask unanimous consent that the text of my proposal be printed at this point in the RECORD.

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

S. 2147

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby finds that—

(1) there are many products and materials which, after they have been used or damaged, are discarded or scrapped as waste matter;

(2) the accumulation of this waste matter presents a danger to the health and welfare of the citizens of the United States;

(3) many products and materials (otherwise discarded as waste matter) could be recovered and reused as the raw material for new products and materials;

(4) such recovery and reuse of such waste matter will abate the noxious and dangerous accumulation of such waste matter and will aid in the effort to conserve our scarce natural resources; and

(5) the Federal Government has the responsibility to lead in the effort to utilize recycled material by procuring, using, and recycling, to the greatest extent possible, those products and materials which have, as part of their composition, recycled or recyclable material.

SEC. 2. The Secretary of the Interior, through the Bureau of Mines, and the Administrator of General Services are authorized and directed to jointly conduct a full and complete study of (1) which products and materials procured or used by the departments, agencies, or instrumentalities of the Federal Government could be required to have, as part of their composition, recycled and recyclable material while meeting the use specifications of such departments, agencies or instrumentalities, and (2) the feasibility of recycling waste paper from all Federal offices. For the purposes of this study, waste paper means any paper which (A) has served the purpose for which it was originally manufactured, (B) has been scrapped or otherwise discarded as an element of solid waste, and (C) can be recovered in whole or in part and reprocessed into a new raw material used in the manufacturing process of new paper.

SEC. 3. (a) The Secretary of the Interior and the Administrator of General Services, in carrying out the joint study under this Act, are authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality of the Federal Government any information, suggestions, estimates, and statistics for the purposes of this Act, and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed, to the extent permitted by law, to furnish such information, suggestions, estimates, and statistics directly to the Secretary and the Administrator, upon their joint request.

(b) For the purposes of securing the necessary scientific data and information the Secretary and the Administrator may jointly make contracts with universities, research institutions, foundations, laboratories, and other competent public or private agencies to conduct research into the various aspects of the problem of using products and materials which have, as part of their composition, recycled and recyclable material. For such purposes the Secretary and the Administrator are authorized to obtain the services of experts and consultants in accordance with section 3109 of title 5, of the United States Code.

SEC. 4. The Secretary of the Interior and the Administrator of General Services shall report to the Congress, from time to time, the findings and results of the study conducted under this Act. The final report shall be made on or before the expiration of the twelve calendar month period following the date of enactment of this Act. Such final report shall include the findings and results of the study, and specifically—

(1) recommendations as to the necessary and proper legislative, administrative, or other actions that should be taken in order to ensure that the departments, agencies, and instrumentalities of the Federal Government procure and use (whenever possible) products and materials which have, as part of their composition, recycled and recyclable material; and

(2) the feasibility, economically and otherwise, of recycling waste paper from all Federal offices.

SEC. 5. (a) For the purposes of this Act, the term "recycled material" means any product or material completed for sale or use which has been scrapped, used, damaged, or otherwise discarded; and—

(1) recovered in whole or in part and reused as all or part of the contents of any new material or product; or

(2) the salvageable wastes or byproducts of post-consumer use which are recovered and reused as all or part of the contents of any new material or product.

(b) As used in this Act, "Recycled Material" does not include any waste or byproduct that results from the production or manufacture of goods intended for sale or use.

SEC. 6. There is authorized to be appropriated such sum as may be necessary to carry out the provisions of this Act.

By Mr. LONG (for Mr. MAGNUSON) (for himself and Mr. COTTON) (by request):

S. 2149. A bill to amend title 10, United States Code, to provide certain benefits to members of the Coast Guard Reserve,

and for other purposes. Referred to the Committee on Commerce.

Mr. LONG. Mr. President, on behalf of the Senator from Washington (Mr. MAGNUSON), for himself and Mr. COTTON, by request, I introduce for appropriate reference, a bill to amend title 10, United States Code, to provide certain benefits to members of the Coast Guard Reserve, and for other purposes, and ask unanimous consent that the letter of transmittal and statement of purpose be printed in the RECORD with the text of the bill.

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

S. 2149

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 684 of title 10, United States Code, is amended by striking out "or Marine Corps" and inserting in place thereof "Marine Corps, or Coast Guard" in subsections (a) and (b).

SEC. 2. Section 1005 of title 10, United States Code, is amended by striking out the period at the end of the first sentence and adding "or chapter 21 of title 14."

SEC. 3. Section 1006 of title 10, United States Code, is amended—

(1) by adding "or chapter 21 of title 14," after "or 863 of this title" in subsections (a) and (b);

(2) by striking out "of the Army or the Air Force" in subsection (c);

(3) by adding "or section 291 of title 14," after "or 8911 of this title," in subsection (e);

(4) by adding "or section 787 of title 14," after "or 3852 of this title," in subsection (e); and

(5) by adding "or section 789 of title 14," after "or 863 of this title" in subsections (e).

DEPARTMENT OF THE NAVY,
Washington, D.C., June 15, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of proposed legislation "To amend title 10, United States Code, to provide certain benefits to members of the Coast Guard Reserve, and for other purposes."

This proposal is part of the Department of Defense Legislative Program for the 93rd Congress. The Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of this proposal for the consideration of the Congress. The Department of the Navy has been designated as the representative of the Department of Defense for this legislation. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of the proposed legislation is to expand the scope of those sections of title 10, United States Code, applicable to members of the reserve components of the other armed services to include members of the Coast Guard Reserve. This will have the effect of providing the Coast Guard Reservist, while on active duty, the same benefits enjoyed by members of the other reserve components.

Members of the Coast Guard Reserve are subject to recall to active duty in the same way as members of reserve components of the Army, Navy, Air Force, and Marine Corps. They can be, and often are, subjected to the same type of duty as other Reservists, including duty in hostile fire areas. It is therefore only equitable that they receive the same rights and benefits as these other Reservists.

The provisions of this bill will make members of the Coast Guard Reserve eligible for the same compensation now provided members of other Reserve components, will insure that officers of the Coast Guard Reserve are not discharged or transferred from an active reserve status before completing the service required by section 651 of title 10, United States Code, and will insure that officers of the Coast Guard Reserve who have completed 18, but less than 20, years of service are afforded the same opportunity for retention available to members of other reserve components. Finally, the proposed legislation provides that an officer of the Coast Guard Reserve who is retained under its provisions will be an additional number to those otherwise authorized. It is felt that enactment of this legislation will place members of the Coast Guard Reserve on an equal footing with reserve members of the other armed forces.

It is arguable that most, if not all, of the above benefits are currently available to Coast Guard Reservists by virtue of the assimilation provisions contained in section 755 of title 14, United States Code. However, it is felt that in order to be certain that all of the benefits are provided, title 10 should be amended to specifically include the Coast Guard Reserve.

Subsection (c) of section 1006, title 10, United States Code, provides that an officer of the Army or the Air Force who is retained in an active status under subsection (a) or (b) of that section is an additional number to those otherwise authorized. It is felt that this provision is inequitable as it now stands and should apply to all the armed forces. Therefore, the phrase "of the Army or the Air Force" is stricken in section 3(2) of the proposed bill.

COST AND BUDGET DATA

There will be no increased cost to the Department of Defense nor to the Department of Transportation as a result of this proposed legislation.

Sincerely yours,

JOHN W. WARNER,
Secretary of the Navy.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1199

At the request of Mr. HOLLINGS, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 1199, amending the Internal Revenue Code to permit a married couple to deduct certain household and dependent care expenses when one spouse is a full-time student to the same extent that a deduction would be allowable were both spouses employed.

S. 1418

At the request of Mr. HATFIELD, the Senator from Vermont (Mr. STAFFORD) the Senator from West Virginia (Mr. RANDOLPH) and the Senator from Colorado (Mr. DOMINICK) were added as cosponsors of S. 1418, to provide a fitting memorial to our 31st President, Herbert Hoover.

S. 1535

At the request of Mr. BELLMON, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 1535, to amend the Internal Revenue Code of 1954 to provide for the recovery of reasonable attorneys' fees, as a part of court costs in civil cases involving the Internal Revenue laws.

S. 1610

At the request of Mr. Moss, the Senator from New Jersey (Mr. WILLIAMS), the Senator from Colorado (Mr. HASKELL), and the Senator from Indiana (Mr. HARTKE) were added as cosponsors of S. 1610, to require the installation of airborne cooperative collision avoidance systems on certain civil and military aircraft, and for other purposes.

S. 1769

At the request of Mr. MANSFIELD (for Mr. MAGNUSON), the Senator from Michigan (Mr. HART), and the Senator from Rhode Island (Mr. PELL) were added as cosponsors of S. 1769, to establish a U.S. Fire Administration and a National Fire Academy in the Department of Housing and Urban Development, to assist State and local governments in reducing the incidence of death, personal injury, and property damage from fire, to increase the effectiveness and coordination of fire prevention and control agencies at all levels of government, and for other purposes.

S. 1796

At the request of Mr. MATHIAS, the Senator from Nevada (Mr. BIBLE) was added as a cosponsor of S. 1796, to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide for grants to interstate metropolitan organizations.

S. 1855

At the request of Mr. MATHIAS, the Senator from North Dakota, (Mr. ABOUREZK), the Senator from Nevada (Mr. BIBLE), the Senator from Utah, (Mr. BENNETT), the Senator from New Mexico, (Mr. DOMENICI), the Senator from Hawaii (Mr. INOUYE), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Wisconsin (Mr. NELSON), the Senator from Rhode Island (Mr. PELL), the Senator from Vermont, (Mr. STAFFORD), and the Senator from Illinois (Mr. STEVENSON), were added as cosponsors of S. 1855, to promote the development of American handcrafts.

S. 1954

At the request of Mr. MATHIAS, the Senator from Massachusetts (Mr. BROOKE) was added as a cosponsor of S. 1954, the Federal Election Finance Act of 1973.

S. 1954

At the request of Mr. STEVENSON, the Senators from South Dakota (Mr. ABOUREZK and Mr. MCGOVERN) were added as cosponsors of S. 1954, the Federal Election Finance Act of 1973.

S. 1983

At the request of Mr. WILLIAMS, the Senator from Iowa (Mr. HUGHES), the Senator from Michigan (Mr. HART), and the Senator from Washington (Mr. MAGNUSON) were added as cosponsors of S. 1983, the Endangered Species Conservation Act of 1973.

S. 2029

At the request of Mr. WILLIAMS, the Senator from Indiana (Mr. BAYH), the Senator from Utah (Mr. Moss), the Senator from Alaska (Mr. GRAVEL), the Senator from Maryland (Mr. MATHIAS), and the Senator from Minnesota (Mr. MONDALE) were added as cosponsors of S.

2029, to provide assistance for Vietnamese children.

S. 2089

Mr. MATHIAS. Mr. President, Senators MAGNUSON and BEALL have offered legislation, S. 2089, providing that 20 percent of the oil imported into this country be carried on American-flag ships. I would like to take this opportunity to express my support for this bill and my desire to be added as a cosponsor.

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

Mr. MATHIAS. Today we are confronted with competition from foreign-flag vessels which are directly or indirectly subsidized by their governments. We have only to look to the Baltimore Harbor where some of our greatest passenger liners lie idle and rusting to contemplate what fate befalls those ships that no longer have a competitive role on the high seas, It would be indeed tragic if our merchant fleet, too, was put out of business by foreign competition. Yet, if we cannot find a way to put our tankers to work, they, too, will soon go to the wreckers or to foreign flags.

At a period in history when exports and imports throughout the world have been expanding, our merchant fleet has suffered the humilitation of carrying less and less of our Nations' trade and commerce. Presently, virtually none of the oil imported into this country is carried in U.S.-flag vessels. While I am not suggesting the U.S. move all of its imported oil on its own ships, I believe that 20 percent is an equitable figure. I am convinced that this legislation will go far toward assuring that the American shipping industry remains vital, competitive and healthy.

SENATE JOINT RESOLUTION 124

At the request of Mr. NELSON, the Senator from Utah (Mr. MOSS) was added as a cosponsor of Senate Joint Resolution 124, to establish a Joint Committee on Individual Rights.

SENATE RESOLUTION 138—SUBMISSION OF A RESOLUTION RELATING TO NATIONAL CONSUMER EFFORT TO SAVE GAS AND ARRIVE ALIVE

(Referred to the Committee on Commerce.)

Mr. GURNEY Mr. President, I am today submitting for myself and my distinguished colleague from West Virginia, Senator JENNINGS RANDOLPH, a Senate resolution which encourages a national consumer effort to slow down traffic on high-speed roads in order to save gas and arrive alive. I am pleased to say that Senators BEALL, BIBLE, BROCK, EASTLAND, GRAVEL, MOSS, PELL, and STEVENS have joined us as cosponsors.

This resolution is substantially the same as Senate Concurrent Resolution 36, which we introduced on June 26, 1973. However, because of the immediate importance of this matter, I believe that the Senate should express its opinion as quickly as possible in the form of a Senate resolution. I know that the House of Representatives faces a crush of business and I, therefore, do not want to bind the finality of this measure to the legislative schedule of the House of Representatives.

This resolution calls for all motor vehicle operators traveling on high-speed roads on weekends and holidays, from the date of passage of the resolution through Labor Day, September 3, 1973, to:

First. Travel at a speed no greater than 10 miles per hour less than the posted speed limit.

Second. Turn on their headlights to encourage fellow travelers to join in this summertime, nationwide campaign to slow down, save gas, save lives, and save money.

The resolution also encourages the Nation's Governors and Federal, State, local, and private agencies to make funds available for an appropriate publicity campaign throughout the summer months. It also solicits the crucial support of our Nation's media in this endeavor.

Mr. President, here are the differences between Senate Concurrent Resolution 36 and the resolution I am submitting today:

First. Senate Concurrent Resolution 36 called for a national consumer effort between the Fourth of July and Labor Day. Today's resolution calls for the effort to begin immediately upon passage of the resolution.

Second. Senate Concurrent Resolution 36 limited the publicity effort to encouraging motorists to slow down on high-speed roads. Today's resolution asks that the publicity include efforts to make the public aware of various other means of conserving gasoline, including but not limited to, the connection between efficient gasoline consumption and excessive idling, unnecessary travel and abrupt acceleration and deceleration. This change is made because additional, substantial amounts of gas can be saved through a series of better driving habits in addition to slower travel alone.

I am today asking the members of the Senate Commerce Committee to exert every possible effort to consider this resolution at its next executive session, now scheduled for July 17, 1973.

Mr. President, I ask unanimous consent that an updated portion of the remarks I made on June 26, 1973, and the resolution, be printed in the RECORD following these remarks.

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

S. RES. 138

Resolved, by the Senate of the United States of America in Congress assembled,

Whereas, our nation faces a shortage of retail gasoline supplies; and

Whereas, the causes of and solutions for this shortage are now being investigated by Congress, and any solutions proposed may not be implemented in time to alleviate the predictable exacerbation of the shortage of such supplies due to increased motor vehicle traffic on our nation's roads between the date of passage of this Resolution and September 3, 1973; and

Whereas, there is substantial evidence that for each mile per hour traveled above 45 miles per ("high speed travel") there is a substantial increase in gas consumption per mile in contrast to that at lower speeds, and that the cost per mile of gasoline at high speed travel is greater than that at lower speeds; and

Whereas, substantial amounts of gasoline can be saved if motor vehicles are driven less frequently, or without excessive idling, rapid acceleration or deceleration; and

Whereas, that there is substantial evidence that safety will be increased on our nation's roads if motor vehicles travel at lower speeds; Therefore, be it

Resolved, That it is the sense of the Senate that:

(1) Each operator of a motor vehicle should, when traveling during weekends or holidays between the date of passage of this Resolution and September 3, 1973, on any road where the posted speed limit is fifty-five (55) per hour or greater—

(a) travel at a speed no greater than ten (10) miles per hour less than the posted speed limit;

(b) turn on the headlights of his or her motor vehicle in order to publicize his or her participation in a national consumer effort to decrease consumption of motor vehicle gasoline and to increase safety on the nation's roads.

(2) The Governor of each state should, as soon as practicable, make state funds available on an equitable basis and encourage private and other governmental organizations within the state to make funds available on an equitable basis, to state and local agencies, including but not limited to state highway patrols and traffic safety organizations, and to appropriate private organizations or individuals, for the purpose of encouraging motor vehicle operators to observe the provisions of 1., above, and to inform motor vehicle operators that substantial amounts of gasoline can be saved if motor vehicles are driven less frequently, or without excessive idling, rapid acceleration or deceleration.

(3) The television, radio and print media should publicize, to the maximum extent possible, the details of this Resolution in such a fashion as to encourage motor vehicle operators to observe the provisions of 1., above, and to inform motor vehicle operators that substantial amounts of gasoline can be saved if motor vehicles are driven less frequently, or without excessive idling, rapid acceleration or deceleration.

(4) Each Federal agency which has or can make funds available through such agency's own programs or to state or local governments or to private organizations or individuals, for the purpose of publicizing traffic safety efforts, should do so to the maximum extent possible, and as soon as practicable, for the purpose of encouraging motor vehicle operators the provisions of 1., above, and to inform motor vehicle operators that substantial amounts of gasoline can be saved if motor vehicles are driven less frequently, or without excessive idling, rapid acceleration or deceleration.

REVISED REMARKS

Mr. GURNEY. Many people, including certain petroleum companies, have indicated that if motor vehicles were to travel at slower speeds, enough gas might thereby be saved to get us through the summer with a minimum of gasoline shortage problems.

Everyone knows that traveling at slower speeds is part of intelligent defensive driving—it simply decreases the risk of accidents. My own State of Florida, in June of 1970, launched a publicity campaign for safety on the State's roads called the "arrive alive" program. Using publicity films given to various public interest and public service groups, spot radio announcements, and publicity campaigns by the highway patrol, it achieved, with Federal sponsorship, tremendous success. The Florida highway death rate, measured by deaths per million miles

driven, dropped from 5.8 in June of 1970 to 4.5 in December of 1972.

Furthemore, there is substantial evidence that for each mile per hour traveled above 45 miles per hour there is a drastic increase in fuel consumption per mile. With today's high prices, for fuel and almost everything else, all of us are looking for ways to save money. Traveling at slower speeds is one way to do it.

Therefore, let us call upon our Nation's citizens, the media, and our State governments, to join in a national effort, between now and Labor Day—September 3, 1973—to travel at lower speeds on high speed roads on weekends and holidays.

Senator RANDOLPH successfully introduced an amendment to Senator JACKSON'S bill, S. 1570—the mandatory fuel allocation bill, which expressed that it was the sense of the Senate that, in general, posted speeds on Federal-aid highways ought to be permanently reduced, and that Federal, State and local agencies should make the public aware of the need to conserve gasoline.

S. 1570 passed the Senate and now awaits action by the House of Representatives. That bill is an important one. Hearings are now scheduled to begin in the House of Representatives in mid-July.

But we in Congress can do more than sit back and wait for that bill to make its way through the rest of the legislative process.

The gasoline shortage is upon us; the great surge of summer traffic is upon us. We should therefore tap the goodwill and intelligence of the American people by enlisting their immediate support in alleviating the gasoline shortage, and increasing safety on our Nation's roads.

I want to emphasize that while gasoline companies claim that the gasoline shortage is a result of inadequate supplies of crude oil, others allege that this shortage is a result of anticompetitive structure of the gasoline industry or a conspiracy of premeditated plan by members of that industry. I am a member of the Senate's Antitrust and Monopoly Subcommittee and the Permanent Investigations Subcommittee, and we are investigating those allegations. But the ultimate solution to the shortage will take time. What we need in the meantime is action which will alleviate the shortage.

Mr. President, this Senate resolution is based upon a need and a desire—a need to do something fast to help assure that Americans have sufficient gasoline to travel in their automobiles and the desire of many Americans, who see inadequate or tardy Government action on the energy crisis, to do something to help our country meet this important challenge.

In view of the fact that in today's society the American citizen so seldom feels he can help his Government, we in Congress should do all we can to let the citizen know when he has a real opportunity to do so.

What will it really mean for our citizens to travel at lower speeds? The statistics are dramatic. The following information is provided by Concern, Inc., of Washington, D.C.:

"Speeding is a costly consumer of fuel. The average car driven between 75 and 80 miles per hour will consume almost twice as much per mile as the same car driven at 50 miles per hour."

Furthermore, I am informed by various experts in the gasoline industry that down to forty-five—45—miles per hour, every ten——10—miles per hour reduction in speed results in an approximate, average savings in fuel consumption of ten—10—percent. These statistics vary between different cars and driving conditions, as well as with driving techniques. But the clear consensus of opinion supports these statistics.

Mr. President, my Senate resolution targets this national effort to motor vehicle travel during weekends and holidays on high speed roads. It is limited in this fashion in order to maximize the most crucial element of all—the publicity potential. Here, the media, television, radio and newspaper, can play a key role. If we simply launched a summer campaign, the effect of the initial publicity would soon fade. But if just before each summer weekend and holiday, publicity efforts by the media and State and local agencies is renewed, the American citizen will have a fresh reminder all through the summer months of the continuation of this national campaign.

I am informed by the American Automobile Association that automobile travel during the summer months of July, August, and September is greater than any other 3-month period. The revelant statistics of fuel consumption are approximately as follows:

	Percent
Jan., Feb., and March	23.05
April, May, and June	25.18
July, Aug., and Sept	26.18
Oct., Nov., and Dec	25.58

These statistics are even more revealing when one breaks out monthly surges of gasoline consumption. The U.S. Department of Transportation figures for monthly gasoline consumption in 1972 are as follows:

Month:	Percent
January	6.45
February	6.83
March	7.73
April	8.20
May	8.58
June	9.34
July	9.92
August	9.98
September	8.80
October	8.61
November	7.99
December	7.57

Statistics compiled by the U.S. Department of Transportation from traffic counter stations in Illinois indicate clearly that fuel consumption surges on Saturdays and Sundays, and even to a significant extent on Fridays.

Mr. President, my Senate concurrent resolution provides an easy way by which Americans can publicize their low speed travel. If, when traveling on high speed roads on weekends and holidays, they simply turn on their headlights, they can encourage their fellow travelers to join with them in the campaign to slow down, save gas, save lives, and save money.

Mr. President, in addition to calling for consideration of this Senate resolution at the earliest possible time, I ask each of my distinguished colleagues in the Senate to contact the Governors of their respective States and appropriate individuals and groups, including the media, in their own States in order to enlist their support in this nationwide, summertime campaign.

I have myself informed authorities in the State of Florida of this proposed resolution and have asked that where possible funds be made available to sponsor appropriate publicity efforts throughout the State, including the use of publicity efforts by the State highway patrol—such as the mounting of signs on highway patrol cars—and other law enforcement agencies. I have also contacted the U.S. Department of Transportation and asked that any funds available for the publicity of safety campaigns be made available on an equitable basis to Federal, State, local, and/or private entities in such a fashion as to maximize the publicity potential of this effort.

In conclusion, I would like to emphasize that Congress must press forward in its various efforts to deal with the energy crisis in general and the gasoline shortage in particular. This means rapid action on S. 1570, and on another bill by Senator JACKSON, of which I am a cosponsor, S. 1283, the National Energy Research and Development Act of 1973. We also must press forward on the hearings before the Senate Antitrust Subcommittee and the Subcommittee on Permanent Investigations, to learn more about the causes of our gasoline shortage.

SENATE RESOLUTION 139—SUBMISSION OF A RESOLUTION TO ESTABLISH A SENATORIAL SCHEDULING SYSTEM

(Referred to the Committee on Rules and Administration.)

Mr. COOK. Mr. President, on behalf of myself, Mr. INOUYE, Mr. BAKER, Mr. BROOKE, Mr. PEARSON, Mr. HUDDLESTON, Mr. ROBERT C. BYRD, Mr. CHILES, Mr. HUGHES, Mr. BROCK, Mr. DOLE, Mr. TAFT, Mr. SAXBE, Mr. ROTH, Mr. STAFFORD, Mr. KENNEDY, and Mr. MONDALE, I am today submitting a resolution authorizing the establishment of a system for the scheduling of committee meetings which is to be known as the Senatorial Scheduling System.

As is evident to each Member, the committee system in the U.S. Senate has expanded significantly, resulting in an increased amount of committee and subcommittee meetings. The large number of meetings inevitably lead to conflicting time schedules for all of us. These conflicts severely limit the ability of each Senator to fulfill the responsibilities of his various committee assignments and prevent the efficient conduct of committee business.

The proposed scheduling system would considerably improve the functioning of the committee system. It would provide an easily accessible record of each meeting scheduled, with the members of the committee or subcommittee, the date, time, and location of each meeting, as well as whether the meeting is either open or executive.

Each Senator could be sent a list of all meetings scheduled for any day or during any week. By keeping a chairman informed of those unable to attend his committee or subcommittee meeting, rescheduling would be possible; and by using the open or executive classification, those open meetings anticipating a large public audience could be assigned to larger rooms.

With the eventual use of computer terminals in committee offices, the information could be keyed in and returned immediately, or returned within a 24-hour period. In addition, the individual Senator's personal appointments and meetings could be incorporated into the system, making each schedule complete and readily accessible.

There is no question that we must seek and implement every possible way to modernize the operation of the Senate. I strongly believe that this proposal would be one step toward a more efficient committee system, and thus, toward greater care for the welfare of the public.

I ask unanimous consent that my resolution be printed in full in the RECORD.

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

S. RES. 139

Whereas the committee system in the United States Senate has expanded significantly in recent years; and

Whereas this expansion has resulted in a substantial increase in the number of committee and subcommittee meetings; and

Whereas the number of committee and subcommittee meetings has resulted in regular conflicts of meeting times; and

Whereas these conflicts severely limit the ability of the members of the Senate to fulfill the responsibilities of their various committee assignments and likewise prevent the efficient conduct of committee business; and

Whereas a system for organizing and scheduling committee and subcommittee meetings will significantly improve the operation of the committee system and the Senate as a whole;

Now, therefore, be it

Resolved, That there is authorized to be established a system for the scheduling of committee meetings to be known as the Senatorial Scheduling System. The System will keep an easily accessible record of all committee and subcommittee meetings. The record will include the following information: a list of the Senators who serve on those committees and subcommittees; the date, time, and room for such meetings; the classification of such meetings as "open" or "executive," and any other information which will promote the more efficient operation of the Senate committee system.

SENATE RESOLUTION 140—SUBMISSION OF A RESOLUTION AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

(Referred to the Committee on Interior and Insular Affairs.)

Mr. JACKSON submitted the following resolution:

S. RES. 140

Resolved, That the Committee on Interior and Insular Affairs is hereby authorized to expend from the contingent fund of the Senate $4,400, in addition to the amount and for the same purposes and during the same period specified in Senate Resolution 231, 92d Congress, agreed to March 6, 1972.

FEDERAL LANDS RIGHTS-OF-WAY ACT OF 1973—AMENDMENTS

AMENDMENT NO. 321

(Ordered to lie on the table, and to be printed.)

Mr. HUMPHREY submitted an amendment, intended to be proposed by him to amendment No. 319 to the bill (S. 1081) to authorize the Secretary of the Interior to grant rights-of-way across Federal lands where the use of such rights-of-way is in the public interest and the applicant for the right-of-way demonstrates the financial and technical capability to use the right-of-way in a manner which will protect the environment.

AMENDMENT NO. 323

(Ordered to be printed, and to lie on the table.)

AN ALTERNATIVE APPROACH TO THE ALASKAN PIPELINE ISSUE

Mr. EAGLETON. Mr. President, I send to the desk an amendment to S. 1081, a bill to authorize the Secretary of the Interior to grant rights-of-way across Federal lands and other purposes.

Mr. President, this amendment represents a conscious effort to bridge the differences that exist between those favoring a trans-Alaskan pipeline and those favoring a trans-Canadian line as an alternative.

As a Senator from the Midwest, quite naturally I would prefer a line which would bring crude oil into the midwestern parts of the country where fuel shortages are most severe. The Mondale-Bayh amendment would at least lay the groundwork for the possibility of such a pipeline.

However, I am acutely conscious of the national dimensions of our energy crisis and the undesirability of excessive dependence on foreign oil supplies—considerations which incline me to favor the pipeline that can be constructed at the earliest date consistent with environmental protection. Senator JACKSON'S bill, as reported by the committee, would expedite the process of tapping the North Slope oil resources by authorizing the immediate grant of right-of-way for a trans-Alaska pipeline and allowing the court to resume consideration of the environmental aspects of such a line.

So I am less than comfortable, Mr. President, with the choice that confronts us:

First. Either we commit ourselves now to the construction of a trans-Alaskan pipeline without a full exploration of the feasibility of a route across Canada that would bring fuel directly into the Midwest; or

Second. We delay construction of the trans-Alaskan pipeline in favor of the possibility of a Canadian route, but in so doing we insure additional delay in tapping the great fuel resources of the North Slope—a delay we can ill afford in view of the energy shortage facing the Nation.

The amendment I am introducing today seeks to avoid this dilemma. It is grounded on the undisputed premise that work on the trans-Alaskan pipeline will be delayed for at least a year pending resolution of litigation brought under the National Environmental Protection Act regarding the environmental impact of this line. At the same time, this environmental litigation cannot be disposed of until a right-of-way for the trans-Alaskan pipeline is granted.

Thus, my amendment would have the following effects:

First. It leaves unchanged the authorization for the Secretary of the Interior to grant an expanded right-of-way—exactly as provided in Senator JACKSON'S bill—which is necessary before the courts will resume consideration of the evironmental aspects of the trans-Alaskan Pipeline case.

Second. It adopts, for the most part, the language of the Mondale-Bayh amendment calling for the initiation of negotiations with the Canadian Government and commissioning a study of the feasibility of a trans-Canadian route. It departs from the Mondale-Bayh amendment in that the Alaskan and Canadian routes are not presented as mutually exclusive and there is no prohibition against a grant of right-of-way for the Alaskan route pending the study of the Canadian prospect. The Mondale-Bayh language providing for an expedited action by Congress at the conclusion of the Canadian study is retained.

Third. It makes clear the congressional intention that the litigation regarding the environmental impact of the trans-Alaskan line shall continue. Once the Secretary grants a right-of-way for the trans-Alaskan pipeline, the court will have before it a live question with respect to the environmental impact of that line regardless of the pendency of the Canadian study and the possibility that Congress will take another look at the matter 1 year hence.

Fourth. Finally, my amendment opens up the study to a consideration of three possible findings: to proceed with the Alaskan line only; to proceed with a trans-Canadian line only; or to proceed with both lines.

This approach to the question avoids any further delay in the court's consideration of the Alaskan case while at the same time preserving the option of Congress, a year from date of enactment of this bill, to make a final judgment on whether to change the route or supplement the trans-Alaskan route with a trans-Canadian route. Most importantly, the judgment would be based on solid facts both with regard to the economic and environmental feasibility of a trans-Canadian line and the willingness of the Canadian Government to enter into an agreement.

Mr. President, there is one other major provision in my amendment which, again, seeks to resolve the differences between the bill as reported by the Senate Interior Committee and the Monrale-Bayh amendment. The committee bill provides that none of the oil extracted from the Alaskan fields shall be exported from this country unless the President makes an express finding that such export is in the national interest. On the other side, the Mondale-Bayh amendment requires a finding that a failure to export oil would imperil the national security and, in addition, requires that Congress approve the export within a period of 60 days or no such export shall take place.

I support a stronger provision than is in the bill reported by the committee, but I believe that asking Congress to take affirmative action in each instance of an export license is cumbersome and unreasonable. The same purpose would be adequately served by adopting the procedures formerly used in consideration of executive reorganization plans, that is, to allow either House of Congress to disapprove a specific export license within 60 days, acting under established procedures for assuring that a resolution of disapproval is reported and opportunity is given to the Members to vote on it. My amendment carries that kind of provision.

Mr. President, I believe my amendment comes as close to meeting the very persuasive arguments offered on both sides of the question as is possible. I hope that it will be adopted.

AMENDMENT NO. 325

(Ordered to be printed, and to lie on the table.)

Mr. HUMPHREY submitted amendments, intended to be proposed by him to the amendment No. 240, intended to be proposed by Mr. MONDALE (for himself and others), to the Senate bill 1081, supra.

AMENDMENT NO. 326

(Ordered to be printed, and to lie on the table.)

Mr. ROBERT C. BYRD submitted an amendment, intended to be proposed by him, to Senate bill 1081, supra.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—AMENDMENT

AMENDMENT NO. 322

(Ordered to be printed, and referred to the Committee on Foreign Relations.)

Mr. McGOVERN (for himself and Mr. HATFIELD) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 1711) to amend the Foreign Assistance Act of 1961, and for other purposes.

EXTENSION OF EMERGENCY EMPLOYMENT ACT OF 1972—AMENDMENTS

AMENDMENT NO. 324

(Ordered to be printed, and to lie on the table.)

Mr. HATHAWAY submitted amendments, intended to be proposed by him, to the bill (S. 1560) to extend the Emergency Employment Act of 1972, to provide public service employment for disadvantaged and long-term unemployed persons, and for other purposes.

ANNOUNCEMENT OF CHANGE OF HEARINGS ON S. 794

Mr. CRANSTON. Mr. President, the Subcommittee on Labor of the Committee on Labor and Public Welfare has rescheduled public hearings on S. 794, a bill to extend the protection of the National Labor Relations Act to employees of nonprofit hospitals, to Tuesday, July 31, Wednesday, August 1, and Thursday, August 2 at 9:30 a.m. in room 4232, DSOB.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Ralph F. Keil, of Delaware, to be U.S. attorney for the District of Delaware for the term of 4 years, vice F. L. Peter Stone, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Wednesday, July 18, 1973, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ADDITIONAL STATEMENTS

"VOLUNTEER FOR AMERICA" PUBLIC SERVICE ADVERTISING CAMPAIGN

Mr. BENTSEN. Mr. President, on July 31, the President's authority to induct men into the Armed Forces will expire and the volunteer Army program will be on its own without the support of a possible draft. A good sendoff is important to any new venture and this is certainly true of the all-volunteer force program which has been building toward this important date for nearly 2 years now.

In response to this need the radio and TV broadcasters of Texas have launched a "Volunteer for America" public service advertising campaign. The campaign was originated by Mr. Stan Wilson, president of Texas State Networks, and will run for approximately 13 weeks on radio and TV stations throughout Texas.

It is expected that some 16,000 nonpaid, public service ads will be run during the campaign which will have a commercial value of nearly $1 million. This is a significant new contribution to the recruitment effort of the Armed Forces in Texas and is a major public service on the part of Texas broadcasters. At the present time, the military services are inhibited from purchasing broadcast time, because of language included in an earlier military appropriations measure.

Such a restriction has little logic and would appear to discriminate in favor of other advertising media without any benefit to the armed services. I hope that other broadcasters will follow the example of Texas broadcasters in support of the all-volunteer force, in spite of this apparent discrimination, and that the Congress will act early to eliminate this abuse.

EFFECTS OF NEW MINIMUM WAGE LEGISLATION ON YOUTH EMPLOYMENT AND SMALL BUSINESS

Mr. BUCKLEY. Mr. President, the Senate will turn very shortly to the consideration of new minimum wage legislation. A great deal of attention will once again be focused on the youth differential debate. And such attention is entirely proper, because the outcome of that debate will determine whether or not Congress will persist, with the very best intentions, in paving the road to a social and economic hell for our Nation's most needy teenagers. An increase in the minimum wage causes an increase in marginal unemployment. Perhaps no other economic fact of life has been so widely agreed upon by businessmen and economists alike. And yet we are faced again this year with the possibility of minimum wage legislation that will force too many of our Nation's teenagers, particularly among minority groups, out of the job market.

Mr. President, in recent weeks my mail on minimum wage legislation has picked up considerably, and I can report that the mail concerned primarily with youth employment has been overwhelmingly in favor of some kind of youth exemption from the minimum wage. And when I say overwhelmingly, I mean literally 100 to 1. These letters come from all over New York State; they come from small independent businessmen, from retailers, and from concerned lawyers and citizens. These businessmen speak from experience—they know firsthand how important it is for a youngster first entering the job market to acquire the work skills and good work habits required to retain a job and to insure future success. They also know that businessmen like themselves simply cannot afford to offer teenagers these training opportunities at a minimum wage rate set higher than an apprentice's productivity is worth. A businessman from Buffalo put it succinctly when he wrote recently:

If we are to continue to employ youths in our business, there must be a wage differential to compensate for their inexperience.

Mr. President, I ask unanimous consent to print at this point in the RECORD a sampling of the mail I have received concerning the effects of new minimum wage legislation on youth employment and small business.

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

JUNE 21, 1973.

Hon. JAMES L. BUCKLEY,
U.S. Senate Office Building,
Washington, D.C.

DEAR SIR: I am asking your support for the Dominick-Taft (S. 1725) Federal Minimum Wage Bill.

If we are to continue to employ youths in our business, there must be a wage differential to compensate for their inexperience. Also, the slower increase in the wage rate will be helpful to all retailers.

Yours very truly,

W. E. GOECKEL,
President.

JUNE 28, 1973.

Hon. JAMES L. BUCKLEY,
U.S. Senate Office Building,
Washington, D.C.

DEAR MR. BUCKLEY: At this time when inflation is running rampant throughout the United States and is being felt by every citizen, I find it difficult to believe that the House of Representatives would pass a Bill raising the minimum wage almost immediately from $1.60 to $2.00 with another increase to $2.20 on July 1, 1974.

There is no saving grace in the House Bill in the way of a general allowance of a lower rate for teenagers. The only individuals allowed a lower rate would be full-time students at $1.60 per hour. I am fully aware that the efforts of organized labor are 100% behind this Bill even though none of their membership are affected. However, they rationalize this push to the new minimums will bring up the bottom rates threby forcing the union rates to higher extremes.

Large numbers of people will lose present or prospective jobs as costs go up and unions could care less. I am requesting you to effectively negate the impact of this Bill to a realistic figure for the benefit of all.

Sincerely,

A. C. ALLEN.

JULY 3, 1973.

Hon. JAMES L. BUCKLEY,
New Senate Office Building,
Washington, D. C.

DEAR SENATOR: We urge you to vote and support the Dominick-Taft bill (S. 1725) for minimum wage.

Our company operates many stores in your state and it is the feeling of our company

that the Dominick-Taft bill will help all of our employees and control inflation at this time.

The provision for the young is also helpful in (S. 1725) and will create new job opportunities for teenagers without confusion. The (S. 1725) measure will not destroy all of the provisions that retailers, and those engaged in retailing, have lived with for all these many years.

As a constituent and one who has on its staff thousands of constituents, we urge you to support the only sensible bill to come before the legislature, S. 1725.

Thank you for your consideration.

Respectfully,

M. BRECKER.

JULY 5, 1973.

Hon. JAMES L. BUCKLEY,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR BUCKLEY: Senate Bill S. 1861 now being considered in executive session is of great concern to me and I would like to register my objection to this bill. While I am not a resident of your state, I am a citizen of this country and a registered voter and I would like to ask your consideration.

If we must have a minimum wage increase at this time, in lieu of Bill S. 1861, I respectfully request that you support the Dominick-Taft Substitute (S. 1725). This substitute bill would eventually raise the minimum wage to $2.30 by 1977, but by doing it gradually as recommended in this bill, it would give Industry time to adjust more easily to the change. A most important part of this bill is the Youth Differential. If Bill S. 1861 is passed as presented, no one in Industry will be able to afford to give the 16 and 17 year olds that important first job. Given time, Industry can adjust to this change and thereby the Youth of our Country, and our economy will not have to suffer.

It is my understanding that Senator Dominick is also sponsoring a Bill, S. 1147, trying to get some OSHA Relief, but there seems to be some problem in getting it scheduled for hearing—it needs more co-sponsors. Your support of this bill is respectfully requested.

Thank you for your consideration and support.

Sincerely,

Miss NANCY WILLIAMS,
Assistant Business Manager.

JUNE 25, 1973.

Re S. 1725.
Hon. JAMES L. BUCKLEY,
Senate Building,
Washington, D.C.

DEAR HONORABLE BUCKLEY: I would appreciate your support of S. 1725, if a minimum wage bill is going to be passed by the Senate.

We feel that Bill S. 1861, by Senators Williams, D-N.J. and Javits, R-N.Y., is very inflationary. Bill S. 1861 proposes wage rate increases of 37.5% in little more than a year. The impact will create higher youth unemployment, and it will also increase unemployment to the low wage earner. It is in these two areas where we have a very high unemployment rate at the present time.

While we are not 100% in agreement with Dominick-Taft, Bill S. 1725, we feel it isn't as inflationary and damaging as Bill S. 1861.

Thank you.

Very truly yours,

S. R. THOMPSON,
Personnel Manager.

JUNE 27, 1973.

Hon. JAMES L. BUCKLEY,
Old Senate Building,
Washington, D.C.

DEAR SENATOR BUCKLEY: The Manufacturers Association of Syracuse, representing one-hundred and five area industries employing in excess of 40,000 people, went on record at their Board Meeting of June 14, 1973 in support of increases in Federal minimum wage rates as contained in S. 1725.

In our judgment, this measure, as opposed to S. 1861, lessens the possibility of increasing the intensity of the inflationary spiral we're now experiencing, would not markedly increase unemployment because of marginal employers and employees, and most importantly, has the attribute of providing a youth minimum wage so necessary to reduce unemployment in a group plagued by lack of jobs.

We would appreciate your support of S. 1725 when it comes to the floor, or support of amendments to any bill on the minimum wage issue to bring it in line with the provisions contained in S. 1725.

Thank you.

Sincerely,

JAMES B. SCHNEIDER,
Executive Vice President.

Hon. JAMES L. BUCKLEY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BUCKLEY: As a concerned business man with empathy for the general well being of our society, I respectfully request you support the Dominick Taft (S–1725) minimum wage proposal.

At this time our sensitive economy could not accommodate the inflationary Williams-Javits proposal.

I have experienced first hand, the rounds of price increases, the reductions in staff of unskilled employees and students and the narrowing of pay differentials between trained and untrained employees as a result of legislated wage increases.

With our economy in its present state the more moderate approach would be the wisest move.

Very truly yours,

EUGENE L. FERGUSON.

JULY 5, 1973.

Hon. JAMES L. BUCKLEY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BUCKLEY: We believe that it is very essential that if a new minimum wage bill is presented, the Dominick-Taft bill (S. 1725) which will raise the minimum to $1.80 now, $2.00 one year later and consecutive yearly increases to $2.10, $2.20 and finally to $2.30 in 1977 be given your support. We believe that bill S1725 also would retain all of the present exemptions and would, as well, permit young people to work at a special entrance rate of 85% of the minimum, or $1.60, whichever is greater.

The other bill being presented (S. 1861) would have serious impact on the ability of the New York State retailer and would also be a major cause of further unemployment in our area, in our opinion.

Your support of the Dominick-Taft bill (S. 1725) is very important to the well-being of our general economy.

Sincerely,

DANIEL G. RANSOM.

JUNE 14, 1973.

Hon. JAMES L. BUCKLEY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR BUCKLEY: I am writing to urge your support of S. 1725 when it comes up for consideration in the Senate. In my opinion the Williams bill, S. 1861, is grossly inflationary, unduly expands coverage, and would deny younger people an opportunity to enter the labor market at a rate more befitting their youth and inexperience.

The constant arbitrary lifting of minimum rates has been responsible to a considerable extent for loss of employment through expansion of imports into this country, so I feel your opposition to the Williams bill and your support of the Dominick bill is more important in today's circumstances than ever before.

Do you agree with and will you support the position recommended in this letter?

Very truly yours,

DAVID L. BENETAR.

JUNE 14, 1973.

Senator JAMES BUCKLEY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR BUCKLEY: I note that the House has passed a new minimum wage law, which in a short period of time will increase the minimum wage almost 40%. On top of this, it has left out any clause enabling unskilled young people to get jobs at lower than the minimum, thus making it even more difficult for them to get work than it is now.

To me this bill seems absolutely inexcusable and entirely inflationary. I can see no reason for such a tremendous jump in the minimum wage over the short period of time envisaged.

I realize that the labor lobby is very powerful in the way the unions run the country, but I do think that some of the rest of us are entitled to some consideration.

Sincerely,

FRED M. STEIN.

JUNE 21, 1973.

Senator JAMES L. BUCKLEY,
U.S. Senate Chambers,
Washington, D.C.

DEAR SENATOR BUCKLEY: As you are aware, there are currently two proposals before the Senate concerning an increase in the Federal Minimum Wage. The Rochester Chamber of Commerce urges you to support the Dominick-Taft Bill and oppose the Williams-Javits Bill.

A recent telephone and personal contact survey of area businesses reveals that if the Williams-Javits Bill were to pass, the end result would be the curtailment and possible lay-off of the elderly, the youth and marginal employees. Without an exemption for the youth, the bill would hinder rather than help our young people obtain employment. Such a dramatic increase, as proposed in the Williams-Javits Bill, would force many small businesses to close their doors and curtail any plans for expansion.

You can see why we are asking your support of the Dominick-Taft Bill. This bill represents logical steps for any increase in the Minimum Wage and takes into consideration our youth, employer and employee.

Sincerely,

WORTH D. HOLDER, CCE,
Executive Vice President.

NEIGHBORHOOD YOUTH CORPS FUNDS RELEASED

Mr. WILLIAMS. Mr. President, on June 29, U.S. District Court Judge Leonard I. Garth ordered that $239 million of impounded Neighborhood Youth Corps funds be immediately released so that this year's nationwide summer employment program will in fact be the reality that Congress intended it to be. Yesterday, the U.S. Court of Appeals unanimously denied the Government's request to stay Judge Garth's decision, and, in effect, affirmed the trial court's opinion.

By ruling that the administration had illegally withheld moneys specifically authorized and appropriated by the Congress, Judge Garth's decision will enable some 600,000 poor and disadvantaged youths from our cities to obtain meaningful employment, and at least for a few months, gain a sense of pride and achievement not often found among

their peers. In New Jersey alone, it is expected that nearly 12,000 youths will benefit from the program.

Exactly 1 month ago, a group of two dozen Community Action Program Directors and Neighborhood Youth Corps officers met in my office to discuss the ramifications of the President's impoundment of funds intended to help ease some of our domestic ills which confront our society today. From this meeting, a lawsuit was conceived to challenge the President's action.

My staff was immediately directed to develop legal strategy which would bring equitable relief not only to these constituents, but to the literally thousands of citizens nationwide who were similarly situated.

Despite the complex and difficult task, the first legal papers were filed in Newark a little more than a week after the suit's Washington, D.C., genesis. The New Jersey public interest law firm—Baumgart & Ben-Asher—retained for the case, exhibited a rare quality of zeal and skill which in no small measure created the environment for Judge Garth's favorable decision.

Not only was the expeditious handling of the case a remarkable achievement, but it should be particularly noteworthy to those who in the past have rejected "the system" as unresponsive and insensitive to human need. If, as a result of this case, just one person's faith has been restored, and a sense of hope instilled for those who have despaired so long, our efforts will have been rewarded. But I shall not, and cannot, be fully content until our national priorities are completely reordered.

It is for this reason that I ask unanimous consent that the complete text of Judge Garth's decision be printed in the RECORD.

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

[Community Action Programs Executive Directors Association of New Jersey, Inc., et als., Plaintiffs, v. Roy Ash, Director, Office of Management and Budget, et als., Defendants]

DECLARATORY JUDGMENT AND PERMANENT INJUNCTION

(In the United States District Court for the District of New Jersey, No. 899–73)

This matter having come before the Court upon plaintiffs' verified complaint for mandamus, declaratory judgment and permanent injunction, order to show cause, motion for preliminary injunction and motion for certification as a class action, and the Court having consolidated the final hearing herein with the hearing on the order to show cause and the motion for a preliminary injunction, and the Court having considered the points and authorities in support of and in opposition to the order to show cause and motions, and having considered the pleadings and affidavits, and having heard argument of counsel, and it appearing that the parties have submitted upon the evidence presented and the parties having consented to have the proceeding treated as a final hearing and the Court having found and declared that:

A. It is clear from the face of the statutes and their legislative history that the unequivocal intent of Congress in enacting the 1972 Amendments to the Economic Opportunity Act, Pub. L. 92–424, 86 Stat. 688, 42 U.S.C. Sec. 2771 and the Supplemental Appropriations Act, 1973, Public L. 92–607, 86 Stat. 1493, was to appropriate at least $239,143,000.00 nationally for the summer Neighborhood Youth Corp for the fiscal year, 1973, and was also to make mandatory and not discretionary the obligation, release and expenditure of the appropriation period.

B. To the extent that the defendants have failed to release, obligate and expend the above-mentioned funds, this action is illegal in violation of the Economic Opportunity Act of 1964, as amended, 42 U.S.C.A. § 2701, et seq. the Supplemental Appropriations Act, 1973, Public L. 92–607, 86 Stat. 1498, and Article II, Section 3 of the United States Constitution, and beyond the scope of their legal authority.

C. The sum of at least $239,143,000.00 has been appropriated by Congress for the summer Neighborhood Youth Corp for Fiscal Year 1973 but has not been released, obligated or expended and the failure to do so threatens the plaintiffs with standing to sue with immediate and irreparable injury, by reason of the reversion of said funds to the general treasury on June 30, 1973 in controvention of the law, unless and writ of mandamus or an injunction issues, and the Court having announced its findings of fact and conclusion of law in its oral opinion on June 28, 1973, in accordance with said ruling of the Court, it is hereby Ordered, adjudged and decreed, that:

1. The plaintiffs' motion to certify this action as a class action pursuant to Rule 23(b)(2) on behalf of all community action agencies established and qualified under the Economic Opportunity Act of 1964 which community action agencies sponsor summer Neighborhood Youth Corp programs on behalf of all individuals eligible, qualified and designated as participants of the Neighborhood Youth Corp summer program do and hereby is granted, with no notice to the classes required.

2. The compaint is dismissed for lack of standing to sue as to Community Action Programs Executive Directors Association of New Jersey, and New Jersey N.Y.C. Directors Association.

3. The defendants and their agents, employees and successors in office, be and hereby are preliminarily and permanently enjoined and restrained from taking any action or failing to take any action which will cause or permit the reversion to the general fund, withholding, non-obligation or loss of at least $239,143,000.00 and unobligated funds for purposes of the summer Neighborhood Youth Corp for the Fiscal Year 1973.

4. The defendants with responsibility to release and obligate the above-mentioned funds shall not later than 10 a.m. on June 30, 1973, record the sum of at least $239,143,000.00 appropriated for the summer Neighborhood Youth Corp for Fiscal 1973 as in obligation of the United States and shall forthwith release and expend that sum for the summer Neighborhood Youth Corp for fiscal 1973.

5. The defendants shall retain all such sums obligated pursuant to paragraph four (4) of the Order as in obligated balance against the appropriation referred to herein until further Order of this Court or until released and expended for the summer N.Y.C. for fiscal 1973 pursuant to the Economic Opportunity Act of 1964 as amended.

6. Court retains jurisdiction of this Act for such additional and supplemental relief as may be required.

7. Defendant's motion to stay this order as to the expenditure of the above-mentioned funds pending appellate review be and hereby is denied.

8. Clarence Clark (Monmouth City CAP) is hereby especially appointed to serve this order on the defendants no later than 12 noon on June 29, 1973, by serving a true copy on the United States Attorney Herbert J. Stern, as to all named defendants by 4 P.M. June 29, 1973.

(S) LEONARD I. GARTH,
United States District Judge.

Dated: June 29, 1973. Time: 10:50. We hereby consent to the form of the within declaratory judgment and permanent injunction.

OEO WILL CONTINUE FUNDING LEGAL SERVICES BACKUP CENTERS THROUGH DECEMBER 31, 1973

Mr. JAVITS. Mr. President, on June 28, joined by 10 Senators, I wrote Alvin J. Arnett, Acting Director of the Office of Economic Opportunity urging that funds be utilized to continue current legal services backup centers at least through December 31, 1973 or until a national legal services corporation can be established. I was joined by Senator WILLIAMS, chairman of the Committee on Labor and Public Welfare, and by Senators SCHWEIKER, PELL, MONDALE, CRANSTON, EAGLETON, KENNEDY, HUGHES, and HATHAWAY of that committee, as well as by Senator BROOKE.

Our action was motivated by our concern that the legal services backup centers—which have been such an essential—albeit controversial, element of the legal services program—might be given "short shrift" by the Office of Economic Opportunity in its last minute decisions under court order to obligate remaining fiscal 1973 funds before the close of that year; indeed, information led us to believe that as of June 27, the Office of Economic Opportunity was intending only to fund those backup centers for 1 month beyond June 30.

I am very pleased to report that at our urging and that of others, the Acting Director of the Office of Economic Opportunity now has given assurance of funding of the centers through December 31 as requested.

In the case of six centers, funding would have expired on June 30, but for this new commitment. They included the national employment law project in New York City, the Harvard Center for Law and Education in Cambridge, Mass., the national housing and economic development project at Berkeley, Calif., the Indian Law Center in Boulder, Colo., the migrant legal action program in Washington, D.C., and the national senior citizens law center in Los Angeles, Calif.

The Acting Director of the Office of Economic Opportunity has assured me that other centers that come up for funding between now and December will also be continued except, of course, if they are not being conducted in accordance with the provisions of the Economic Opportunity Act of 1964.

Mr. President, I commend the Acting Director of the Office of Economic Opportunity for this very affirmative response to this initiative, a response which will mean so much to those who are charged with the conduct of the current crucial legal services program, even as we all consider legislation for the establishment of a new corporation for its conduct in the future.

It is my hope that the spirit of accommodation reflected in the action of the

Acting Director of OEO will prevail also in the negotiations surrounding the establishment of such a corporation, so that vital service to the poor can be continued and expanding without a break in continuity.

Mr. President, I ask unanimous consent that there be printed in the RECORD, a copy of our letter of June 28 to Acting Director Arnett and a copy of his response dated June 29.

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

U.S. SENATE,
Washington, D.C., June 28, 1973.

Mr. ALVIN J. ARNETT,
Director,
Office of Economic Opportunity,
Washington, D.C.

DEAR MR. ARNETT: As members of the Senate Committee on Labor and Public Welfare and others concerned with the legal services program, we urge you to utilize, and obligate existing funds appropriated for fiscal year 1973 and funds that we expect the Congress to appropriate for fiscal year 1974, to continue the current support centers at least through December 31, 1973, or until a national legal services corporation can be established.

As you know, the sixteen support centers throughout the Nation currently funded by the Office of Economic Opportunity provide essential specialized legal assistance for legal services attorneys and their clients, thus serving as the vertebrae of the entire program, in such crucial areas as employment, migrant and other law.

The Economic Opportunity Act Amendments of 1972, signed into law by the President on September 19, 1972, provides that of the authorized amounts in each of the fiscal years 1973 and 1974, the Director of the Office of Economic Opportunity shall "reserve and make available" not less than $71.5 million for legal services programs. On October 31, 1972, the President signed into law (P.L. 92-607) the Supplemental Appropriations Act, 1973, appropriating $71.5 million for legal services for the current fiscal year 1973.

And, under recent decisions in the Federal courts, the Office of Economic Opportunity is obligated to make fiscal 1973 funds available before the close of this fiscal year for continuation of the legal services, as well as other OEO programs.

Moreover, with respect to fiscal year 1974, the Congress has already made clear its intent that the legal services program, including support centers should continue to be funded through fiscal year 1974 in the Office of Economic Opportunity, pending the establiishment of a national legal service corporation.

The House has passed both H.R. 8877, the Labor-HEW Appropriations Act, 1974, specifically including $71.5 million for continuation of legal services under OEO through fiscal year 1974, and pending action by the Senate on that measure, H.R. Res. 636, continuing the legal services programs, at the rate of $71.5 million through September 30; the latter will be acted upon by the Senate this week.

It is also already clear that the Senate favors similar actions; in connection with H.R. 7447, the Second Supplemental Appropriations bill, the report of the Senate Committee on Appropriations, dated May 18, adopted by the Senate on May 31, states:

"In the budget submitted to Congress on January 29, the President indicated that a proposal would be forthcoming to establish a new legal services corporation. Since this legislative proposal has just been submitted (May 11), the Committee is somewhat concerned that the fiscal year will end and no funds will be available to continue the 900 neighborhood offices *and sixteen support centers* now in operation throughout the country. Since there is existing authority under the Economic Opportunity Act and further, since appropriations for legal services covering FY 1973 have been enacted this program would normally be covered under a continuing resolution at a level of $71,500,000. Should the Congress fail to complete action on the FY 1974 legislative proposal and subsequent appropriation, the Committee would work to ensure that this program is provided for under a continuing resolution based on existing authority and present level of funding." (emphasis added).

We support fully the concept of a national legal services corporation, and expect prompt action by the Committee on Labor and Public Welfare on the Administration's proposal, which has already passed the House.

But in the interim, until the corporation can be established and ongoing, it is essential that these vital back-up centers be fully funded in accordance with Congressional intent.

We recognize that the future of legal services support centers under a new corporation is an issue in dispute and we will welcome a review of that question in the context of considering legislation to establish a new corporation. However to permit these centers to go out of existence in the meantime would serve only to undermine the objective evaluation that is necessary, cause a diminution in current effective legal services for the poor and constitute a demoralizing and cost-ineffective break in continuity, should it later be determined that such centers are to be a part of the program under a new legal services corporation.

Even if legislation to establish a national legal services corporation is promptly enacted—as we hope it will be—it is doubtful that it could be fully ongoing before January 1, 1974. Accordingly we urge that you take appropriate affirmative action on pending applications under their terms for continuation, and in any event at least through December 31, 1973 or until a new corporation is ongoing.

Sincerely,

JACOB K. JAVITS, RICHARD S. SCHWEIKER, EDWARD W. BROOKE, ALAN CRANSTON, THOMAS F. EAGLETON, HAROLD E. HUGHES, HARRISON A. WILLIAMS, Jr., CLAIBORNE PELL, WALTER F. MONDALE, EDWARD M. KENNEDY, WILLIAM D. HATHAWAY.

OFFICE OF ECONOMIC OPPORTUNITY,
Washington, D.C., June 29, 1973.

Honorable JACOB JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: This responds to your letter of June 28 regarding funding of legal services back-up centers.

Prior to receipt of your letter, I had, as an administrative matter already lifted the month-by-month funding arrangement for these centers. In lieu of the month-by-month, I directed funding be made in each case for a six month period. I think that action, in effect, substantially meets the concern of your letter.

Sincerely,

ALVIN J. ARNETT,
Acting Director.

THE NEED FOR TERMINATION INSURANCE IN PENSION REFORM

Mr. HARTKE. Mr. President, the need for reform of the private pension system in this Nation has never been greater. A recent incident involving workers in an industrial plant in Jamestown, N.Y., provides a grim illustration of the tragedies that occur under the present private pension system. I feel it is my responsibility to bring this incident to the attention of my distinguished colleagues.

In the mid-1960's, the Art Metal Construction Co. was acquired by the Heller Corp. of Chicago which after 3 years decided to divest itself of the company. At this point a "professional liquidator" from Rochester purchased Art Metal and combined it with the Yawman Co. Within 9 months both companies went out of business and all production within the plant at Jamestown terminated.

Amidst all this transfer of ownership and corporate finance, there was little regard for the welfare of the hundreds of workers in the Art Metal Co. The initial pension plan covered about 1,400 employees and began in 1960. But, in 1969, the company switched over to the Machinists' plan—IMAW union—and covered 600 to 700 employees. When production in the plant terminated, all those covered under the new plan lost their rights to pension benefits. The only employees who collected anything at all were those 178 workers who had retired under the original plan. Some others received benefits for 8 to 10 months under the new plan before the plant shut down, but then payments stopped.

Many who had contributed to both plans lost all claims to benefits. A considerable number of workers who had 35 years of service with the company found themselves with no financial support. I hope my colleagues can appreciate the great personal loss which these hundreds of working men and women had to endure. Mr. Sam Forscey, a representative for the Machinists Union, told me about the great "emotional impact" that this loss of pension rights had on his fellow workers.

This incident is precisely the kind of tragedy which points to the urgent need for reform in the private pension system. I should add that this example is not at all untypical of what occurs in industry. Between 1950 and 1965, 4,300 pension plans were terminated. These plans covered 225,000 workers. On the average, approximately 20,000 persons a year had their pensions affected by plan failures. On May 21, I introduced the Federal Pension Plans Protection Act of 1973 (S. 1858) which provides a termination insurance program designed to protect workers from a calamity like this one in Jamestown, N.Y. It would insure vested benefits up to 80 percent of the highest average wage over a 5-year period or $500 a month, whichever is less. Under this plan, workers with 35 years of service to a company, as well as younger employees, would be protected from financial uncertainty and disaster.

I strongly urge my colleagues to give utmost consideration to the many legislative proposals before us which would provide relief to the millions of working men and women of our Nation. We have a moral obligation to act quickly to alleviate the great inequities which exist in this Nation's private pension system.

JAMES D. FELLERS

Mr. BELLMON. Mr. President, one of Oklahoma's leading lawyers and distinguished citizens, James D. Fellers of

Oklahoma City, has been named the president-elect nominee of the American Bar Association.

This is an honor that has not heretofore come to our State, but it is an achievement that is richly deserved by this outstanding Oklahoman. It would be difficult to match the record of civic leadership, community service and prominence in his profession that has earned Jim Fellers the highest respect and recognition by his peers.

The Oklahoma Legislature recently adopted a resolution commending and congratulating Mr. Fellers on his selection to head the American Bar Association, which cites some of his accomplishments.

Mr. President, I ask unanimous consent that this resolution be printed in the RECORD.

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

ENROLLED SENATE RESOLUTION No. 62

A resolution commending and congratulating James D. Fellers for being elected as president-elect nominee of the American Bar Association; and Directing Distribution

Whereas, for the first time in the history of the American Bar Association an Oklahoma lawyer has been named the president-elect nominee of the 95-year-old organization; and

Whereas, James D. Fellers, a native of Oklahoma City and past president of the Oklahoma Bar Association, was elected as the president-elect nominee of the American Bar Association during the mid-winter House of Delegates meeting and shall stand for formal election by the House of Delegates at their 1973 annual meeting; and

Whereas, President-elect Fellers has been in the general practice of law since 1936 when he was admitted to the Oklahoma Bar upon his graduation from the University of Oklahoma Law School; and

Whereas, James D. Fellers has been active in the American Bar Association since 1937, during which time he has gained valuable leadership experience, in that he has been a member of the House of Delegates since 1945 and has served as its Chairman, a member of the Board of Governors from 1962 to 1965, in addition to being Chairman of many major committees and sections and he currently heads the studying committee on professional career development; and

Whereas, during 1964 under the leadership of Jim Fellers, the Oklahoma Bar Association commenced a legal internship program, created a brief and research bank, formulated the uniform jury instructions, established a clients security fund and inaugurated a Bar-Media Relation Committee, and all of these accomplishments were in addition to the usual administrative responsibilities required of the President of the State Bar; and

Whereas, James Fellers has given of his time and abilities throughout the years to civic organizations and community affairs, his activities including Charman of the Civic Committee of Oklahoma City, President of the Cosmopolitan Club, Director and Division Chairman of the Chamber of Commerce, as well as a member of various city government committees and commissions; and

Whereas, in addition to a distinguished record of service in his profession and to his community, James D. Fellers served this country and fought for freedom in the United States Military during World War II and was awarded the Bronze Star in recognition thereof; and

Whereas, the august Body of the Oklahoma Legislature stands in awe at the accomplishments, the dedication and the service of this one individual, James D. Fellers.

Now, therefore, be it resolved by the Senate of the 1st Session of the 34th Oklahoma Legislature:

That James D. Fellers be and he hereby is commended for his service to mankind and congratulated for being elected as president-elect nominee of the American Bar Association, a well deserved honor.

That duly authenticated copies of this Resolution be forwarded to the Honorable James D. Fellers, the President of the Oklahoma Bar Association, the President of the Oklahoma County Bar Association, the President of the University of Oklahoma, and to each member of the Oklahoma Congressional Delegation.

Adopted by the Senate the 16th day of May, 1973.

THE U.S. ROLE IN DRAFTING THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, since the Genocide Convention was adopted by the United Nations General Assembly on December 9, 1948, 75 nations, including most of our NATO and SEATO allies, have ratified the treaty. The United States is not among these. This absence is even more surprising—and sad—considering the key role played by the United States in the drafting of this convention.

The efforts of our country were summarized in a September 1972 article by William Korey, director of the B'nai B'rith U.N. office entitled "On Banning Genocide: We Should Have Been First." Mr. Korey states:

Today it is all but forgotten that, in fact, the United States played a key role in the drafting of the treaty that was reflected in the text itself. Formulated in terms of familiar Anglo-American legal theory and couched in the language of traditional common-law concepts, the treaty drew upon the precise wording of common-law crimes long accepted in American jurisprudence. Most important, it was the United States that insisted that a specific *intent* to commit genocide must be proven before an offender could be punished. And the American delegation led the fight for its adoption. The chief of the delegation, Assistant Secretary of State Ernest A. Gross, shortly before the final vote, told the General Assembly:

"In a world beset by many problems and great difficulties, we should proceed with this convention before the memory of recent horrifying genocidal acts has faded from the minds and conscience of man. Positive action must be taken now. My government is eager to see a genocide convention adopted at this session of the Assembly and signed by all member states before we quit with our labors here."

The United States delegation was among the first to sign. Only two days after its adoption, the formal American signature was appended to the treaty.

Mr. President, it is ironic that, after putting so much effort into formulating this treaty, we still have not ratified it in nearly 25 years. Let us hope that former Chief Justice Earl Warren was wrong when he said almost 5 years ago,

We as a nation should have been the first to ratify the genocide convention. . . . Instead, we may well be near the last.

I hope we can act on the Genocide Convention in the near future.

COLLINSVILLE, ILL., CHRONOLOGY OF A NATIONAL TRAGEDY

Mr. PERCY. Mr. President, the mistaken raids by Federal narcotics agents on two Collinsville, Ill., families have justifiably received national attention.

The concern generated by reports that the Giglotto and Askew families were subjected to indecencies and deprivation of fundamental civil rights appear to be more than warranted. The inexcusable conduct of agents who initiate raids and forcible entries of private dwellings without good cause and without warrants, and who resort to such actions as destruction of personal property and personal threats and obscenities, should be exposed, writ large, and dealt with appropriately by the courts.

From the outset, consistent, in-depth reporting of the Collinsville and related incidents, and their ramifications, has been done by the St. Louis Post-Dispatch. In particular, exceptional reportage has been evidenced in articles by staff writers Curt Matthews of the Washington bureau and Robert L. Joiner in St. Louis, who, together with Ted Gest, Robert Adams, Linda Eardley, and Taylor Penseneau, have conducted a thoroughgoing probe. Their investigation contributed to particularly fine editorials on the subject, also appearing in the Post-Dispatch. More than 20 articles have thus far been published since the April 23 raids. The editorial board and management of the Post-Dispatch deserve commendation for the priority attention they have given these incidents, which have nationwide importance.

An example of excellent followup coverage of the Collinsville incidents was seen as recently as July 4, 1973, in the New York Times. Andrew H. Malcolm reports the Giglotto and Askew families have been subject to continual harassment since they were victims of the senseless drug raids more than 2 months ago. The Giglotto family has found it necessary to flee from their home in downstate Illinois and look for a new life elsewhere.

Mr. President, I ask unanimous consent to have the entire collection of articles concerning the Collinsville incidents that have thus far appeared in the St. Louis Post-Dispatch and the New York Times article "Harassed Victims of Drug Raid Are Moving" printed in the RECORD.

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

[From the New York Times, July 4, 1973]

HARASSED VICTIMS OF DRUG RAIDS ARE MOVING

(By Andrew H. Malcolm)

CHICAGO, July 3.—The Herbert Giglottos, one of two Illinois families illegally raided in April by Federal narcotics agents, have fled their home in downstate Illinois to start a new life somewhere else.

"We just can't take the harassment any more," the 29-year-old Mr. Giglotto said last night as he loaded his furniture and pets on a rented truck in Collinsville. "We're getting out of here."

Today the Donald Askews, the other Collinsville family whose doors were kicked in by unshaven, plainclothes narcotics agents on April 23, said that they too had been harassed

and that someone broke in and stole their television set on Monday.

This afternoon an official of the Federal Bureau of Investigation said his office had been asked by the Department of Justice to investigate the possibility of a conspiracy by Federal narcotics agents to violate the civil rights of the Collinsville families. But the official indicated that the F.B.I. investigation was concluded some time ago. He would not disclose the findings.

In Washington tonight, Robert Feldkamp, a spokesman for the Office for Drug Abuse Law Enforcement, said, "if indeed the families are being harassed, I can assure you it is not by representatives of our office."

SAY THEY WERE FOLLOWED

In Collinsville, Mr. Giglotto and his wife, Evelyn, said they had been followed since their story—telling of shabbily-dressed narcotics agents ransacking their home, shouting obscenities and threatening their lives with cocked guns—received nationwide circulation.

The Giglottos said there had been mysterious telephone calls in the night. When answered, there is only silence on the other end.

Both of their cars were sideswiped while parked recently and seriously damaged.

Friends and neighbors tell of visits by unidentified agents inquiring about the Giglottos.

And there have been reports of strange men appearing at a bar frequented by the Giglottos and passing the word, "We're going to get Giglotto one way or the other after all this publicity dies down."

"After you see these guys in action on a raid," Mrs. Giglotto said, "you can imagine all sorts of things happening."

Then last night an anonymous caller phoned Mr. Giglotto's mother and said that her other son, John, had been shot in the head and dumped in a lake.

THEN SON RETURNED

The 58-year-old mother became hysterical. But a few hours later John returned home from the movies, unaware of the call.

Mr. Askew, the second victim of the raid by agents of the Federal Office for Drug Abuse Law Enforcement, said he too, had received mysterious phone calls in the night, although his phone number is unlisted.

"You know you think maybe it's just some teen-agers," said the 40-year-old Mr. Askew. "You know how teen-agers are. But then Monday someone broke in and stole my color TV set. And they came in the same way those agents did that night—kicking in my back door."

Mr. Askew, whose wife has been in and out of a hospital psychiatric ward since the raid, has also spent so much time talking to Government investigators and lawyers about the incident, its aftermath and his $100,000 damage suit that he fell behind in business and had to sell his service station.

He hopes to return to the construction business "if we can just get things straightened out."

DOZENS OF OTHERS

The claims of harassment and intimidation followed by one week publication of the results of an investigation of such drug raids by The New York Times. It disclosed that dozens of other mistaken, violent, often illegal and sometimes fatal drug raids had been executed on innocent citizens across the country by Federal, state and local narcotics agents, often acting on uncorroborated tips from drug addicts who were pressed for information.

The agents involved in the Collinsville incidents, who had no search warrants, no arrest warrants and no authorizations for their forcible entries, attributed the raids to "a bum tip." Further details of the raid's background, presumably contained in internal investigative reports compiled by the drug abuse office and the Bureau of Narcotics and Dangerous Drugs, have never been released publicly.

Washington officials say they do not want to affect the deliberations of a Federal grand jury in Springfield, Ill., that is considering the case.

Until the incidents in Collinsville, a town of 19,600, 15 miles east of St. Louis, the other mistaken raids were little known across the country, apparently because many of the citizens involved were unaware of any legal recourse and feared reprisals by the agents.

In some cases, lawyers told The New York Times, the police arrested innocent persons during mistaken raids and then offered to drop the charges if those persons would forget about the incident.

The Giglottos received no such offer. And no apologies were extended, although some men were sent to inspect the damage. The Giglottos have sued for $1-million.

Mr. Giglotto, a boilermaker, said he has encountered some harassment among fellow workers who did not believe he was not making substantial sums of money from the incident.

And the couple said several friends broke off relations with them after the raid, apparently out of fear.

DOESN'T BLAME THEM

"I guess I can't blame them," Mr. Giglotto said. "They don't want their life history checked too and maybe their door kicked in."

The couple said they had received scores of sympathetic messages from individuals around the country, but none from Collinsville.

Mr. Giglotto said he also sensed a change in the attitude of the local police, who were not involved in the raids. One officer checked recently to see if the car the Giglottos were driving was stolen, Mr. Giglotto said, and another policeman told him, "You've brought us nothing but aggravation."

"He's got aggravation!" Mr. Giglotto exclaimed. "My door was the one kicked in. And I didn't ask to be raided, you know."

For protection recently, Mr. Giglotto arranged from friends to stay with his wife when he went to work. Occasionally a friend would spend the night with them in their modest town house apartment on Arrowhead Drive near Collinsville's catsup factory.

WILL TRY TO FORGET

"We're going to try and relax a while and forget the whole thing," Mr. Giglotto said as he left. He declined to say where he and his wife were moving.

"We've got a few towns in mind," he said. "We'll settle down, both go back to work and start over again because I'm afraid those agents are not going to stop all this as long as they are running around busting into homes."

Today Fred Fehl, special agent in charge of the Cleveland F.B.I. office, said his men were asked on June 18 to investigate the Collinsville incidents. But he indicated the work was completed some time ago.

It was also learned that F.B.I. agents interviewed other persons seized by agents assigned to the St. Louis office of the drug abuse office.

The narcotics agents involved in Collinsville were suspended with pay but have reportedly been seen at other raids during their suspension.

On Sunday their parent agency, the Bureau of Narcotics and Dangerous Drugs, was merged with the drug abuse office into a new Federal Drug Enforcement Administration.

[From the St. Louis Post-Dispatch, Apr. 25, 1973]

DRUG AGENTS SUED AFTER RAID ON HOME

(By Linda Eardley)

A Collinsville couple filed suit today in U.S. District Court in Springfield, Ill., against the Federal Government charging assault, false imprisonment and violation of their civil rights because of a raid at their home Monday night.

Mr. and Mrs. Donald Askew, 313 Garnet Street, said about five men forced their way into their home, announced they were special federal narcotics agents, searched the house while holding the couple at gunpoint, then abruptly left, saying they had made a mistake.

Another Collinsville couple, Mr. and Mrs. Herbert Giglotto, 1003B Arrowhead Drive, is considering similar action against the Government for a search Monday night of their home apparently by the same narcotics agents.

Collinsville Police Chief Paul Cigliana confirmed that the men who searched the two homes were federal narcotics agents. More than 20 agents were stationed inside and outside the homes, he said. Collinsville police were called to the homes after the raids.

Giglotto said he and his wife were sleeping when the agents who were "dressed as hippies" broke down the door at about 9:30 p.m.

"They came into the bedroom and put a gun to my head and said they were going to shoot us," Giglotto said. "They pointed to my wife and said, 'Who's that thing in bed with you?' Then they tore up my house. They were looking for someone or drugs, I don't know. Not until after they finished searching did they identify themselves as narcotics agents.

"I think one of them flashed a badge but I didn't really see it. I was lying face down with a pistol to my head. My hands were handcuffed behind my back. My wife was handcuffed like I was and made to lie down on the floor like an animal.

"They acted like animals. They said profanity. You just wouldn't believe it. If they were representatives of the Federal Government, we're all in trouble."

Giglotto said pieces of furniture were knocked over and scratched. Books were strewn over the living room.

"I don't know why they were here. I wouldn't have a thing to do with narcotics. I rarely take an aspirin," said Giglotto.

Giglotto said a former neighbor might have been involved in drugs and the agents might have been looking for his apartment. The neighbor moved three weeks ago.

The only damage to the Askew home was the broken back door. Askew said one of the special narcotic agents after * * * breaking into the house. Askew asked for more identification or a search warrant and they said they had none.

"We didn't know what to think," Askew said. "I thought they were some sort of motorcycle gang. All the while they pointed guns at us and my wife fainted."

When the search proved futile, one of the agents told the couple. "It was a mistake. We got a bad tip," Askew said.

The agent gave Askew the phone number of the Department of Justice Bureau of Narcotics and Dangerous Drugs in St. Louis to call for reimbursement for property damaged in the search.

Dennis Moriarty, an investigator with Drug Abuse Law Enforcement of the Department of Justice in St. Louis, refused to comment to the Post-Dispatch.

Askew's attorney, Richard Shaikewitz of Alto, said Moriarty talked with him and confirmed that federal narcotics agents searched the Askew home. Moriarty told Shaikewitz that the Askews should send the bill for property damage to his office.

The only damage was the broken back door.

"Those were Gestapo-like tactics," Shaikewitz said. "I can see if the agents were in hot pursuit of a criminal, they might break down a door. But in this case, there was no reason for it. And suppose they did have a tip someone they wanted was there, they easily could have gotten a search warrant."

Askew, 40 years old, is a contractor and operates a service station in Collinsville.

Henry A. Schwarz, United States District Attorney of the Eastern Illinois District in East St. Louis said he will request a full report about the searches.

"If these people's allegations are true, I would consider an investigation, but I know one address (Askew's) is not in my district and I'm not sure about the other one."

Daniel Bartlett, the U.S. Attorney in St. Louis and Donald A. Mackay, the U.S. Attorney of the Southern Illinois District in Springfield, would not comment on the searches because they had no information about them.

Both said they thought an investigation would be out of their jurisdiction.

Federal narcotics agents were criticized last summer after a raid on the home of Mrs. Gene King, 5217 Emerson Avenue.

Clothing and bedding were strewn over the floors at the house when a reporter visited it June 14, the day after the raid. Lamps, tables, a record player and television set had been smashed and an oil painting slashed. Baseboards, ceilings and wall panelings were severely damaged.

After that incident the legal adviser to the Bureau of Narcotics and Dangerous Drugs in Washington said that agents may use "reasonable force" when they are authorized to make a search and if it is necessary in executing a search warrant.

If excessive force has been used, Louis F. Bussler said, the Government is responsible for reparations.

Heroin was found in the raid on the King home, former United States Magistrate Garnet Taylor, who issued the search warrant, said.

Last November, attorneys for the American Civil Liberties Union of Eastern Missouri filed suit on Mrs King's behalf. The suit, filed in St. Louis Circuit Court, sought $18,395 in damages.

It charged that Dennis W. Harker, Kenneth R. Bloemker, Dennis R. Moriarty and other unknown agents "engaged in a personal vendetta of wanton destruction of property and personal effects."

The suit charged that the "deliberate, wanton and willful destruction" was not necessary for discovery of evidence and constituted an unreasonable search and seizure in violation of the Fourth Amendment.

Fred Epstein, president of the ACLU of Eastern Missouri, said that the suit is stymied because of the difficulty of serving summons on the three defendants.

"The federal people have some sort of rule against any of their employes accepting a summons from a sheriff on government property and they will not give out the home addresses of the three agents," Epstein said.

"So here we are about six months later and can't get the suit underway. It is a very peculiar condition," he said.

[From the St. Louis Post-Dispatch, Apr. 26, 1973]

DRUG RAIDS APPEAR TO VIOLATE U.S. RULES

(By Curt Matthews and Ted Gest)

Drug raids made at two Collinsville homes Monday night by pistol-brandishing federal agents dressed as hippies apparently were conducted in a manner that violated established federal procedures, the Post-Dispatch has learned.

The raids apparently were made by mistake at the home of Mr. and Mrs. Donald Askew, 313 Garnet Street, and Mr. and Mrs. Herbert Gigliotto, 1003B Arrowhead Drive, by agents of the Drug Abuse Law Enforcement program based here.

United States Attorney Daniel Bartlett Jr. and Frederick J. Dana, acting attorney in charge of the antidrug program here, both refused to comment on the raids. Both said they had received instructions "from Washington" to say nothing about the matter, which is to be investigated by a team from the capital.

Myles J. Ambrose, special assitant attorney general in charge of the antidrug program, said eight months ago, "under no circumstances will I permit my agents to violate anyone's constitutional rights. Preserving those rights is the greatest responsibility of law enforcement officials. I believe that firmly."

Ambrose has ordered the investigation of the drug raid in which the Collinsville families were terrorized at gunpoint by agents.

A high law enforcement official here, who works with the anti-drug unit, said that a source had told him that the raid was either based on an incorrect tip from an informant or on correct data that the agents misinterpreted.

Edmund C. Irvin, chief agent of the antidrug unit, was out of the area when the raids took place.

Gigliotto said that he and his wife were sleeping when agents "dressed as hippies" broke down the door, "came into the bedroom and put a gun to my head and said they were going to shoot me."

Askew had a similar report. He said, that after the agents had broken through the back door of his home, he "thought they yere some sort of motorcycle gang. All the while they pointed guns at us and my wife fainted," he said.

The Askews have filed suit in United States District Court in Springfield, Ill., against the Federal Government as a result of the raid, charging that their civil rights were violated. The suit, filed yesterday, charges the Government also with assault and false arrest.

Federal officials in Washington have said that the St. Louis unit of the anti-drug agency was the only one of the 38 similar offices around the country to be the subject of complaints about raids allegedly conducted with undue force.

A suit against three antidrug agents was filed last November by the American Civil Liberties Union of Eastern Missouri after a drug raid in July in which the homeowner charged that the agent engaged in wanton destruction. Similar charges were made after an antidrug raid on another northside home in December.

Robert Feldkamp, special assistant for public information for the agency, said that the agency's 300 officers were guided in their drug search and seizure operations by written manuals that point out the importance of preserving constitutional rights.

Feldkamp said that the Drug Abuse Law Enforcement officers, drawn into the agency from the Bureau of Narcotics and Dangerous Drugs in the Department of Justice, received training on the proper procedures to follow in executing search and arrest warrants. Feldkamp said the purpose of the training and of the manual for operations was to assure that the rights of innocent persons were not violated.

The antidrug agents broke into and rummaged the Askew and Giglotto residences without identifying themselves as police officers or presenting warrants for search or arrest, the families said.

The Fourth Amendment of the Constitution, the basis for establishing deferal procedures for police searches and seizures, says:

"The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated."

The Fourth Amendment provides that no search warrants will be issued by Government authorities or the courts unless law officers have "probable cause" to believe that a search is necessary to prevent a crime or gather evidence of a crime. To obtain a search warrant, police officers must state under oath that "probable cause" exists and describe in detail the place to be searched and the persons or things to be seized.

Feldkamp said yesterday that one matter under investigation was whether or not the antidrug agents who took part in the mistaken raids obtained search warrants.

He pointed out that in some cases antidrug agents did not need warrants and could enter private residences on the basis of "probable cause" or evidence that announced entry would result in the destruction of evidence or physical harm to the police officers.

Feldkamp said that the question of who ordered the raid Monday night and the circumstances leading up to it were matters that would be covered in the investigation of the incident.

Charles Morgan, director of the national office of the American Civil Liberties Union in Washington, said that the normal procedure for executing search warrants is for police officers "to knock on the door and present the warrant." (Only the District of Columbia has passed a "no-knock" law that permits officers to enter without announcing themselves to seize suspects or evidence.)

Morgan points out that the law officers handbook says that only when law officers have "probable cause" to believe that announced entry will make the search ineffective or bring harm to the investigating officers, is the constitutional bar of unannounced entry lowered. Probable cause, when used for justification of a search, must subsequently be demonstrated in court proceedings.

Assistant United States Attorney Jerry Murphy, who is in charge of the St. Louis office of the antidrug agency, has made no comment so far about the Collinsville incident. Murphy has been in Washington conferring with justice department officials all week, according to Feldkamp.

St. Louis Police Chief Eugene J. Camp, nine of whose men are detached from the Police Department to serve on the antidrug unit, said that he had not been informed of the Collinsville raids. The Collinsville police chief was not consulted or informed either.

"If what I read about the (Collinsville) raids is true," Camp said, "I could not condone that activity."

Camp said that St. Louis policemen had made erroneous raids on occasion. In those cases, he said, the policemen could only apologize and offer to pay damages.

A United States Supreme Court decision in 1971 gave private citizens the right to sue federal officials for damages in improper raids.

The St. Louis operation of the Drug Abuse Law Enforcement office is one of 38 city offices throughout the United States that were established last year after President Richard M. Nixon signed an executive order creating the agency in January 1972.

Murphy and Dana in the St. Louis office report directly to a regional office in Kansas City one of nine regional offices. The Kansas City office is directed by Robert Elliott who reports directly to Myles Ambrose in Washington.

"The idea behind DALE is to provide leadership in the prosecution of persons engaged in drug traffic," Feldkamp said. "Lawyers direct the program and take a case from beginning to end—from the arrest and gathering of evidence, through the grand jury, to prosecution and conviction."

Feldkamp said that in addition to the in-

volvement of lawyers from the Justice Department, the DALE operations used lawyers assigned temporarily from such federal agencies as the Bureau of Customs and the Internal Revenue Service.

The antidrug program involves, in addition to the 300 agents drawn from the Bureau of Narcotics and Dangerous Drugs, about 1000 state and local police officers and about 175 assistant U.S. attorneys.

In 38 of the cities where Dale operations are carried on, grand juries have been empaneled to consider only evidence related to traffic of heroin and cocaine.

[From the St. Louis Post-Dispatch, Apr. 27, 1973]

TERRORISTS IN COLLINSVILLE

The outrageous "drug" raids on two innocent Collinsville households by pistol-brandishing federal agents attired as hippies merits the strongest possible condemnation. There is simply no excuse for the Nazi-like tactics employed by the operatives of the Drug Abuse Law Enforcement program based in St. Louis, and anyone found to have had a hand in directing it ought to be fired.

Unfortunately, what these people did seems to reflect the cavalier attitude of the Nixon Administration toward civil rights. It is said that the raid was either based on an incorrect tip from an informant or on correct data that the agents misinterpreted. Mistakes can be made, but it seems to us that an agency with any sense of responsibility before the law would have been more certain of what it was doing before its representatives broke down the doors of innocent citizens' homes in the hours of darkness and terrorized the occupants.

The hapless victims of these ruffians naturally did not know what to make of it all. One victim said the violent intruders put a gun to his head, handcuffed his wife and himself, tore up his house and "acted like animals." They flashed some sort of badge at one point, but did not identify themselves as federal narcotics agents until they had finished their search. No one seems to know, or will say, whether the raiders had search warrants; if they did, they did not display them.

The special assistant attorney general in charge of the DALE office in Washington, Myles J. Ambrose, has sent a federal team to St. Louis to make an investigation of the incident, and has ordered the lawyers in the St. Louis headquarters to remain silent until that is completed. No doubt Mr. Ambrose's order was welcome to those responsible for the raids; who wants to have to acknowledge his own stupidity?

The St. Louis office of the DALE program is one of 38 established last year to take the lead in the apprehension and prosecution of persons engaged in the drug traffic. The program has had a certain amount of success, but it obviously will not take many incidents like those in Collinsville to wreck it. Washington officials say the St. Louis unit is the only one to have been the subject of complaints, which gives this community a black eye.

When innocent citizens are not safe in their homes at night from government thugs, this is not America. Let us hope that the incidents are isolated, that they will not be repeated, and that those found to be guilty of instituting these Nazi-like measures be dismissed from the federal service.

[From the St. Louis Post-Dispatch, Apr. 27, 1973]

ARRESTED BY ERROR AS DRUG PUSHER, IS TRIED FOR ASSAULTING U.S. AGENTS

(By Linda Eardley)

Agents of the Drug Abuse Law Enforcement agency, who raided two Collinsville homes Monday night apparently by mistake and terrorized the occupants, made another mistaken identification last October of a man they suspected was a drug pusher.

The suspect, a clerk at City Hospital who had no previous trouble with the law, scuffled with the agents, not knowing who they were. He subsequently was placed on probation for assaulting them, although they conceded he was not the drug pusher they were looking for.

The clerk, Sterling Bell Jr., 4711 Thrush Street, was on his way home from work on Oct. 17 when the agents stopped him. Bell said they did not clearly identify themselves and used obscenities. When Bell resisted, there was a fight and Bell and an agent were injured.

Bell was charged with assault.

Bell pleaded guilty Dec. 18 to assaulting a federal officer in United States District Judge James Meredith's court and was found guilty Jan. 23 by St. Louis Circuit Judge Carl Gaertner on a reduced charge of common assault on a St. Louis policeman.

"I admit I hit them, but I was doing it in self-defense," Bell said. "At the time I didn't realize they were narcotics agents."

Donald Asked, 313 Garnet Street, and Herbert Giglotto, 1003B Arrowhead Drive, both of Collinsville, whose homes were raided Monday by federal agents, said they did not realize the men were policemen.

Both said the men were dressed like hippies, used obscenities, did not clearly identify themselves and brandished pistols. Askew and Giglotto said that if they had had guns, they would have used them against the men in self-protection.

Bell, 29 years old, is on five years probation for the assault convictions. He had no previous arrests. He is a student in pre-dentistry at Southern Illinois University at Edwardsville and works as an admitting clerk at City Hospital. He is married and has three children.

Bell described the incident with the narcotics agents: "I had just got off work at 3:30 p.m. and I was walking to my car. I heard some guy hollering 'Hey, hey!' I turned and saw this man. He said, 'You no-good . . . son-of-a-bitch, I want some identification.'

"I said 'What?' and he repeated the same thing. I asked 'Who are you?' and he flashed a gold badge and said something I didn't understand. He seemed very nervous and excited. We were standing in front of Malcolm Bliss Mental Hospital and I thought he was some sort of nut from there.

"I turned to walk away. He grabbed me by the shoulder and cocked his fist like he was ready to swing. I beat him to the punch.

"The next thing I knew I was jumped by four other guys. None of them had on uniforms. They got me on the ground, hit me, kicked my head and I kept asking, 'Who are you?'

"Then they put handcuffs on me real tight. It hurt. I gritted my teeth and bit one man's ear. Then I realized if they had handcuffs, they must be police. So I said 'Okay, okay,' and gave up.

Bell was treated at City Hospital for a cut above his left eye, and Ronald Olive, a detective in the St. Louis Police Department, lost a piece of his ear. Olive is assigned to the federal drug unit.

Bell said he then was taken to an office where the agents questioned him about selling narcotics. He said they beat him with blackjacks. He subsequently was charged with assaulting a federal officer and assaulting a police officer with malice and intent to maim.

A month ago Olive filed suit against Bell for $20,000 damages for injury to his ear.

Frederick J. Dana, the attorney for Drug Abuse Law Enforcement who prosecuted the cases against Bell, denied that the agents had used obscenities. He said the agent who approached Bell, Michael Hillebrand, clearly identified himself orally and by showing his badge.

"He (Bell) matched the description of the man we wanted, both physically and in manner of appearance," Dana said. "They went out to talk to him and he started swinging."

Besides Olive and Hillebrand, the agents involved in the incident were Dennis R. Moriarty, Donald Trentham, Gene Crosby and David Swan. Trentham, Crosby and Swan also are members of the St. Louis police department.

Moriarty is believed to have been involved in the Collinsville raids. He and two other agents from Drug Abuse Law Enforcement have been charged with "deliberate, wanton and willful destruction" in a suit filed by the American Civil Liberties Union in connection with a drug raid last June at the home of Mrs. Gene King, 5217 Emerson Avenue.

Bell's attorney, Richard L. Turner, said he would look into the possibilities open to his client for suing the agents for their alleged behavior.

Mr. and Mrs. Askew have filed a $100,000 suit in U.S. District Court Wednesday against the Federal Government charging assault, false imprisonment and violation of their civil rights. Mr. and Mrs. Giglotto also are considering taking legal action.

The Giglottos visited the Drug Abuse Law Enforcement office yesterday. They said they received apologies but no explanation.

Myles J. Ambrose, special assistant attorney general in charge of the Drug Abuse Law Enforcement program, dispatched an investigator from Washington to find out what happened in the Monday night raids. A spokesman for Ambrose said in Washington today that he did not know whether the investigator's report to Ambrose would be made public.

Federal officials in Washington have said that the St. Louis office of Drug Abuse Law Enforcement was the only one of 38 such units around the country to become the subject of complaints about raids allegedly conducted with undue force.

Drug Abuse Law Enforcement, an agency under the Department of Justice, was created last year by executive order of President Richard M. Nixon.

The entire program involves about 300 agents from the Bureau of Narcotics and Dangerous Drugs, about 1000 state and local police officers and about 175 assistant U.S. attorneys.

[From the St. Louis Post-Dispatch, Apr. 28, 1973]

WARRANT IN DRUG RAIDS

(By Curt Matthews)

WASHINGTON, April 28.—An arrest warrant was issued by a United States magistrate in the St. Louis area authorizing the drug raid last Monday night in which federal narcotics agents invaded, apparently mistakenly, the homes of two Collinsville families.

Robert Feldkamp, the information officer for the Office of Drug Abuse Law Enforcement in Washington, confirmed yesterday that a federal magistrate had issued the warrant, but said that further details would have to come from Jerry Murphy, the assistant United States Attorney in charge of the anti-drug agency's office in St. Louis. Murphy, however, said he was under orders—to say nothing about the case.

The officers who conducted the raid failed to present search or arrest warrants, according to the two couples whose homes were invaded.

Donald Askew, 3313 Garnet Street, said he had asked the officers for identification and a search warrant after they had completed a search of his home, but was told by the officers that they did not have a warrant.

Mr. and Mrs. Herbert Giglotto, 1003B Arrowhead Drive, said the officers who entered their home were dressed in casual

clothes and did not identify themselves as law enforcement officers until after a search of the home had been completed.

Both couples were held at gunpoint and Mr. and Mrs. Giglotto were handcuffed as the officers searched their home.

Myles J. Ambrose, assistant attorney general in charge of the Drug Abuse Law Enforcement office within the Justice Department, has ordered an investigation of the incident. An inspector from the Office of Inspection within the Justice Department's Bureau of Narcotics and Dangerous Drugs is in St. Louis looking into the raid.

Feldkamp explained yesterday that the Office of Inspection examines and audits all operations in the field of drug abuse law enforcement.

The inspector arrived in St. Louis on Wednesday and was expected to confer with Murphy, who was in Washington earlier this week and returned to St. Louis Thursday.

Feldkamp said he did not know whether the full report or even parts of it would be made public.

A manual of procedures to be followed by the antidrug agency's officers, which includes sections on the proper conduct of lawful searches and seizures, will not be made public, Feldkamp said.

He did not know under whose authority the manual was made confidential within the Government, but said he had been assured that all sections dealing with search and seizure conformed to federal, state and local laws.

Under the Fourth Amendment of the United States Constitution, "unreasonable searches and seizures" are prohibited. The Constitution provides that normally before a search can be conducted law officers must first obtain a warrant for search or arrest from a federal court or magistrate (a special officer of the court).

To obtain a warrant for entering private property to conduct a search or make an arrest, police officers must describe in detail the place to be entered and precisely whom or what they are after.

[From the St. Louis Post-Dispatch, Apr. 29, 1973]

VICTIMS OF RAIDS DESCRIBE ORDEAL

At about 9:30 last Monday night, Herbert Giglotto, 29 years old, a construction worker, and his wife, Evelyn, 28, were in the bedroom of their apartment at 1003B Arrowhead Drive, Collinsville. A sudden loud noise aroused Giglotto, and he found himself the chief suspect in what turned out to be a mistaken raid by federal narcotics agents.

A short while later, Donald Askew, a contractor and his wife underwent a very similar experience in their home a few blocks away at 313 Garnet Street, Collinsville.

Federal narcotics agents attached to a group known as Drug Abuse Law Enforcement have refused to say anything about the two raids, even to acknowledge that they made the raids. The two families have not been reticent, however. In tape-recorded interviews with Post-Dispatch reporter Linda Eardley, the Giglottos and Askew described their experiences. First the Giglottos:

Giglotto: We were sound asleep and at 9:30 we heard a noise and a loud bust, and I got about three steps out of bed, and I went and looked up the hall, and about that time I saw five men, all with pistols. One had drawn one, and he cocked it to my head and threw me down.

They threw me down on the bed on my stomach and put handcuffs behind my back and pointed a pistol and says, "You so-and-so, you move, you're dead. I'm going to shoot you." And my wife started screaming, "Don't shoot him," and then he took the gun and put it to her and said, "You shut your mouth."

Mrs. Giglotto: There was a lot of screaming and hollering. It seemed like they were all yelling different things.

Giglotto: I know one thing he said—"Where's it at?" And all of a sudden he had the gun, and he handed it to me and said, "I'm going to kill you, you so-and-so." And I said, "Please check my identification before you do anything."

It happened so fast, and I said, "I'm Herbert Giglotto," and then he says, "Who is that, uh, . . . in the bed." I said, "That happens to be my wife, and that happens to be her bed." He proceeded to use foul language to her and myself.

When they finally realized they made the mistake, they couldn't get the handcuffs off because I'm stockily built, and it took about five minutes to do that. While they were taking them off they still had the pistols at my head. Once they got 'em off, I said was it all right to put my pants on. I reached for my pants and they ripped my pants. They grabbed them and yanked them out of my hand. He said, "I told you not to move."

As they were leaving the house I walked downstairs and I said, "Sir can you explain to me? You just kicked in my door, threatened my life, my wife's—you know, it was terrible. Can you explain to me why you did this"

And he pointed at me and said, "Shut your mouth, boy."

Mrs. Giglotto: I was in a nightgown, a negligee-type thing, and I had to ask to be covered. At one time there were about 15 men in our bedroom, all dressed like hippies. They looked terrible.

When they had my husband on his back, they did bring out some kind of a badge, and I don't know what he expected my husband to do because he had the gun to his head, and he flashes this badge in front of my husband. Well, of course the only thing he's looking at is the gun.

Giglotto: Before they even asked me who I was or tried to look for identification, they ransacked the whole upstairs. They didn't care about nothing. And that one person acted like a flat maniac. This man acted terrible. He was the only one who wasn't dressed like a hippie. He was dressed with a London Fog coat.

Mrs. Giglotto: A short jacket. And he had on nice sports pants. He had blond hair that was short cropped. Every time my husband would turn, the man would said, "Don't move or I'm going to kill you."

Giglotto: And another thing. When they were coming up the steps, the first thing I thought of was them hippies coming back and going to kill my wife, and I said, "Oh, God, we're dead." And that's when they hit me—knocked me down—and put the gun on my head and to my wife. They had my wife in the same position as I was, which I couldn't hardly endure the pain.

Mrs. Giglotto: He was laying on the bed this way, and I was laying on the bed this way. And when they released me and let me up so I could sit up and cover myself, and that's when I was able to see what was going on a little.

I think the reason they didn't get to the downstairs so bad is because they had gone through some papers. Bank book, wasn't it honey? And we had some insurance papers we had just received that had our names and addresses and so forth on it. There was kind of a murmur—someone came upstairs, and the guy said, "Well, we have the wrong people," and they did not apologize.

Giglotto: We had some clown in my basement.

Mrs. Giglotto: Yes, this is ridiculous.

Giglotto: This ain't funny. Its ridiculous. I got all my working stuff—I wear a hard hat—and he put my hard hat on and he comes around and sneaks around the house.

Mrs. Giglotto: They were so quiet our dogs didn't even bark. We have three dogs, and the dogs didn't even bark. We have a beagle that you cannot walk on the gravel without him barking, especially at night. They were just so quiet.

We didn't get to see exactly what was happening because we were not in a position, and everything was going on so fast. But they broke a few things. They broke a television, books are scattered all over, clothes were pulled out of my closet, the Polaroid camera's broken.

Giglotto: They scratched the furniture up.

Mrs. Giglotto: I've got a Thomasville furniture set and its' scratched, a bookcase that's broken. It's just a mess. It's unbelievable.

Giglotto: They broke an antique left there. We had an antique like a dragon. It's priceless. You don't know the value of it.

Reporter: Did they mention any names of the people they were looking for?

Giglotto: Yeah, they mentioned them. They was just screaming. All I seen was the barrel of that pistol. That's all I could see and that's all I can see now.

Mrs. Giglotto: They told us they had our house under surveillance for three weeks. It was impossible that they could have made that kind of a mistake and had our house under surveillance for three weeks. And that's when the man told my husband, after he had him handcuffed and everything, he said, "We've had this place under surveillance for three weeks, and don't you lie to me, boy."

Giglotto: I go to work in the morning. I come home from work filthy because I work inside of a boiler, and I don't know what possible thing he thinks I could be doing in the daytime you know. There is no possible way I could, you know . . . It's just all a big, bad mistake.

Mrs. Giglotto: And there was no apology. All you heard was this boy saying: "I think we made a mistake." And there was no apology when they left. They did not show us a warrant. They did not say anything. They just left the house. They left the house open.

I was crying and all upset. I couldn't find my animals, and they threw one—I've got a 5-month-old puppy, very—large—but they put him on a back porch that has an open railing. No light on. The dog could just walk right over the railing.

Reporter: Do you have any idea how long this incident lasted?

Giglotto: To me it lasted like forever with that pistol, but I imagine it lasted from 15 to 20 minutes. To have a pistol at your head for that amount of time . . .

Mrs. Giglotto: If this is what is protecting us, then we all, all the normal everyday man, woman and child, then we are in very bad trouble.

Reporter: Didn't you say that you were contacted by some federal agency the day afterward?

Giglotto: Yes, they sent two young men out the next day to take an appraisal for what damages they did. They were very polite. And that's when it started getting to me, and I realized when they were talking, and my wife mentioned a few things. I don't think the impact of what they did to our lives—and what they did—all they were interested in was how much to replace the bookcase, and how much does it cost to repair the television.

I'm excitable anyway, and I just said the damage is done to me and my wife.

Mrs. Giglotto: They haven't made any offers. They said they would pay for damage, but they haven't made an offer. We didn't jump up and say we're going to sue or we're going to do this or that. We're trying to be decent about it, which is more than they did.

Giglotto: They said they got the bad job. They got the apologetic job. I said why don't you send that man—that deranged man with that pistol to my head—why don't you

send him out here for the apology? He's the man that should be coming to apologize, I said, not you.

They had the dirty job, the talking and apologizing. But once, if I'd had a gun or if I had made one move I'm a dead man, and all my wife has got is the memory of myself, and the Government says, "I made a mistake ma'am, your husband's dead." That's all my wife's got. Or they just could have killed my wife. It's simple. When you've got a pistol cocked into someone's head, all it takes is a slight move of one or two persons, and you're dead. It's as simple as that.

I made a comment. I don't know if I should say it. I'd think we lived in Russia.

Mrs. Giglotto: I'll never forget his face as long as I live. Joey (her husband) is trying to look up at him when he's talking to him, and he's telling him not to move. By this time I'm up and I watched him and this man had sweat pouring down his face, and he was shouting and very maniac-type of a . . .

Giglotto: He was the one who was all excited and all that.

Mrs. Giglotto: The rest of them were fairly cool, but he was the one that was doing all the yelling and screaming.

Reporter: All through the deal, they were obscene in their language, nasty in their manner?

Giglotto: Nasty, period. They were just nasty.

Mrs. Giglotto: They were just gross and rude.

Reporter: They didn't approach anything you would think would be the behavior of a federal agent?

Giglotto: They approached me for what they looked like.

Mrs. Giglotto: They acted like what they looked like.

Giglotto: Like animals.

Reporter: There are some people who always criticize the police. Were you one of these?

Giglotto: If the officers conducted themselves like the police chief of Collinsville there would be no trouble whatsoever.

Mrs. Giglotto: They're very necessary people. We're not down on them. Its just that . . .

Giglotto: There should be an older man, more mellow, who's got some say-so and and not let a bunch of radical kids run around thinking they're tough because they got pistols. If you're tough, you're tough. You don't need a pistol.

I wish in Washington that they would investigate this and make sure this doesn't happen to another couple. Next time they might not be so lucky. You end up with a couple of dead agents, and a widow with a couple of kids.

Reporter: We certainly do appreciate your coming here.

Giglotto: We've been in the home for two days, and we just had to get away from it today.

Mrs. Giglotto: I had to get out of it because I was getting too depressed.

Giglotto: We might stay at a motel, you know, just stay away from it. Let somebody take care of the dog and go away for a couple of days.

DONALD ASKEW'S STORY

It was about 10 o'clock or 10:15. My boy and I had just come home from work. We were eating supper, and the dog started raising all kinds of heck at the living room window, really violent-like.

My wife ran in there to see what was going on and she says, "My God, there's a man out here at the window." By this time there was somebody at the kitchen door so I got up and went over there and pulled the curtain apart and seen this guy standing there with a riot-gun or a sawed-off shotgun. I don't know the difference. There was one guy standing next to him and another guy at the storm door.

So I held the door and locked it and said, "Get the God damn hell out of here." And then my boy jumped up and yelled at them, "My God, what's the matter with you guys?" and ran in the other room.

They were hippie looking, long-haired and dressed like my boy. I figured my boy had been in a fight or something and they were going to shoot him.

I was holding the door and they kicked it, so I hollered to my wife, "Go call the police." So she went into the living room to pick up the phone and there was a man at that window with a gun and he said, "Don't call the police." So then she ran into the bedroom where my boy was at and she fell on the bedroom floor and passed out just a short while.

Then my boy picked up the phone and they said, "Leave it alone, boy," or "Put it down, boy," something like that.

By this time this guy on the porch—I had the curtains pulled back—he pulled out a badge, just a round gold badge, that said Special Agent and he says, "We're special agents."

I looked at him kinda funny, I didn't know what to think, so I unlocked the door. When I turned around there was this big guy with a riot gun standing in the hallway. He kicked in the other door while I was distracted trying to hold the kitchen door shut.

I told them, "I could buy a badge like that in the dime store." I didn't know what to think.

Then my neighbors came over, Arnold Blass and Jack Freiberg, and said, "What's going on?" I said, "Jack, get the police out here," and I didn't know it at the time, but there was 20 more of them outside, plus the four or five inside with guns.

My wife sat down in the living room with her head leaned over and said, "Don, I can't breathe." One guy says, "Don't worry, we're really federal agents. Don't worry, take it easy."

She says, "What do you want?" He said they were looking for a man named . . . and it had been reported he was staying here.

Reporter: By this time were you starting to believe they were really federal agents?

Askew: I really didn't know for sure. But by this time they had walked through the house and out and that was it. They were in the house 10, maybe 15, minutes.

Reporter: Did they disrupt anything?

Askew: No, outside of kicking my door down. They didn't touch nothing. Nobody said anything besides that one man. They didn't use no bad language. They treated us very respectful after they . . . scared . . . us. They said they got a bad tip.

They asked for no identification from me and my wife and my boy. I asked for more identification, and the one guy pulled out the badge and said, "That's it, nothing else."

He gave me a phone number. We called it the next morning and it was the Bureau of Narcotics and Dangerous Drugs. Our attorney talked to a man there. He said to send them a bill for damages and they would pay.

After they left I went to see Chief Cigliani (Collinsville police chief Paul Cigliani). I had to wait for three of the agents to come out of his office. They came out, passed by me and didn't say a word.

The chief told us, These men were really federal agents. I don't approve of their tactics, but that's the way they do it."

Reporter: During the search were the men pointing guns at you?

Askew: No, they wasn't pointing guns, but they was holding them like this, kinda dropped down.

Reporter: Did your neighbors watch the whole incident?

Askew: Arnold and Jack were next door at Arnold's house. They (the agents) stopped Jack and frisked him before they got to my house.

Arnold is just as shook up as I am. He said if he would've had a gun, he would've started shooting. I don't keep a gun, but if I would've drawn one on them, I know one of those fellows would've shot me.

Reporter: How has this incident affected your life these past few days?

Askew: In a lot of ways. I can't get no rest. My business has really suffered. Plus my reputation. People see my name associated with drugs and they jump to conclusions. My wife is going today to her mother's for awhile. She's had a lot of problems with her nerves anyway.

Let me say this, if they would have accomplished any good by these tactics, I would've gladly moved out and let them tear my house apart to get it—that's the way I feel about narcotics.

[From the St. Louis Post-Dispatch, Apr. 29, 1973]

FBI INVESTIGATING RAID VICTIMS

(By Linda Eardley)

The phone finally had stopped ringing Saturday and Mr. and Mrs. Herbert Giglotto were beginning to unwind. They were relaxing in their back yard and they felt good for the first time since Monday night when their lives had been threatened and their home raided by federal narcotics agents.

Then they received a phone call that ruined their day.

"It was my father," Giglotto said. "He said FBI agents have been visiting my old friends and neighbors asking them questions about me. Questions like what kind of a guy am I, have I ever been in trouble, where can they get in contact with my ex-wife.

"They're trying to discredit me. If they keep going around asking about me, people are going to get the impression that I am mixed up with something. This is going to affect my family, my job, everything I've tried to work for."

Giglotto said he had been told that the harassment would occur, but he did not expect the Government to be "that lousy that fast."

"The FBI is a very powerful organization and I guess they're trying to create suspicion or dig up something from my past. But I've never had anything to do with drugs.

"And that stuff about my ex-wife. That should never be brought out. She's got her life to live. We've got our new lives. This is going too far. We're not the ones who made the mistake. What kind of a place do we live in?"

Mr. and Mrs. Giglotto said they had received an apology Thursday from the Drug Abuse Law Enforcement office here for the mistaken raid.

"Now we feel they owe us a public apology," Mrs. Giglotto said.

[From the St. Louis Post-Dispatch, Apr. 29, 1973]

DRUG RAIDS EVOKING PRIVACY RIGHT ISSUE

(By Curt Matthews)

WASHINGTON, April 28.—When Federal narcotics agents mistakenly stormed across the thresholds of two homes in Collinsville, Ill., last Monday, they may have trampled a sacred right—the right to privacy.

The agents, members of the Drug Abuse Law Enforcement (DALE) office in St. Louis, possessed an arrest warrant and apparently were searching for someone engaged in drug traffic.

However, the blunder of invading the wrong homes, plus questionable conduct by the officers engaged in the raids, has prompted a lawsuit against the Federal Government and an investigation of the incident

by the Bureau of Narcotics and Dangerous Drugs in Washington.

"A man's home is his castle, and his assurance of privacy against the world," Supreme Court Justice William O. Douglas wrote in a book entitled "The Living Bill of Rights."

In the book, Douglas quoted an early English philosopher, who said: "The poorest man may in his cottage bid defiance to all the force of the crown. It may be frail—its roof may shake—the wind may blow through it—the storm may enter, the rain may enter—but the King of England cannot enter."

Assuming more power than the King of England, the band of narcotics agents who descended on the two residences in Collinsville entered the homes unannounced—in one case breaking down a door—and searched the residences while holding two innocent couples at gunpoint and in handcuffs.

The fourth Amendment of the Constitution states:

"The right of the people to be secure in their persons, houses, papers and effects, against unreasonable searches and seizures, shall not be violated."

The drafters of the Constitution recognized that the term "unreasonable" was subject to interpretation and so in the same amendment they set down the ground rules for a reasonable search.

If the government has strong reason to believe that a search is necessary to maintain order and serve the public interest, the Constitution provides that a warrant—that is, an order from a court officer—shall be issued authorizing a search or arrest.

But the Constitution states, "No warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the persons or things to be seized."

Although a spokesman for the office of Drug Abuse Law Enforcement in Washington said Friday that an arrest warrant was issued prior to the Collinsville raids, they have refused to disclose who issued the warrant or what "probable cause" was sworn to by the agents.

The DALE officers who took part in the raids failed to present a search or arrest warrant even after they had searched the homes, according to the two couples who were accosted in their residences.

Neither the DALE office in Washington nor Jerry Murphy, the special United States attorney in charge of the DALE office in St. Louis, has so far disclosed any information about the issuance of the arrest warrant that reportedly served as the basis for the raids.

One purpose of requiring law officers to obtain court warrants prior to a search or seizure is to create a public record of the rationale behind the government's action.

However, as one Washington lawyer familiar with government operations points out, "there still may be some legitimate interest on the part of the government justifying secrecy about the details of the arrest warrant. For example, to name the person sought in the warrant would alert that person to avoid the police and make apprehension more difficult."

Murphy acknowledged last Thursday that the legal subtleties of the Fourth Amendment are an integral part of the daily operations of the DALE office, since so much of the agency's work involves the search for contraband drugs.

"The Fourth Amendment is a very complex area of the law," Murphy said.

His comment is supported by the recent docket of the Supreme Court. The high court has heard arguments in three "search and seizure" cases already this year and is expected to render decisions soon.

Moreover, under the title of criminal law and procedure on the Supreme Court's docket, there are more search cases listed—over 100 each year—than any other criminal law case.

The problems of law raised under the Fourth Amendment by seemingly routine acts by police officers are illustrated by the questions presented in three case now before the Supreme Court:

(1) Must police officers advise the owner of an automobile prior to a search that he has the right to refuse access to his car?

(2) May police officers scrape beneath the fingernails of a murder suspect without first obtaining a search warrant?

(3) Is it an unlawful search for a police officer to open the trunk of an automobile if he stops the driver for drunken driving?

Earlier this year the Supreme Court decided not to rule on a case in which a resident of California maintained that it was unlawful for police to rummage through trash he had placed at curbside—but still on his property—to be picked up by city collectors.

Although such questions are far removed from that at issue in the raids in Collinsville, the guarantees of the Fourth Amendment apply in all cases since they require the government to have specific and detailed warrants for searches.

In 1914, the Supreme Court ruled that if federal officers seized evidence illegally, then it could not be introduced in federal courts. In 1961, in a case that originated in Cleveland, the high court extended this rule under provisions of the Fourteenth Amendment to state and local courts. In effect, the court barred "official unlawfulness" in the gathering of evidence under the rationale that two wrongs do not make a right.

Not only must law officers obtain warrants prior to a lawful search, but they must be specific and detailed in requesting the warrant according to another high court decision handed down several years ago.

A Texas court had issued a warrant for search on the grounds that law officers wanted to seize "Communist Party literature." The defendant in the case, a San Antonio bookseller named John W. Stanford, claimed that the warrant was too vague in describing the place to be searched and the things to be seized.

The high court upheld Stanford's appeal. In the court's opinion, Justice Potter Stewart looked to the American revolution and the causes behind it in referring to "those general warrants known as writs of assistance under which officers of the crown had so bedeviled the colonists."

Historians have said that the general warrants—broadly worded court orders giving great powers to police and military authorities—goaded patriots in Boston toward rebellion in the 1770s.

Stewart said: "the Fourth and Fourteenth amendments guarantee to John Stanford that no official of the state shall ransack his home . . . under the unbridled authority of a general warrant."

[From the St. Louis Post-Dispatch, Apr. 30, 1973]

No Raid Warrants, United States Now Admits

(By Robert L. Joiner and Curt Matthews)

Two abortive narcotics raids on homes in Collinsville last week were made without search or arrest warrants, the Drug Abuse Law Enforcement office said today in Washington.

Reversing an earlier statement, a spokesman for the agency in the Department of Justice said he made "an out-and-out error" last Friday when he told the Post-Dispatch that an arrest warrant had been obtained from a federal magistrate prior to the raids.

Agents who conducted the raid in Collinsville last Monday night invaded the wrong homes and terrorized the residents. One of the two families has filed a $100,000 civil suit against the Government.

Senator Charles H. Percy (Rep.), Illinois, said today he was "shocked and appalled by the storm-trooper tactics" used by the agents involved in the two raids, and said he was asking for a personal report from Myles J. Ambrose, special assistant attorney general in charge of the Drug Abuse Law Enforcement office in the Justice Department.

Percy said also that the Collinsville incident would be brought up at Senate hearings scheduled May 18 in Chicago. The subcommittee on government reorganization is considering a recommendation by President Richard M. Nixon for establishment of a drug enforcement office within the Justice Department.

Robert Feldkamp, a spokesman for the enforcement office, said that a preliminary report on the Collinsville raids had been received in Washington today. Ambrose, who was in New York and is returning to Washington, was expected to review the report late this afternoon.

It is not known when he will make a statement after seeing the report, although Feldkamp has said repeatedly that such a statement would be made. One source indicated that Ambrose might go to St. Louis to discuss the incident. He told reporters yesterday that the matter "has the highest priority" at agency headquarters in Washington.

Feldkamp said today he erroneously reported that an arrest warrant had been obtained prior to the raids because he had been led to such a conclusion by Jerry Murphy, special United States attorney in charge of the enforcement agency's office in St. Louis. "There apparently was just a lack of communications," Feldkamp said.

One purpose in requiring law officers to obtain search and arrest warrants is to avoid mistakes such as that which occurred in Collinsville.

Search and arrest warrants are issued by a judge or magistrate only after the police present justification for a search or arrest and describe in detail the place to be searched and the property or person to be seized.

Meanwhile, the credibility of DALE officers is now being questioned as a result of recent narcotics raids in which agents mistakenly searched the wrong homes and terrorized the occupants, according to Judge Theodore McMillan of the Missouri Court of Appeals at St. Louis.

"In his zealousness to enforce the law, an officer shouldn't be the one to break it," McMillian said. "These events make the credibility of these officers an issue. Jurors and law enforcement people will be slow to accept their credibility."

In addition to the Collinsville raids, DALE agents made an apparent mistaken identification of a man who they suspected of selling drugs.

In the two recent raids in Collinsville, the homes of Donald Askew, 313 Garnet Street, and Herbert Giglotto, 1003B Arrowhead Drive, were searched by DALE agents. The other incident involving a man clerk at City Hospital took place last October. The man, Sterling Bell Jr. of 4711 Thrush Street, said he scuffled with the agents and was later placed on probation for assaulting them. The agents later conceded that Bell was not the suspect they were seeking.

"We just can't tolerate this type of conduct from the Government or police or anyone else," McMillan said. "When I read about it, it was hard to believe that this could happen in this day and age."

McMillan indicated that DALE was generally doing a good job in dealing with the flow of drugs.

"But they can't afford to make these kinds of mistakes," he said: "Before they move in, they must make sure a thorough investigation has been made to make sure they have the right people and the right conduct.

"The supervisor will have to exercise more control over the street people and make sure they've conducted a thorough investigation. The officer should go to the magistrate for a search warrant. The magistrate could look at the matter objectively and determine whether there is probable cause. This could avoid the overzealousness of an officer who sometimes makes that determination."

In other comments on the Collinsville raids, some police chiefs praised the work of DALE, but said that the public deserved both an explanation and an investigation into events surrounding the recent raids.

"I'm not criticizing the federal agents, but these people are responsible to supply justification for what they did," said Collinsville Police Chief Paul Cigliana. "We have one side of the picture and we need to see their side.

"These are all intelligent professional men who should be knowledgable of the search and seizure laws. I would never act the way they allegedly acted, even if I knew positively that drugs were in the homes.

"I think many people in law enforcement are upset about this because it sheds a bad light on all of us."

Cigliana said he was willing to work in conjunction with DALE personnel, and continued, "If my men would have been with them, I would have been briefed about what was going to happen and many of these things would not have happened."

Police Chief James P. Damos of University City described the raids as "a tragic mistake."

"I think that the concerted effort now occurring in the fight against drug abuse is long overdue," Damos said. "But if you have a concerted effort, you must closely observe the operation and observe stringently the constitutional rights of citizens. You can never condone anything of this nature. Whether the facts by those involved are stated correctly or not, a complete investigation should be undertaken.

"No matter how laudable your objectives are, those objectives should be reached within the realm of the constitution. There has been in recent years outrage on the part of the public over the problem of narcotics. This outrage could now be stemming over to police officers. A tragic mistake should make efforts to see that it's not repeated.

Police Chief Fred Zinn of Webster Groves suggested that perhaps the raids could have been planned better.

"In our department, raids are planned weeks in advance," Zinn said. "We generally know all we need to about a house. We take every step to make sure we don't get into the wrong house. It's just as important to protect people's rights. It's unfortunate that they went into the wrong house."

Zinn said also that DALE officials owed the public an apology.

"It probably would be a little frustrating, but if this happened out here, we'd probably transfer some people and get some more people in the unit. I think I'd see it as an obligation to make a public statement.

[From the St. Louis Post-Dispatch, May 1, 1973]

FOUR AGENTS IN MISTAKEN RAIDS SUSPENDED

(By Curt Matthews and Robert L. Joiner)

Four agents of the Drug Abuse Law Enforcement office here were suspended today for taking part in the mistaken raids of two homes in Collinsville last week and terrorizing the innocent residents.

Myles J. Ambrose, special assistant attorney general in charge of the drug abuse enforcement program in Washington, announced the suspensions at a press conference in the capital city. Ambrose, in his first public comment giving details of the raids, last Monday night, said also that local police officers assigned to the enforcement program who participated in the raid were being withdrawn from the narcotics-abuse unit.

Ambrose deplored the action of the agents assigned to the agency's operation in St. Louis who were involved in the raids and said he has asked a federal grand jury to investigate the incident. A state grand jury in Madison County also is expected to look into the raids.

At a news conference in his office, Ambrose said, "The suspension of those who were involved in this incident should have some effect on other police officers who think the Fourth Amendment is just a piece of paper."

The Fourth Amendment to the Constitution prohibits "unreasonable search and seizure" by Government authorities.

Ambrose said that the conduct of the agents and police officers who conducted the Collinsville raids would have been reprehensible even if the two homes invaded had been the proper ones.

"People who use their police badge to violate other people's constitutional rights are worse than criminals," Ambrose said.

He made these other disclosures:

(1) The raids were made despite advice from Frederick J. Dana, an attorney with the agency's program in St. Louis, that search or arrest warrants should first be obtained.

(2) The raiding parties acted independently without knowledge of their superiors and acted on "tips" from as yet unidentified sources.

(3) Although the raids occurred at 8:30 last Monday night, the agents and police officers involved did not report their activities to their superiors until 2 p.m. on Tuesday.

(4) The raids were made on the basis of an unsubstantiated report from an undercover agent working with the agency's office that he had purchased heroin from a suspected drug dealer.

Ambrose said today that one of two men supposedly the object of the two raids last week—a Robert Piker—was subsequently apprehended late last week. He did not say where or under what circumstances.

In detailing the events of last Monday, Ambrose said there were two separate raiding parties, although some agents went on raids to both homes. He said the raids grew out of an investigation that was started by the agency in the St. Louis area last September and is still continuing.

In addition to the action suspending the four federal agents, the various police departments in the St. Louis area that have provided personnel to the Drug Abuse Law Enforcement operation have been asked to withdraw their officers from the program if they participated in the Collinsville raids. About 15 agents and officers took part in the two raids.

Ambrose said the suspensions were "with pay" and would continue pending the outcome of the grand jury investigation.

Ambrose said the grand jury investigation will begin in Springfield, Ill., "perhaps as early as Thursday and certainly no later than next Monday." Donald McKay, United States Attorney in the Southern District of Illinois, will conduct the investigation before the grand jury, Ambrose said.

Describing events that led up to the abortive raids, Ambrose said that last Monday agents assigned to the antidrug agency in St. Louis arrested five suspects and sought to apprehend four more as a result of several months of investigation. The agents discussed the situation with Dana, who was in charge of the agency's office in St. Louis in the absence of Jerry Murphy, the special attorney who normally heads the office in St. Louis.

Dana telephoned the U.S. Magistrate in Alton, Ill., to discuss obtaining a warrant for the arrest of the suspects believed to be in the Collinsville area.

The Magistrate told Dana that he would be unable to issue a warrant because on that date he was conducting a trial in Edwardsville. Dana informed the agents of this and plans were made to obtain the necessary warrants on Tuesday.

However, before concluding their conversation with Dana, one of the agents requested permission to arrest any of the suspects on sight. Dana granted that permission. He did not, however, authorize forcible entry of any premises in order to make an "on sight" arrest, Ambrose said.

Ambrose acknowledged during the press conference today that the agents forced their way into two homes in Collinsville and that "some property damage" occurred.

"The extent of the damage and exactly what transpired while the agents were inside the apartment remain to be determined," Ambrose said.

After mistakenly entering the home of Mr. and Mrs. Herbert Giglotto at 1003B Arrowhead Drive, the agents proceeded to 313 West Washington Street, Collinsville, and apprehended one of the suspects they were after.

Following an unconfirmed tip, they then proceeded to the home of Mr. and Mrs. Donald Askew, 313 Garnet Street, and mistakenly entered the Askew home.

Ambrose said that neither the Giglottos or the Askews have had anything to do with drug traffic, according to the investigation that has been made.

U.S. Magistrates Robert Schneider of Belleville and Ronald Mottaz of Alton both said that they had not had any word from antidrug officials last week regarding warrant applications.

Richard Shaikewitz, attorney for Donald Askew, whose home was searched by agents, said that he and his client had been informed by Nicholas G. Byron, state's attorney for Madison County, that the state would present the case to the state grand jury Thursday morning.

"My client was advised to be at the courthouse in Edwardsville Thursday morning to see Robert Trone (an assistant state's attorney)," Shaikewitz said. "At that time, we were advised, the case would be presented to the Madison County grand jury, which will decide whether criminal indictments will be issued against agents involved in the raid."

Byron would neither deny nor confirm the comments by Shaikewitz or that he had met with Askew and Shaikewitz yesterday morning.

"We're looking into the matter and are contacting federal authorities involved in this situation," Byron said. "I'm not going to comment any further."

In other developments late yesterday, Mr. and Mrs. Giglotto met with Sorks J. Webbe, an attorney, to discuss the filing of a suit against the Government in connection with the raid. The Giglottos said last night that they had not been consulted by a representative from the state's attorney's office.

Webbe said that his firm—Rooney, Webbe, Davidson and Schlueter—was looking into the possibility of a suit against the Government and that it probably would be filed next week. He would not speculate on how much would be sought. The Askews have filed a $100,000 civil suit against the Government.

Webbe said the suit's purpose would be to bring out facts surrounding the case because the Government had not been cooperative.

Mr. and Mrs. Giglotto sent a telegram to President Richard M. Nixon last night. The message reads: "My wife and I were one of the citizens involved in the mistaken raids by the Federal Bureau of Narcotics in Collinsville, Ill. We are now being investigated by the FBI after an apology from them. We would be greatly honored if you would look into this matter as we believe you are a fair and honest man that believes in justice and the rights of private citizens.

* * * suspended or give details about who

was in charge of the two raiding parties. He stressed at the start of the press conference that the facts he was offering came from a preliminary report and that investigation of the incident—particularly the conduct of officers inside the homes that were invaded—is continuing.

A spokesman for the agency's office in Washington said that the raiding party included, in addition to four federal agents, at least one police officer from the city of Caseyville on the East Side, a number of policemen assigned to the agency from the St. Louis Police Department, and one officer from the Illinois Bureau of Investigation.

Giglotto said that he and his wife were sleeping when agents dressed as hippies broke down the door, "came into the bedroom and put a gun to my head and said they were going to shoot me."

Askew made a similar report. He said that when the agents broke through the back door of his home, he "thought they were some sort of motorcycle gang. All the while they pointed guns at us and my wife fainted."

AN EVIL BUSINESS

The admission by the federal Drug Abuse Law Enforcement office in Washington that the agents who mistakenly raided two Collinsville (Ill.) households last week were not even bearing search or arrest warrants compounds the outrage of these reprehensible acts. Senator Percy of Illinois is more than justified in saying he was "shocked and appalled by the storm-trooper tactics" of the hippie-attired bully-boys who burst into the homes and terrorized the occupants.

Mr. Percy says the Collinsville incidents will be brought up at Senate hearings scheduled for May 18 in Chicago. They should be, and Mr. Percy also ought to investigate reports that after the wrong-place raids on the homes of innocent persons the Federal Bureau of Investigation began an investigation of the victims, apparently seeking a way to make them look bad and thus justify the DALE raiders.

This is an evil business, and an inquiry into it ought not be left to the agency itself. The civil rights of the victims may have been violated, and if so it is up to the United States District Attorney having jurisdiction to present the evidence to a grand jury. The public will want to know who directed these operations, who was responsible for the failure to obtain warrants, and who was responsible for the actions of the agents on the scene.

[From the St. Louis Post-Dispatch, May 2, 1973]

THREE OF FOUR SUSPENDED DRUG AGENTS WERE ACCUSED OF PREVIOUS ABUSES

(By Robert L. Joiner)

Three of the four federal narcotics agents who were suspended yesterday for their participation in mistaken raids on two Collinsville homes last week had been accused prevously of abusing their power.

The three are defendants in a suit filed by a St. Louis woman whose home was ransacked by narcotics agents last June.

The raids on the Collinsville homes, conducted by about 15 local and federal law enforcement agents assigned to the St. Louis Drug Abuse Law Enforcement office, was headed by Dennis R. Moriarity. Moriarity was involved also in the mistaken arrest of a City Hospital employe last October.

The other suspended agents are Kenneth Bloemker, Dennis W. Harker and William C. Dwyer.

The St. Louis Board of Police Commissioners removed all nine of its policemen from the Drug Abuse Law Enforcement group today. The nine were reassigned to regular drug investigation work for the department. Only seven of the nine were involved in the raids.

Additionally, Police Board President Theodore D. McNeal ordered Chief Eugene J. Camp to conduct a thorough investigation of the officer's involvement in the Collinsville break-ins.

The seven St. Louis policemen involved in the raids were Sgt. Donald Spicer and Detectives Daniel Duffy, Denny Green, Ronald Olive, Sam Lackland, Gene Crosby and Dennis Stolte. The names of the two other officers serving with the group but not involved in the raids were not immediately available.

The reassignments were made at the regular weekly session of the Police Board today.

Although the Federal Government recommended removal of just the seven St. Louis policemen from the total group, Chief Camp said he preferred to have all nine removed—from a practical standpoint—rather than split up the nine.

In the Collinsville incidents, Moriarity led a Drug Abuse Law Enforcement team by mistake to two homes. The occupants contend they were terrorized by the agents.

Moriarity had no warrants and made the raids without authorization of his superiors.

Of the four federal agents Dwyer is the only one who did not figure prominently in at least one previous incident in which agents have been accused of physical violence and profanity or destruction of personal property.

Moriarity, Harker and Bloemker are being sued by a woman whose home was severely damaged in a raid by agents in June of 1972. Mrs. Dorothy King filed a suit for $18,395 last November in St. Louis Circuit Court.

The suit, filed by attorneys for the American Civil Liberties Union of Eastern Missouri, charges that the three along with other unidentified agents "engaged in a personal vendetta of wanton destruction of property and personal effects."

The agents searched the home in connection with a warrant issued by United States Magistrate Garnet Taylor. A quantity of heroin was found and Gene King, husband of Mrs. King, was indicted and subsequently sentenced on charges of distribution and posion of heroin.

After the raid, Capt. Charles Croft, then head of the narcotics section of the St. Louis Police Department, said that the condition in which the King home was left was contrary to rules city police had been given. Nine St. Louis policemen are working full time with Drug Abuse Law Enforcement.

"If anything is in disarray you should put it back," he said.

In another incident, Moriarity was one of the agents who made a mistaken identification last October of a man suspected of being a drug pusher.

In that incident, Sterling Bell Jr., a clerk at City Hospital, who has no previous arrest record, was placed on probation for assaulting federal officers, although the officers later conceded that Bell was not the man they were looking for.

Bell said that he was on his way home from work when he was stopped by agents who did not clearly identify themselves and used profanity.

Bell said he resisted the agents and scuffled with them, not knowing who they were. He said that in the scuffle, in which Moriarity took part, he was handcuffed and taken to an office where agents questioned him about selling narcotics and beat him with blackjacks.

Bell was charged with assaulting a federal officer and assaulting a police officer with malice and intent to maim.

One of the families whose home was raided, the Herbert Giglottos, 1003B Arrowhead Drive, said the person who appeared to have been in charge of the investigation acted menacingly during the incident.

"As they was leaving the house I walked downstairs and I said, 'Sir, can you explain to me? You just kicked in my door, threatened my life, my wife's—you know, it was terrible. Can you explain to me why you did this?'

"And he pointed at me and said, 'Shut your mouth, boy.' That one person acted like a flat maniac. This man acted terrible. He was the only one who wasn't dressed like a hippie. He was dressed with a London Fog coat."

Mrs. Giglotto said, "He had blond hair that was short cropped. Everytime my husband turned, the man would say, 'Don't move or I'm going to kill you.' . . . I'll never forget his face as long as I live. Joey (her husband) is trying to look up at him when he's talking to him, and he's telling him not to move.

"By this time I'm up and I watched him and this man had sweat pouring down his face, and he was shouting and very maniac-type of a . . ."

Giglotto, who said he had been asked by Government lawyers to meet this morning with Drug Abuse Law Enforcement officials, did not think much of the action taken against the agents. He said it was like giving the agents a vacation.

"They got suspended all right—with pay," he said. "What kind of penalty is that? I don't understand it."

The federal grand jury investigation of the matter, expected to begin in a few days, will be headed by United States Attorney Donald B. McKay of the Southern District of Illinois, whose office is in Springfield.

McKay said his investigation of the raids would concentrate on whether any violations of Federal Civil Rights Act occurred.

"I'm prepared to pursue this inquiry in the most vigorous and forthright fashion and let the chips fall where they may, but under no circumstances will I prejudice this investigation by premature comments before all the facts are in," he said.

"He was the man who was excited and all that," Giglotto interrupted.

"The rest of them were fairly cool," Mrs. Giglotto continued, "but he was the one that was doing all the yelling and screaming."

Unlike its "no comment" stand in previous cases in which agents have been acused of wrongdoings in connection with raids, Drug Abuse Law Enforcement officials responded reluctantly to the Collinsville raids by promising to take action against the officers.

Myles J. Ambrose, special assistant attorney general in charge of Drug Abuse Law enforcement, suspended Moriarity and the other three federal agents who took part in the raid. He asked police departments that have provided personnel to the agency's operation to withdraw their officers from the program if they took part in the Collinsville raids.

[From the St. Louis Post-Dispatch, May 3, 1973]

NINE MORE DRUG AGENTS ARE REMOVED

(By Ted Gest)

Investigations conducted by the Federal Drug Abuse Law Enforcement office here have ground nearly to a halt because 12 of its 19 full-time agents have been suspended or removed as a result of last week's mistaken raids by the agency on two Collinsville couples.

"It's like a tomb around the agency's office in the Louderman Building, 317 North Eleventh Street.

Nine St. Louis policemen assigned to the agency were removed yesterday; four federal agents, three of whom had been assigned to the agency, were suspended Tuesday.

The agency had just recently begun to make arrests of cocaine pushers, after having concentrated on heroin dealers in its one year of existence so far. The cocaine investigations should be stymied by the suspensions.

St. Louis policemen attached to the agency's office were reassigned to regular duty with the Police Department pending an inquiry into their role in the Collinsville raids.

The four Drug Abuse Law Enforcement lawyers with the office have not been affected and are preparing cases for trial and briefs on those convictions that are being appealed.

Agents were investigating a ring of cocaine dealers on the East Side last week when they erroneously invaded the homes of Mr. and Mrs. Herbert Giglotto and Mr. and Mrs. Donald Askew. The Askews sued agents for $100,000 in damages over the raid.

Federal officials disclosed yesterday that a man arrested later last week for selling cocaine gave his address as 1003C Arrowhead Drive, a townhouse apartment in the same building as that of the Giglottos, who live at 1003B Arrowhead Drive.

Robert E. Piker, 27 year old, was released on $15,000 bond after his arrest last Thursday night at the Rock Spring Manor Trailer Court in St. Clair County, about two miles from Collinsville.

Piker was found in a trailer he said belonged to a friend. He gave the Arrowhead Drive address to authorities. The Giglottos had reported that they had suspected a neighbor of dealing in drugs, but that he had moved out three weeks earlier.

Drug Abuse Law Enforcement officials in Washington said Piker was arrested on a warrant issued by a United States magistrate in Belleville after a federal undercover agent reported that he had purchased cocaine from Piker on several occasions between last November and last week.

The officials would not explain why the warrant for Piker's arrest was issued April 24, the day after the raids on the two couples.

The St. Louis police officers were removed from the Drug Abuse Law Enforcement force at the request of the Department of Justice, Police Board President Theodore D. McNeal said after yesterday's board meeting.

"I'm assuming the request was for the purpose of getting everybody to stop that particular activity (the Collinsville raids) for the time being until it could be straightened out," McNeal said.

McNeal said that none of the city officers involved in the raids would be subject to disciplinary action until Police Chief Eugene J. Camp had completed an investigation of their involvement in the raids and federal and state grand jury investigations of the incident had been completed.

The St. Louis officers who participated in the raids were Sgt. Donald Spicer and Detectives Denny Green, Daniel Duffy, Ronald Olive, Sam Lackland, Gene Crosby and Dennis Stolte.

The other two St. Louis officers who had been detached to the antidrug agency's office were Detectives Robert Biemslager and Daniel Swan.

McNeal said that if federal authorities decided to de-emphasize investigations of drug pushers, "we might continue such efforts at municipal, county and state levels. The drug traffic does not recognize any boundaries."

The four federal agents suspended were Dennis R. Moriarty, who directed the raids; Kenneth Bloemker, Dennis W. Harker and William C. Dwyer. All were full-time Drug Abuse Law Enforcement agents except Dwyer, who participated in the raid as a representative of the federal Bureau of Narcotics and Dangerous Drugs.

Drug Abuse Law Enforcement officials here refused to provide any background information on the suspended agents. The Post-Dispatch learned that Moriarty is 29 years old and has been a federal narcotics agent since Oct 28, 1968.

* * * * *

eral narcotics agent here after serving three years in the Navy, was involved in a widely-publicized case here only a week after he returned to St. Louis from an eight-week training session in December 1968.

In that case, Moriarity and another agent were beaten severely and robbed in a south St. Louis tavern where they had gone with an informant to make a narcotics purchase.

The agents were attacked by four suspects with chairs; one suspect pointed a revolver at Moriarity and pulled the trigger, but the gun misfired.

Officials have defended the strong-arm tactics used by narcotics agents on the ground that lives of the agents often are placed in danger by suspects.

In another development yesterday, the Giglottos gave their version of the raids to Drug Abuse Law Enforcement officials from Washington in a two-hour meeting in the office of the Giglottos' attorney, G. Richard Fox.

Fox said after the meeting that the agency officials wanted to talk to the Giglottos to clear up internal problems in the antidrug agency.

The Giglottos have not selected a defendant in a suit they are preparing in connection with the raids. The Government, the antidrug agency and individual agents could be named in the suit.

Drug Abuse Law Enforcement officials assured the Giglottos in the meeting that the agency was conducting no investigation of their backgrounds. Giglotto told the Post-Dispatch last week that the Federal Bureau of Investigation had been making inquiries about him.

The resident manager of the townhouse complex in which the Giglottos live said yesterday that he told the landlord that the occupants of apartment C—the apartment given by Piker as his address—"were disrupting the whole complex." He said two persons had signed the lease, but he would not say if Piker was one.

The manager, who refused to be identified, said that the landlord later had asked the tenants to depart, and that they had complied. The tenants moved out the second week of April after having lived in the $200-a-month, seven-room apartment less than a month, the manager said.

With his voice filled with contempt, Giglotto told the Post-Dispatch yesterday that the occupants of apartment C were persons who appeared to be hippies.

He said they stank, that their hair was longer than shoulder length, and that they disturbed him by playing loud music as late as 4:30 a.m. Several times, he said, he asked the landlord to evict them.

[From the St. Louis Post-Dispatch, May 4, 1973]

BUREAUCRATIC RIVALRY IN DRUG RAIDING CITED

(By Curt Matthews)

WASHINGTON, May 4.—Bureaucratic infighting may lie behind the raids that federal narcotics agents mistakenly made on two Collinsville homes on April 23, a spokesman for Senator Charles H. Percy (Rep.), Illinois, says.

The spokesman said that in recent months agents assigned to the new Office of Drug Abuse Law Enforcement and those of the Bureau of Narcotics and Dangerous Drugs have been competing to pile up arrests and make spectacular drug seizures.

Both of these agencies within the Department of Justice have carried on a running competition with Department of the Treasury agents in the Bureau of Customs, another federal office responsible for curbing drug traffic.

"The Bureau of Narcotics and Dangerous Drugs has been charged with controlling the traffic of illicit drugs, and the Bureau of Customs has had the responsibility for preventing the smuggling of drugs," Percy said in Senate hearings.

"But the right arm of this network has been unaware of what the left arm has been doing, such that the end result has been a comedy of errors—or, perhaps more properly, a tragedy of errors."

Percy said that the competition and lack of co-ordination among federal drug enforcement bureaus had resulted in men in different uniforms, wearing different badges, using different criteria and different techniques in a way that frequently frustrated the work of the agencies.

"Petty jealousies, jurisdictional squabbles, and bureaucratic red tape in the assembling of critical intelligence data too frequently have made this feuding between agents an unworkable and self-defeating situation," he said.

A source who has worked with the antidrug agencies mentioned by Percy said that since Drug Abuse Law Enforcement was created about a year ago it had been resented and criticized by officials and agents at the Bureau of Narcotics and Dangerous Drugs.

"A natural competition developed," the source said. "The Bureau of Narcotics and Dangerous Drugs agents concentrated on the big guys—organized crime. The agents were supposed to go after the street pushers—but too often they seemed more interested in arresting addicts just to pile up a lot of arrests."

The raids were performed last week in the homes of Mr. and Mrs. Herbert Giglotto and Mr. and Mrs. Donald Askew of Collinsville with the intention of arresting suspected heroin dealers. Agents, however, invaded the wrong homes and subjected the two families to verbal and physical abuse.

Giglotto was the first to testify yesterday before a Madison County grand jury investigating the Collinsville raids.

The grand jury, in session for more than six hours, heard testimony also from Mrs. Giglotto, Askew, Askew's son, Michael, and five agents from the Illinois Bureau of Investigation. It was not learned what part the Illinois agents had in the grand jury proceedings.

Mrs. Giglotto emerged from the courtroom in tears and was embraced by her husband, "I messed up what they (the narcotics agents) said," she sobbed.

Mrs. Askew did not appear before the grand jury. She is in a Belleville Hospital with a nervous condition.

The grand jury will reconvene next Thursday.

A spokesman for Donald McKay, United States Attorney for the Southern District of Illinois, said today that a federal grand jury in Springfield would begin investigating the Collinsville raids Monday morning.

Four federal agents assigned to the Drug Abuse Law Enforcement office in St. Louis who led the raid have been suspended with pay, pending a federal grand jury investigation of the incident.

Nine St. Louis police officers assigned to the agency have been removed from the agency at the request of the Department of Justice. Seven of the men were involved in the Collinsville raids.

The St. Louis County Police Department also has been asked to remove its two officers from Drug Abuse Law Enforcement by the Justice Department. The two officers are Detectives Donald L. Trentham and Richard C. Hemphill.

Maj. William T. Owens, chief of detectives, was in the process of having the officers removed yesterday.

Myles J. Ambrose, special assistant attorney general in charge of the Drug Abuse Law Enforcement office in Washington, called the raids stupid and the conduct of the officers involved reprehensible.

A $100,000 civil suit has been filed by one of the two couples whose homes were invaded by the armed federal agents.

In testifying April 12 before the Senate subcommittee on executive reorganization, Percy recommended adoption of a plan advanced by President Richard M. Nixon to place all drug law enforcement responsibility under one office in the Justice Department.

"With the implementation of this plan, all federal narcotics agents will wear a common badge and have a common mission—to control and eradicate the traffic of illicit drugs," Percy said.

Senator Abraham A. Ribicoff (Dem.), Connecticut, chairman of the government reorganization subcommittee, has named Percy as chairman of a hearing in Chicago on May 18 to discuss changes in federal drug law enforcement with state and local officials.

"The purpose of the hearing is to determine the impact on state and local anti-drug agencies if the new single drug enforcement agency is set up at the federal level," Stuart M. Statler, counsel for Republican members of the committee, said.

A tentative list of witnesses includes James Thompson, Donald MacKay and Henry Schwarz, the three United States Attorneys assigned to jurisdictions in Illinois.

MacKay already has impaneled a federal grand jury in Springfield to investigate the Collinsville raids.

Other witnesses invited to testify include John Evans, regional director of the Bureau of Narcotics and Dangerous Drugs in Chicago and J. Michael Fitzsimmons, regional director of the office of drug abuse law enforcement in Chicago.

Although the mistaken drug raids took place in Illinois, they were carried out by agents from the St. Louis office. Statler said it was possible that persons involved in the Collinsville raids would be invited to testify at the Chicago hearing.

Ambrose, who frequently has been mentioned as the frontrunner to direct the proposed new Drug Law Enforcement Agency in the Justice Department, insisted earlier this week that the Collinsville raids were only the third instance of alleged impropriety by Drug Abuse Law Enforcement agents since the agency was formed.

He said Drug Abuse Law Enforcement agents over the last year had made more than 2000 raids, executed 1200 search warrants and served 500 subpenas.

The program, which operates in 39 cities including St. Louis, has resulted in 6804 arrests and 3000 indictments from illegal drug traffic, Ambrose said.

[From the New York Times, May 4, 1973]

LAW AND ORDER IN COLLINSVILLE

"There are those who say that law and order are just code words for repression and bigotry; this is dangerous nonsense," President Nixon declared last month as he unveiled harsh new anti-crime proposals, "Law and order are code words for goodness and decency in America."

As if the unfolding Watergate scandals were not enough, two fresh disclosures further serve to underscore the extent to which goodness and decency have been despoiled in this country through the perversion of justice that poses as law and order today in Washington.

In the small southern Illinois town of Collinsville, it was revealed, two families were terrified by unkempt men shouting obscenities who kicked down doors, overturned furniture and threatened them with guns. The men were federal narcotics agents, acting apparently without warrants. After discovering they had entered the wrong houses, the agents withdrew without apologies. These were not isolated incidents. A Massachusetts family suffered similar indignities at the hands of errant narcotics agents last January.

The Administration's haphazard approach to law and order which leads to such outrageous abuses of the rights of ordinary citizens does not extend to all who may be suspected of criminal activity. Government sources in Los Angeles reported that top-ranking officials of the Justice Department have turned down a request by the Federal Bureau of Investigation to continue authorized electronic surveillance that they say had begun to penetrate connections between the Mafia and the Teamsters' union, whose president, Frank E. Fitzsimmons, is the Nixon Administration's staunchest ally in all of labor.

To ride roughshod over the constitutional rights of citizens in the reckless pursuit of one class of criminal while failing to use every available legitimate means to detect possible crime among those who enjoy favor in high places subverts the American system of justice. There can be no order when those entrusted with law enforcement themselves show contempt for the law. Law and order under such conditions became code words for repression and hypocrisy.

[From the St. Louis Post-Dispatch, May 7, 1973]

U.S. GRAND JURY TO HEAR VICTIMS OF ERRONEOUS RAIDS

Two Collinsville families whose homes were erroneously raided and ransacked by federal drug law enforcement agents last April 23 were to tell their stories today to a grand jury convened in United States District Court at Springfield.

The federal investigation is being headed by U.S. Attorney Donald B. McKay of the Southern District of Illinois.

Mr. and Mrs. Herbert Giglotto and Mr. and Mrs. Donald Askew have testified before a Madison County Circuit Court grand jury at Edwardsville.

After the raids, four federal narcotics agents were suspended and the St. Louis Board of Police Commissioners has removed all nine of its policemen who had been working with the federal agency in the drive against narcotics in eastern Missouri and southwestern Illinois.

Myles J. Ambrose, chief of Federal Drug Law Enforcement, has acknowledged from his Washington office that the agents conducted the raids without search warrants.

"It is clear beyond cavil that our agents forcibly entered the homes of people who were not subjects of any investigation," Ambrose said.

He warned his agents throughout the country against "odious and reprehensible" raids on private homes. Ambrose ordered the use of "great care and judgment in every way possible" in the preparation and execution of searches and arrests.

Askew has filed a $100,000 damage suit against the Government, and Giglotto plans to do the same.

Both families told of long-haired men waving firearms and shouting obscenities as they ransacked the homes and threatened the families in a search for drugs.

[From the St. Louis Post-Dispatch, May 11, 1973]

DRUG AGENCY'S ATTORNEY AT GRAND JURY RAID INQUIRY

A Drug Abuse Law Enforcement attorney was allowed Monday to sit in on proceedings of a federal grand jury in Springfield, Ill., that is investigating two erroneous drug raids by Drug Abuse Law Enforcement agents last month in Collinsville, the Post-Dispatch has learned.

The attorney, Thomas O'Malley of New York, was present when the grand jury opened its inquiry and heard testimony from Mr. and Mrs. Herbert Giglotto, one of the Collinsville couples whose homes were raided mistakenly. However, O'Malley was not present on Tuesday when the other couple, Mr. and Mrs. Donald Askew, testified.

Richard Shaikewitz, attorney for the Askews, criticized federal officials for allowing O'Malley to be present during the opening of the proceedings.

"It seems like the Government is starting a whitewash," he said. "We (attorneys) have no right to be in the grand jury room and neither should anyone else.

Normally, prosecutors are the only persons other than the witness and the jury present when grand jurors hear testimony. Attorneys for witnesses or for persons under investigation are not allowed to appear before the grand jury.

"O'Malley visited me and my clients in my office and he represented himself as being here strictly on an internal investigation," Shaikewitz said.

"He represented himself as being the staff attorney of the DALE office in New York. And now he turns up sitting in on the federal grand jury proceedings."

Shaikewitz said that he had been assured by United States Attorney Donald B. Mackay, who is conducting the grand jury investigation in Springfield, that the grand jury would concern itself only with an investigation of the raids.

"Mackay had assured me that he recognized that there was a conflict between the civil (suit) and the criminal (investigation) and that he would only concern himself with the criminal (investigation)," Shaikewitz said.

The Askews have filed a $100,000 civil suit against the agents. A similar suit is expected to be filed by the Giglottos early next week.

A spokesman for Mackay said in Springfield that O'Malley was present during Monday's grand jury proceedings at Mackay's request.

"Because O'Malley has been involved in trial interviews of both agents and people involved in the raids, Mackay wanted him in there to help ascertain who the Giglottos could identify in this matter, such as the agents involved," the spokesman said.

The spokesman said that the Bureau of Narcotics and Dangerous Drugs had requested that one of its chief counsels be present during the second day of the grand jury proceedings.

Mackay decided, however, that this would be inappropriate and would possibly constitute a conflict of interest if the bureau later found it necessary to take "adverse administrative action" against any of the agents as a result of the raids, the spokesman said.

He said that before the grand jury proceedings began Tuesday, Mackay had decided that he did not need further assistance from O'Malley and that O'Malley was not present during further proceedings.

The spokesman emphasized that O'Malley was a Drug Abuse Law Enforcement prosecuting attorney and not an in-house counsel.

[From the St. Louis Post-Dispatch, May 11, 1973]

CALLS COLLINSVILLE RAIDS OUTRAGEOUS

(By Robert Adams)

WASHINGTON, May 11.—Federal drug agents "acted like common criminals" and used gestapo-style tactics in a recent raid on two Collinsville, Ill., homes, Senator Sam J. Ervin, Jr. (Dem.), North Carolina, said yesterday.

In a strongly worded Senate speech, Ervin called the raids outrageous and said he has asked Myles J. Ambrose, director of the Office of Drug Abuse Law Enforcement in the Department of Justice, for an explanation.

Ervin, who heads the Senate's subcommittee on constitutional rights, said he would ask that the federal law allowing no-knock raids be changed if Ambrose's explanation was not satisfactory.

He noted that the raids on the homes of Donald Askew and Herbert Giglotto in Collinsville were, according to federal authorities, conducted without search or arrest warrants. It was disclosed later that the agents had raided the wrong homes.

"No-knock searches are bad enough, especially where the search takes place on the wrong house," Ervin said. "But a no-knock

search without a warrant is totally unjustifiable, and indeed is clearly illegal."

If news accounts of the incidents are correct, he said, "this means that certain agents of the Department of Justice see themselves as above the law."

Ervin said the Collinsville raids were not the only examples of abuse of the no-knock law, which allows agents to enter private homes without warning if they suspect illegal drugs are present.

On Jan. 10, Ervin said, state police raided the home of Mrs. Anna Majette of Portsmouth, Mass. A similar raid took place on Jan. 26 at the home of Mr. and Mrs. William Pine in Winthrop, Mass.

Ervin cited news accounts indicating that, in both cases, state police in Massachusetts had raided the wrong house by mistake.

The North Carolina Senator said similar cases had occurred in Arizona and Virginia in 1970 and in Maryland in 1971. "Although the Majette and Pine incidents and the 1970 and 1971 cases involved state police, all of these illustrate the danger of no-knock raids," he declared.

Of the four raids this year, Ervin said:

"In at least one case the occupants likened the raids to Nazi Gestapo tactics, but they all qualify in that regard.

"By far the most outrageous of the four incidents involved federal agents in the Giglotto and Askew raids in Collinsville," Ervin went on. According to news reports, he noted, drug abuse enfocement agents "entered two houses without warrants, kicked in the doors without warning, shouted obscenities and threatened the inhabitants with drawn weapons. The Giglottos and Askews were terrified and only temporarily relieved when the agents left after discovering they had entered the wrong house."

Ervin said his mail indicated that citizens around the country were outraged by the actions, and would support a move in Congress to limit the government's no-knock authority.

"I fervently believe that, if we do not react quickly and without mercy against government lawlessness, our republican form of government is in mortal danger," Ervin said.

In his two-page letter to Ambrose, Ervin asked for an explanation of the raids and for information about disciplinary action taken against the agents.

He asked for figures on how many no-knock warrants had been requested by the drug abuse enforcement agency, how many had been granted, how many raids had been made without warrants, and how many raids had resulted in citizen complaints.

[From the St. Louis Post-Dispatch, May 13, 1973]

SUSPENDED U.S. DRUG AGENT TESTIFIED BEFORE INQUIRY JURY

(By Ted Gest and Taylor Pensoneau)

The same grand jury that is investigating erroneous raids by federal narcotics agents on two Collinsville homes indicted five persons last week for drug law violations partly because of testimony from an agent suspended because of the raids, the Post-Dispatch has learned.

Grand jurors at United States District Court in Springfield, Ill., returned indictments against alleged members of a cocaine ring last Tuesday—the same day members of the Donald Askew family presumably made accusations in their testimony before the jury against agents of the Drug Abuse Law Enforcement agency.

Richard Shaikewitz, the Askew's attorney, assailed the manner in which prosecutors were proceeding in the two cases simultaneously.

"Here's a grand jury on one hand asked to believe testimony of DALE agents and on the other hand is hearing testimony which may lead to indictments against them," he said. "Is this fair? You're asking untrained people on the grand jury to make these technical decisions."

Federal and local officers who participated in the raids have been suspended with pay while their actions are being investigated. The Askews and Mr. and Mrs. Herbert Giglotto, whose homes were raided, have vehemently criticized the agent's tactics.

Drug Abuse Law Enforcement officials in St. Louis said Friday that only two of the agency's 19 full-time agents here would remain on the job while the Collinsville raids were under investigation.

Richard K. Coffin, an attorney for the drug agency, confirmed that when agents broke into the homes of the Askews and the Giglottos they had been seeking some of the nine persons who were indicted last week on the cocaine charges.

Federal officials defended their handling of the two cases, but they later backtracked when asked on Friday about a previous denial that Kenneth Bloemker, an agent suspended in the raid, had testified before the grand jury in the cocaine cases.

A spokesman for U.S. Attorney Donald B. Mackay in Springfield said in an interview, "It is inconceivable to me that Bloemker would have presented a matter to the grand jury if he were under suspension. No. I am sure he did not help present the cases Tuesday."

Meanwhile Coffin said in St. Louis that although he could not legally disclose who had testified before the grand jury, the normal procedure was for persons who had investigated the case to testify. Coffin had said that Bloemker was one of three agents who directed the cocaine investigation.

Later, the spokesman for Mackay called the Post-Dispatch, withdrew his previous statement that Bloemker did not testify, and said that it is "inappropriate to comment on who testifies before the grand jury."

The spokesman said also, "It is true that there may be some of the same people involved in the investigation of the Collinsville raids and in the possible criminal prosecutions against individuals in the drug ring.

"But the grand jury assesses each situation independently. I just do not see the conflict."

The Post-Dispatch disclosed Friday that a drug agency attorney was allowed to sit in on some of the grand jury's proceedings investigating the erroneous raids.

That procedure might have violated a federal regulation that only prosecuting attorneys—and not lawyers for persons under investigation—are allowed to view grand jury proceedings when witnesses are being interrogated.

Coffin's statement was the first official confirmation by the antidrug agency that the mistaken raids were linked to the investigation of cocaine sales.

The Department of Justice has generally prohibited the local drug prosecutors from talking about the Collinsville case.

Robert E. Piker, one of the nine persons indicted, told authorities when he was arrested that he had formerly lived next to the Giglottos—the victims of one of the raids by armed agents dressed like hippies.

The Askews, whose door was broken down by agents the same night, have filed a $100,000 suit against the Government. The Giglottos are expected to file a similar suit soon.

G. Richard Fox, the Giglottos' attorney, said of the fact that the same grand jury was looking into both cases, "It's possible that this could affect whether federal indictments (against the agents) are delivered, but it won't affect the civil suit."

In another development, Senator Charles H. Percy (Rep.), Illinois, issued a statement that he intended to make the Collinsville raids a major issue at a congressional hearing in Chicago on Friday.

Percy, who had previously denounced the raids, will preside at a hearing to help determine whether federal antidrug agencies should be consolidated.

Critics such as Percy have cited rivalry among the agencies as a contributing factor to problems such as the Collinsville raids.

Jerry J. Murphy, an assistant to the presidentially appointed U.S. Attorney in St. Louis, is also in charge of the Drug Abuse Law Enforcement office, which reports directly to officials in Washington.

Some observers believe that confusion over who was ultimately responsible for the actions of agents in St. Louis was another factor in the Collinsville foulup.

Murphy said Friday that Drug Abuse Law Enforcement's accomplishments here should not be overlooked. He said that as of mid-April, 214 persons had been arrested as a result of investigations by agents assigned to the agency's office in St. Louis.

More than 100 of those have been indicted for drug offenses. Only two of the nearly 100 persons who have been accused based on Drug Abuse Law Enforcement investigations have been acquitted.

[From the St. Louis Post-Dispatch, May 18, 1973]

OTHER VICTIMS REPORT MISTAKEN DRUG RAIDS

(By Robert L. Joiner)

CHICAGO, May 18.—Letters from more than 50 persons who said that they had been victims of erroneous federal drug raids were given today to a congressional committee by a Collinsville, Ill., couple who were the targets of a similar mistaken raid.

The couple had received the letters since the mistaken drug raids took place at their home on April 23.

Mr. and Mrs. Herbert Giglotto, who reported they were terrorized by agents of the Drug Abuse Law Enforcement agency, were among the first witnesses to appear before the Senate subcommittee on reorganization, research and international organizations.

Senator Charles H. Percy, (Rep.), Illinois, was conducting the hearing into the raid on the Giglotto home and a similar one the same night on the home of Mr. and Mrs. Donald Askew, also of Collinsville.

Askew, and his son, Michael, both of whom were home the night the narcotics agents kicked in their door in what later was admitted to have been a raid on the wrong house, also were to testify today.

The Giglottos, in an interview with the Post-Dispatch, said that the letters on other mistaken raids had been received since the widesperad publicity after the raid on their home.

"We have received over 50 letters and several hundred telephone calls where people told us that things like this have happened to them," Giglotto said.

Percy said that the subcommittee was convened "to determine whether the terrorizing raids on two Collinsville families last month represent a larger breakdown of fundamental due process safeguards in America."

The hearings were to focus on President Richard M. Nixon's proposed Reorganization Plan No. 2, which would place primary responsibility for federal drug law enforcement in the Drug Enforcement Administration of the Department of Justice.

In a statement prepared for the hearing opening, Percy said: "The plan arises in part from a situation where there is substantial evidence that federal drug law enforcement agents—donning the badges of different agencies and employing different standards and tactics—have not infrequently frustrated the good intentions of several agencies involved.

"There is evidence of devotion to the agency rather than the cause; of jurisdictional disputes, petty jealousies and an unwillingness to share critical intelligence information," Percy continued.

The Illinois Senator said that the subcommittee would leave the question of individual

responsibility for the Collinsville raids to be decided by the Madison County grand jury and the Federal grand jury at Springfield, Ill. The juries are determining whether indictments should be issued against the agents involved in the Collinsville incident.

"If the lesson of Collinsville is that 'being a narc means never having to say you're sorry' then I pledge here and now to do everything in my power to change that," Percy said. "It is absolutely senseless in the name of the law to get tough with innocents."

Three Illinois U.S. Attorneys urged support of the President's reorganization plan because they said that under the present plan the fight against drug abuse is fragmented and seriously hampered by the proliferation of drug abuse agencies.

The three were Donald Mackay of the southern district with headquarters at Springfield; James R. Thompson of the northern district at Chicago and Henry A. Schwarz of the eastern district at East St. Louis.

"The multifaceted enforcement problem on the federal level will be relieved of the burden of separate investigative agencies that have failed to consolidate efforts to share intelligence and at worst get in each other's way when conducting surveillance on other aspects of a narcotics investigation," Schwarz told the committee in support of the single agency proposal.

[From the St. Louis Post-Dispatch, May 20, 1973]

PERCY ASSAILS U.S. AGENCY ON DRUG-RAID TACTICS

(By Robert L. Joiner)

CHICAGO, May 19.—Senator Charles H. Percy (Rep.), Illinois, assailed the Drug Abuse Law Enforcement agency at a congressional committee hearing here for employing "gun-toting terrorism" and "no-knock tactics" in a mistaken raid on two Collinsville homes last month.

Comments came after testimony by Herbert Giglotto before the Senate subcommittee on reorganization, research and international organization.

Giglotto, whose Collinsville home was one of two that was mistakenly raided last April 23 by Drug Abuse Enforcement agents, told the sub-committee that he would have shot the agents if he had had a weapon in his home.

"Four men would have been dead," Giglotto testified. "If I had had a pistol I'd probably have killed them."

Percy said that Giglotto's testimony points up the tremendous risk where someone could be killed during a no-knock raid.

"The essential question is what are you trying to gain from no-knock in exchange for the kind of risk where someone could get killed," Percy said.

Michael Fitzsimmons, regional director of the agency in Chicago, described no-knock raids as indispensable to fighting drug abuse.

"No knock does give us the extra time needed to get in and secure an area," Fitzsimmons told the subcommittee. "The basic reason behind the no-knock raids is to keep narcotics from being flushed down a toilet or otherwise destroyed."

Donald Askew, whose home also was raided by mistake on the same night, said he pleaded with the agents to allow him to call the Collinsville Police Department. When asked by Percy what their reply was, Askew said, "One of them told me, 'No, I've got four other places to go tonight.' "

The comment drew laughter from the audience during an otherwise solemn day of hearing at which Mrs. Evelyn Giglotto was on the verge of tears at one point.

Both Mrs. Giglotto and Askew's son, Michael, told the subcommittee of being ostracized and stigmatized as a result of the raids.

"Some of my friends kind of shy away from me now," Askew said.

However, Mrs. Giglotto said that generally persons had been helpful in providing moral support and telling similar experiences they've had with narcotics agents.

At the hearings, Percy expressed misgivings over the fact that the federal agency had not yet furnished him with a report on the raids. Two investigators from the Bureau of Narcotics and Dangerous Drugs conducted the investigation after the raids. They submitted their report to Myles J. Ambrose, head of the Drug Abuse Agency Operations in Washington.

The focus of the hearings were on President Richard M. Nixon's Reorganization Plan No. 2, which would place primary responsibility for federal drug law enforcement in a new agency, the Drug Enforcement Administration, in the Department of Justice.

In announcing the hearing, Percy indicated that the subcommittee would attempt to determine whether the raids on the homes of the Collinsville families represented isolated incidents or were part of a broader problem.

Information presented to the subcommittee by the Giglottos as well as comments by Percy appeared to indicate that local and state narcotics agents, not Drug Abuse Enforcement agents, had conducted the most erroneous raids.

Percy cited from the Congressional Record cases in Massachusetts, where state and local policemen raided the wrong homes. In one incident in Winthrop, Mass., 15 armed policemen in civilian clothes smashed the door of the home of Bill Pine.

As in the case of the Collinsville raids, the officers broke into the wrong homes, terrified the occupants and refused to comment after realizing that they had made a mistake.

The Giglottos presented several letters to the subcommittee. Most of the letters were from families around the nation who said that they had been abused by either local or state narcotics agents.

Many of the letters simply expressed sympathy for the Giglottos. In one case, Clifford Taylor of Nashville, wrote: "Incidents such as what happened to you is an everyday occurrence in the black community and, believe it or not, these things have reached the news."

A similar point was made by two former narcotic addicts, Spellman Young and Claude Rhodes, before the subcommittee hearings.

One of the addicts told the subcommittee that the Collinsville incident was an ordinary occurence in his neighborhood.

"It was nothing to have my door beaten down and pistols waved at my mother and sister who had nothing to do with drugs," Young said.

Rhodes told Percy that persons from his neighborhood "enjoy Collinsville, enjoy Watergate because we hope it wakes you up."

The hearing will continue next month in Atlanta, Ga., with Senators Sam Nunn (Dem.), Georgia, who joined Percy in Chicago, as chairman.

[From the St. Louis Post-Dispatch, May 27, 1973]

ASKS PANEL FOR INQUIRY ON TWO RAIDS

Representative Melvin Price (Dem.), East St. Louis, has requested the House Judiciary Committee to investigate the circumstances surrounding the erroneous raids on the homes of two Collinsville couples by federal narcotics agents.

In a letter to Representative Rodino (Dem.), New Jersey, chairman of the Judiciary Committee, Price noted that there had been "a great deal of concern in the community over their (federal agents) actions."

The couples, Mr. and Mrs. Herbert Giglotto and Mr. and Mrs. Donald Askew, have accused the narcotics agents of terrorizing them by breaking into their homes on April 23. Both couples have filed suits against the Federal Government.

Price asked the committee to look into the administrative controls, guidelines, training procedures, and operating directives of the Office of Drug Abuse Law Enforcement, which conducted the raids.

"The fight against drug abuse, particularly heroin trafficking, is too important to have it collapse because of bureaucratic improprieties and misconduct on the part of officials charged with the responsibility," he said.

[From the St. Louis-Dispatch, June 10, 1973]

CIVIL RIGHTS UNIT INVESTIGATING DRUG RAIDS AT COLLINSVILLE

(By Curt Matthews)

WASHINGTON, June 9.—The Civil Rights Division of the Department of Justice has been brought into the investigation of the mistaken drug raids that federal agents made last April 23 on two Collinsville homes.

A source close to the case has told the Post-Dispatch that a federal grand jury in Springfield had heard testimony indicating "a lot of aspects" to the case not previously disclosed.

The criminal section of the Civil Rights Division is conducting the investigation into the Collinsville incident. The section generally handles cases involving "the deprivation of civil rights of private citizens".

A representative of the Civil Rights Division was in Springfield last week, a source close to the case said, working with Donald MacKay, the United States Attorney in Springfield, who is conducting the grand jury investigation.

MacKay, William O'Connor, deputy assistant attorney general in the Civil Rights Division, and representatives from the offices of Senator Charles H. Percy (Rep.) Illinois, met Friday to discuss the latest developments of the Collinsville case.

The grand jury's inquiry in Springfied is continuing a spokesman in Percy's office said. Percy was said to be "exasperated" and "greatly disturbed" by what had recently been learned about the Collinsville case.

One source who has followed closely the Government's handling of the investigation of the drug raids said circumstances before and after the erroneous raids required investigation by the Civil Rights Division.

The Civil Rights Division took responsibility for the investigation last week, replacing investigators assigned from within the Bureau of Narcotics and Dangerous Drugs. Agents drawn from the bureau and assigned to the Drug Abuse Law Enforcement office in St. Louis led the misdirected raids in Collinsville.

Federal authorities have already acknowledged that the raids were made without first obtaining search warrants as required by law, that agents went to the wrong homes, and that a number of federal regulations and procedures were violated in the raids. Both of the Collinsville families whose homes were mistakenly entered have sued the Government.

Four federal agents assigned to the Drug Abuse Law Enforcement office in St. Louis have been suspended as a result of the raids, and local police authorities were asked by Myles J. Ambrose, assistant attorney general in charge of the Drug Abuse Law Enforcement agency, to withdraw from the St. Louis office any of their personnel involved in the raid.

The Civil Rights Division investigation of the incident is expected to go beyond the conduct of the raids and look into charges that the Bureau of Narcotics or Dangerous Drugs personnel investigating the incident harassed the two Collinsville families involved.

Herbert Giglotto, one of those whose homes was entered mistakenly by the agents, says

that after the raids an intensive investigation of his life and background was conducted and that some of those making the inquiry identified themselves as agents of the Federal Bureau of Investigation.

William D. Ruckelshaus, acting director of the FBI, told Senator Percy in a letter dated May 25 that "the FBI in no way was involved in this matter."

The FBI will be involved in the Civil Rights Division's investigation of the Collinsville incident, a Justice Department spokesman said.

[From the St. Louis Post-Dispatch, June 11, 1973]

SUSPENDED AGENT "COURIER" IN RAID

(By Curt Matthews)

WASHINGTON, June 11.—A suspended federal drug agent who was involved in a narcotics raid Friday night in Maryville, Ill., had a "nonenforcement" role, a spokesman for the Drug Abuse Law Enforcement office in Washington said today.

Dennis Moriarty, one of four agents suspended in April for taking part in a mistaken raid on two Collinsville homes, served as a "courier" for the Bureau of Narcotics and Dangerous Drugs driving to Alton, Ill., to obtain a search warrant for the raid Friday, the spokesman for DALE said today.

Although other DALE agents still under suspension for their part in the Collinsville raid two months ago were reported to have taken part in the raid Friday night, a spokesman for DALE said that to his knowledge Moriarty was the only suspended officer involved in the Maryville raid.

The spokesman said that the raid Friday night was an operation by the Bureau of Narcotics and Dangerous Drugs and that the DALE office in St. Louis provided only legal assistance in securing the necessary search warrant.

The suspended DALE agents have been working in administrative jobs at the St. Louis office of BNDD for the last six weeks. A DALE spokesman said that Moriarty's role as courier in securing the search warrant for the Maryville raid would not violate the terms of his suspension.

Moriarty delivered the search warrant to Ed Irvin, special agent in charge of the St. Louis office of the BNDD, but reportedly did not participate in the raid in Maryville in which two men were arrested and a half-pound of what is believed to be cocaine was seized.

Jerry J. Murphy, attorney in charge of the Drug Abuse Law Enforcement office in St. Louis, said today he believed that none of the suspended agents had participated in the search of the motel room in Maryville.

The suspended agents have been working in the drug unit's office in downtown St. Louis since their suspension with pay was announced, Murphy said. That work included co-ordinating preparations for the Maryville raid, he said.

Murphy said he was not aware of the exact terms of the suspensions and had not been given a written statement outlining what the suspended agents could do or could not do.

The suspended agents generally are not being allowed to participate in official activities outside of the office that required them to be armed, Murphy said.

Murphy referred questions on the Maryville search to Irvin. Murphy explained that he had not been present at the raid and that Irvin, who is the chief agent in the antidrug office in St. Louis, would be the proper source of information.

According to information provided by the DALE office in Washington, Moriarty was the only available agent in the BNDD office when the call came late Friday afternoon indicating the necessity of securing the search warrant.

Moriarity gathered the necessary data to secure the warrant, took it to Richard K. Coffin, a special attorney for the Department of Justice working in the DALE office in St. Louis, and Coffin signed the affidavit requesting the warrant.

Moriarty then drove in a private automobile to Alton, where the affidavit for the warrant was presented to Federal Magistrate Ronald C. Mottaz.

Although Moriarty's mission to Alton required overtime work, he was not paid overtime because of his suspension. A spokesman for Dale said that under terms of his suspension he neither carries a firearm nor wears a badge when working at the BNDD office in St. Louis.

The Maryville raid came as part of a six-week investigation into shipments of cocaine from South America, through St. Louis and on to the West Coast. The investigation has been a joint operation of the Bureau of Narcotics and Dangerous Drugs in the Justice Department and the Bureau of Customs in the Treasury Department

A story in yesterday's editions of the Post-Dispatch quoted Irvin as saying that of the four to six agents who participated in the Maryville raid several were officers who had been suspended with pay last month for participation in the Collinsville raids. Irvin said the agents used their own automobiles and were not paid for the Maryville raid.

[From the St. Louis Post-Dispatch, June 12, 1973]

SUSPENDED DRUG MEN BACK ON JOB IN WEEK

(By Curt Matthews)

WASHINGTON, June 12.—Four federal narcotics agents reported suspended for conducting mistaken drug raids in Collinsville two months ago were back at work for another federal drug unit in St. Louis within a week after their suspensions, the Post-Dispatch has been told. They have been working regularly since that time.

The agents were not suspended from work in the drug enforcement program, only from "investigative activities," a spokesman for the Bureau of Narcotics and Dangerous Drugs said yesterday.

Such a distinction was not made on May 1 when Myles J. Ambrose, special assistant attorney general for the office of Drug Abuse Law Enforcement in Washington, announced that the four DALE agents were being suspended. He said: "the BNDD agents assigned to DALE involved in the (Collinsville) incident have been suspended from further assignments until this case is concluded."

The erroneous drug raids in Collinsville are the subject of a grand jury investigation in Springfield, Ill., and a continuing investigation by the criminal section of the Civil Rights Division in the Justice Department.

The agents were assigned from the Narcotics Bureau to the Drug Law Enforcement office in St. Louis when they took part in the raids mistakenly directed at two private residences in Collinsville on April 23. After suspension from investigative work with DALE, the agents began reporting daily, at full pay, to the office of Bureau of Narcotics and Dangerous Drugs in St. Louis. Both the DALE and the Narcotics Bureau offices are in the Federal Building at 317 North Eleventh Street, St. Louis.

Investigation by the Post-Dispatch has disclosed that the four agents suspended "from further assignment" with DALE on May 1 were actually back on the job in limited status five days later with the narcotics bureau in St. Louis.

Following up on Ambrose's announcement of the suspension, John E. Ingersoll, director of the Bureau of Narcotics and Dangerous Drugs, sent a telegram on May 1 to Vernon D. Meyer, regional director of the bureau's office in Kansas City who has jurisdiction over the St. Louis office of the agency.

The telegram said: "This is to confirm your authority to place the following named personnel in a nonduty status, with pay, effective beginning of business May 1, 1973." The telegram then named Moriarity, Bloemker, Harker and Dwyer and cited the federal regulations that gave Ingersoll the right to place them in "nonduty" status.

However, a few days after the telegram was sent, Meyer says he received a telephone call from the narcotics bureau office in Washington pointing out that under Civil Service regulations the men could be held in nonduty status for only five days without some action to resolve their case—either suspension without pay or reinstatement to duty.

"The BNDD did not feel it was prepared at that point to suspend the men—the agency didn't have the necessary facts—so they were placed in a limited duty status," Meyer explains.

Sources in Washington contend that to suspend the men without pay would have been an implicit acknowledgement by the bureau and DALE that the men were guilty of some wrongdoing in relation to the Collinsville raids. Neither agency apparently wanted to go that far prior to completion of the grand jury investigation in Springfield.

Both the narcotics bureau and DALE do essentially the same kind of work—enforcement of the federal narcotics laws. The distinction between the agencies is sometimes hazy and, as one Department of Justice spokesman said, "the strucutre in St. Louis is confused."

A spokesman for the narcotics bureau in Washington said that under the terms of the suspension, the four St. Louis narcotics agents were permitted to work in the narcotics bureau office after suspension from DALE. They were permitted to make courtroom and grand jury appearances, do backup work related to investigations and generally assist other agents not under suspension.

The suspended agents, who were required to surrender their weapons and official identification (badges), were not permitted to engage in surveillance, out of office interrogations, or other "investigative work" related to enforcement of drug abuse laws.

The four suspended agents, who since the first week in May have been working daily in the narcotics bureau office in St. Louis, are Dennis R. Moriarity, leader of the mistaken drug raids in Collinsville; Kenneth Bloemker, Dennis W. Harker and William C. Dwyer.

The continued participation of the supposedly suspended agents in drug law enforcement in St. Louis came to light Monday when it was learned that Moriarity was involved in obtaining a search warrant for a successful drug raid last Friday in Maryville, Ill., near Collinsville.

A spokesman for DALE originally said that Moriarity was merely "a courier" and not involved in last Friday's raids because he was the only one in the bureau's office when the need for a search warrant arose. Moriarity drove to Alton to obtain the warrant from a federal magistrate there.

However, later it was learned that Richard K. Coffin, a special attorney for the Justice Department working in the DALE office in St. Louis, followed Moriarity to Alton in a separate automobile. It was Coffin who signed the affidavit requesting the search warrant that led to last Friday's raid.

After obtaining the warrant, Coffin returned to St. Louis and Moriarity took the warrant to Maryville where he delivered it to Edmund Irvin, special agent in charge of the St. Louis office of the narcotics bureau.

Although Moriarity was in Maryville shortly before the raid took place, Irvin insists that the suspended agent did not take part in the raid at the Bo Jon Inn in Maryville.

The only law enforcement agents who actu-

ally entered the motel room where two men were arrested and a half pound of contraband substance seized were Irvin, Maryville Police Chief Ray Hasty, Sgt. John C. Lucas Jr., of the Maryville police department, and an unidentified under-cover agent with the narcotics bureau.

Two agents of the Bureau of Customs were on the motel grounds at the time of the raid, but did not enter the building.

A spokesman for the narcotic's bureau in Washington said the undercover agent must remain anonymous to protect his "cover." The spokesman said he was not one of the four suspended agents and in fact had never been assigned to a DALE office.

Meyer says he communicated by telephone the information on May 1 that the four DALE agents in St. Louis were to be placed on nonduty status. He said that it is his responsibility to see that the men conform to the terms of their status and any restrictions placed upon their activities. He said he did not think that Moriarity's role in the raid in Maryville last Friday violated his "limited duty" status.

Jerry J. Murphy, attorney in charge of the DALE office in St. Louis, said yesterday that he believed that none of the suspended agents had participated in the actual search of the Maryville motel room.

The suspended agents generally are not being allowed to participate in DALE activities outside of the office that required them to be armed, Murphy said.

But he conceded that he had not been provided with written, detailed guidelines by DALE officials in Washington of what work the suspended agents should be allowed to do while they were under suspension.

[From the St. Louis Post-Dispatch, June 14, 1973]

AGENTS UNCONTROLLED

A successful raid by law enforcement officers is usually an occasion for pride among the authorities involved. Thus it is some indication of the curious state of affairs within the federal antidrug program that a raid was conducted last week in Maryville, Ill., some suspicious substance was confiscated, two arrests were made and yet all agencies involved are emphatically denying responsibility for it. The office of Drug Abuse Law Enforcement says the Bureau of Narcotics and Dangerous Drugs was in charge of the raid, while the BNDD claims it was a DALE operation.

Federal antidrug offices are not usually reluctant about taking credit for arrests or drug seizures, so one might conclude that the Maryville raid was more of an embarrassment than anything else—as it probably is, inasmuch as one of the officers helping with the affair was one of four DALE agents who the public had been led to believe were suspended for conducting a Gestapo-like raid in Collinsville two months ago. The fact that each agency is trying to fob off the responsibility for the Maryville raid on the other suggests that supervisory officials in regional offices and in Washington are unable to control the activities of their local agents and, indeed, are ignorant of what their field operatives are doing.

Fortunately, both DALE and BNDD are scheduled to become absorbed July 1 along with two other federal narcotics agencies into a single office in the Justice Department, the Drug Enforcement Agency. At the very least, the new agency should bring a much needed element of co-ordination into federal antidrug activities. President Nixon is expected to announce shortly the appointment of an administrator for DEA, and the selection of a strong and able personality is imperative if any semblance of central control is to be established within the federal narcotics program.

[From the St. Louis Post-Dispatch, June 19, 1973]

ADMITS ERROR ON DRUG AGENT

(By Curt Matthews and Ted Gest)

WASHINGTON, June 19.—A federal narcotics agent, under suspension of his part in two mistaken drug raids in Collinsville on April 23, should not have taken part in a raid June 8 in Maryville, Ill., near Collinsville, a spokesman for the Bureau of Narcotics and Dangerous Drugs has confirmed.

"The guy should not have been there," the spokesman said. "There's no question about that."

The reference was to Dennis Moriarty, an agent in the St. Louis office of the Bureau of Narcotics and Dangerous Drugs. Moriarty, along with three other federal narcotics agents, was suspended after the Collinsville incident by Myles J. Ambrose, special assistant attorney general in charge of the Drug Abuse Law Enforcement (DALE) office in Washington.

In another development, the Federal Bureau of Investigation yesterday began investigating the Collinsville raids. The investigation is under the direction of Fred Fehl, special agent in charge of the FBI's Cleveland office.

Fehl refused to comment on the scope of the investigation. He said that the FBI had been ordered to investigate the case by the Department of Justice. The FBI, the narcotics bureau and DALE are all units within the Justice Department.

An FBI spokesman in Washington said the agency was entering the Collinsville case apparently because of allegations that the civil rights of two couples were violated by federal narcotics agents.

The FBI normally does not investigate other federal investigative agencies unless a civil rights issue is involved, the spokesman said.

Agents from other cities often are brought in to investigate civil rights cases to assure impartiality, he said.

The narcotics bureau source has confirmed that immediately after learning of the agent's role in the Maryville raid, John E. Ingersoll, director of the Bureau of Narcotics and Dangerous Drugs, ordered the agency's regional office in Kansas City to clarify the status of the four suspended agents.

His directive was addressed to Vernon D. Meyer, the agency's regional director in Kansas City, who exercises administrative authority over the federal drug law enforcement program in St. Louis. The directive was reported to have been sent on Tuesday or Wednesday of last week.

Ingersoll's directive is said to state more forcefully the terms of the limited duty status of the four narcotics agents who were suspended by Ambrose after the Collinsville raid.

It was disclosed after Moriarty's participation in the Maryville raid that the four suspended agents began working regularly in the narcotics bureau office in St. Louis five days after their "suspension from further assignment" by Ambrose on May 1.

A source at the bureau said the directive sent last week by Ingersoll, which has not been made public, specified that the four suspended agents were to engage only in "administrative work in the office" except when testifying about pending cases before grand juries or courts.

The spokesman said that the directive redefined the jurisdiction of the St. Louis office of the Bureau of Narcotics and Dangerous Drugs and placed off limits to the St. Louis office all drug law enforcement operations in Illinois.

Henceforth, narcotics enforcement throughout Illinois, including those areas in Madison and St. Clair Counties near St. Louis, will be under the jurisdiction of the Chicago office of the narcotics bureau.

The bureau spokesman, reversing an earlier statement, confirmed that the Maryville raid was an operation carried out by the Bureau of Narcotics and Dangerous Drugs. Earlier he had insisted that it had been an operation of the Drug Abuse Law Enforcement agency in St. Louis.

The spokesman denied reports that Moriarty not only was on the scene of the Maryville raid but also searched the premises involved and seized various items—including a substance believed to be cocaine—from two men arrested in the raid.

"Moriarty was present, but he did not take part in the search and he did not seize anything," the spokesman said.

The Collinsville raid in which Moriarty and the other suspended narcotics agents mistakenly broke into two homes of persons not suspected of dealing in drugs, is under grand jury investigation in Springfield and by the Civil Rights Division of the Justice Department.

In responding to the directive from Ingersoll, Duane Leiter, acting head of narcotics bureau here, said that Moriarty and the other officers would be placed on limited duty.

"The directive simply reaffirmed what the original directive said about the limited duties of Moriarty," he said. "He and others will be cut to administrative work and testifying in cases."

He indicated that no confusion existed between the bureau and DALE in connection with the Maryville raid.

"We knew that BNDD was in charge. A spokesman from the Kansas City office had indicated that. But your paper checked with the regional director in Chicago, who had been away from the office and was not completely familiar with the raid, although all information was at his office."

Leiter said that taking the East Side out of the jurisdiction of the bureau's office here would not mean that law enforcement would suffer.

"We see no change in the law enforcement efforts in Illinois as a result of the change," he said. "Chicago still will have plenty of manpower."

Leiter confirmed also that Edmund C. Irvin, chief investigator for the DALE office in St. Louis, had been shifted to the Kansas City office. Irvin was in charge of the recent Maryville raid, but not the Collinsville raids.

The announcement of Irvin's new duties was part of Ingersoll's directive that was issued after one of four narcotics bureau agents who were suspended after the Collinsville raids took an active role in the Maryville incident.

Irvin, as DALE's chief investigator, was held accountable for the Maryville incident in which Moriarty, one of the four suspended officers, participated.

It is reported that Irvin was transferred to the Kansas City office, pending an investigation of the raid, but Leiter said: "He has not been transferred. He's on temporary duty in Kansas City. It's not a transfer."

An investigation of the Collinsville drug raids was started May 7 by a federal grand jury in Springfield. However, Donald B. Mackay, the United States Attorney at Springfield, has repeatedly refused to comment on that inquiry.

Mackay has refused to answer questions concerning the scope and extent of the inquiry, its possible length and the nature of the specific parts of the raids under investigation.

Mackay has emphasized that a federal grand jury proceeding is secret, and has said that his policy is not to comment on any such proceedings, even one with the significance of the Collinsville raids.

[From the St. Louis Post-Dispatch June 20, 1973]

FBI WIDENS INQUIRY ON DALE'S ACTIONS

(By Robert L. Joiner)

The federal investigation into the operations of the St. Louis office of the Drug Abuse Law Enforcement office is spreading beyond the mistaken raids in Collinsville last April, the Post-Dispatch learned today.

Federal Bureau of Investigation agents, just assigned to the investigation, are looking into previous incidents in which DALE operatives were involved, including a mistaken identification of a City Hospital clerk suspected of being a drug pusher.

The man, Sterling Bell Jr., said that he was called by the FBI yesterday and agreed to discuss details of his experience with DALE last October. Bell's story, published earlier in the Post-Dispatch, was that DALE agents approached him in a threatening manner as he left work and failed to clearly identify themselves. When Bell resisted, he was charged with assaulting an officer. No drug charges ever were placed against him.

At least three federal units now are involved in the inquiry into the DALE operations, which first came under question after the drug agents mistakenly raided two homes in Collinsville and terrorized the innocent residents.

A federal grand jury in Springfield began investigating the Collinsville raids shortly after they occurred. Last week, the civil rights division of the Department of Justice announced it had entered the investigation, on the ground that civil rights violations might be involved. Now the FBI has come in, reportedly at the request of Donald B. Mackay, United States attorney at Springfield, who is in charge of the grand jury inquiry.

Disclosure of the approach to Bell is the first concrete indication that the investigation has gone beyond the Collinsville incidents. Federal agencies are reported to have received numerous complaints from others who have had dealings with DALE.

The Collinsville investigation is being directed by Fred Fehl, special agent in charge of the FBI's Cleveland office.

Fehl said yesterday that the Department of Justice had ordered the investigation.

An FBI spokesman in Washington said yesterday that the agency was entering the Collinsville case apparently because of allegations that DALE agents had violated the civil rights of two couples.

The FBI normally does not investigate other federal agencies unless a civil rights issue is involved, the spokesman said.

In the Collinsville cases, the Herbert Giglotto and Donald Askew families charged that they were terrorized by DALE agents who later admitted that they had invaded the wrong homes. Both families have filed suits against the agents.

The Bell incident occurred last October, when agents stopped him as he was leaving City Hospital, where he works as a clerk. He was approached by agents who, Bell said, did not clearly identify themselves.

A scuffle ensued and Bell was placed on probation for assaulting the officers. Bell, who had had no previous trouble with the law, said that he planned to sue the agents.

He talked about the incident yesterday as he waxed his automobile in front of his modest, white brick home at 4711 Thrush Street in a quiet neighborhood in north St. Louis.

"The FBI contacted me and asked me to come down tomorrow," he said "They told me that they want to discuss the incident of last October."

Bell said that since the incident, legal fees had forced him to drop out of Southern Illinois University at Edwardsville, where he was a predental student.

"I'm out of about $2000 altogether," he said. "This incident has also caused my family a lot of problems.

"My wife's nerves are shot. It has been quite an ordeal. My wife has been forced to quit her job because of her nerves."

He said that he would file a suit after he appealed his conviction of last Jan. 23, when he was found guilty on a reduced charge of common assault on a St. Louis policeman after he had pleaded guilty Dec. 18 of assaulting a federal officer.

"I come out of the same exit every day," he said. "The incident plays back again and again. I find myself looking both ways when I come out. My nerves have been pretty bad and I'm too young to be having bad nerves."

He said that the incident had haunted the family as well.

"When my wife hears a car outside, she rushes to see who it is. I find myself constantly looking out the window all the time, being extra cautious, something I never did before.

"I try not to go anyplace by myself. I always try to take someone with me."

The DALE office came under fire prior to the Bell case when agents allegedly smashed furniture and severely damaged the home of a woman in a raid in June 1972.

The woman, Mrs. Dorothy King, filed a suit for $18,395 last November in St. Louis Circuit Court. The suit, filed by attorneys for the American Civil Liberties Union of Eastern Missouri, charges that DALE agents "engaged in a personal vendetta of wanton destruction of property and personal effects."

The agents searched the home in connection with a warrant issued by United States Magistrate Garnet Taylor. Some heroin was found and Gene King, husband of Mrs. King, was found guilty and sentenced on charges of distribution and possession of heroin.

It has not yet been determined whether FBI agents will include the King raid in its present inquiry into the conduct of DALE officers here.

[From the St. Louis Post-Dispatch, June 21, 1973]

SUSPENDED AGENT HAD MAJOR ROLE IN MARYVILLE RAID

(By Robert L. Joiner)

A suspended federal drug agent played a major role in a recent raid in Maryville, Ill., although his superiors have insisted publicly that he simply obtained the warrant for other officers to conduct the search.

In documents filed with the United States District Court in Springfield, Ill., Dennis R. Moriarty, the suspended agent, says, "I searched the premises described in the warrant . . . I swear that this inventory is a true and detailed account of all the property taken by me on the warrant."

His signature appears on both the return of a warrant issued by United States Magistrate Ronald C. Mottaz of Alton, Ill., and on an inventory statement.

Moriarty's name was scratched from the warrant return and replaced by that of his superior, Edmund C. Irvin, who was in charge of the raid.

Mottaz said the warrant return was brought to his office by Irvin, who was told that Moriarty's signature was invalid and that the return would have to be signed in the magistrate's presence.

Mottaz said that Irvin simply scratched out Moriarty's name and signed his own.

Vernon Meyer, regional director of the Bureau of Narcotics and Dangerous Drugs, said that he was not aware that Moriarty had signed the return on the warrant.

Mottaz said he had assumed that the person who signed the return was one of those present in the raid.

"The purpose of a return is to say that certain items were found during a search," Mottaz said. "So the person who signs the return would have to know that the items were there. I'd assume that the person was supposed to be present when the items were taken."

Mottaz said that Moriarty had applied for the warrant for the raid.

"I'm relatively certain that the person who signed the warrant was Moriarty," he said. "Mr. Irvin brought the return back and I noticed that it had been signed by Mr. Moriaty. I told Mr. Irvin that he would have to sign it in my presence."

It was at this point that Irvin scratched Moriarty's name and signed his own, Mottaz said. He said that he had not questioned the procedure because he had assumed that both men had been present in the raid. He said he had not remembered that Moriarty had been suspended.

"I don't notice the name, but I wish I had," Mottaz said. "As a matter of fact, I didn't recognize the name 'Moriarty' as being the suspended agent until I began to get inquiries from the newspaper."

When asked why Moriarty had signed the documents if he had not participated in the raid, Meyer said, "I wasn't aware of that. I thought that I had gotten all the facts together, but that's the best account I can give based on information that Mr. Irvin gave me."

The documents led Meyer to admit that Moriarty had done more than obtain the warrant and serve in a so-called "nonenforcement" role in the raid.

Meyer's comments yesterday ran counter to statements from a spokesman for the Drug Abuse Law Enforcement office in Washington.

The spokesman had said that Moriarty's only role in the raid had been as a "courier" for the bureau, driving to Alton, Ill., to obtain the search warrant for the raid on June 8.

After the Post-Dispatch confronted him with the documents, Meyer conceded that Moriarty had played a larger role in the raid than officials had admitted, but he stopped short of saying that the agent had participated in the search.

Meyer said that Moriarty went to the scene of the raid to assist officers shortly after two men were arrested and a half pound of a substance suspected of being cocaine was seized.

Meyer said he based his comments on information provided by Irvin. Meyer would not allow the Post-Dispatch to discuss the Maryville raid with Irvin.

"I don't want to be quoted as saying that Mr. Moriarty had no active role in the raid," Meyer said. "I want to be quoted as saying that from information given me (by Irvin) that Mr. Moriarty had no active role."

Based on his conversation with Irvin, Meyer gave this account:

"Mr. Moriarty sat in the car while the raid was conducted and the arrests made. After that, Mr. Moriarty went to the motel room and assisted agents in preparing inventory of goods seized.

"The other agent up there (in the motel) needed some help. That's why Mr. Moriarty went up there. The agent needed some assistance in preparing the inventory of goods seized."

Meyer said that officers at the scene of the raid were two members of the Maryville Police Department, and seven federal agents, including Moriarty.

Meyer conceded that Moriarty had exceeded restrictions place on him when he and three other federal agents were suspended for taking part recently in mistaken raids on two Collinsville homes.

The agents were limited to administrative duties and were ordered not to participate in drug raids. Moriarty was the only suspended officer involved in the Maryville raid, Meyer said.

"The position is yes, Mr. Moriarty did exceed his restrictions by his presence out at Maryville. But the raid was procedurally cor-

rect. Drugs were seized and the office performed its mission. But, yes, Mr. Moriarty exceeded his restrictions."

Moriarty is among three of four suspended narcotics agents who have been accused of abusing their power in several instances.

The raid on the two homes in Collinsville, conducted by about 15 local and federal law enforcement agents assigned to the DALE office here, was headed by Moriarty.

Agents Moriarty, Kenneth Bloemker and Dennis W. Harker are being sued by a St. Louis woman whose home was severely damaged in a raid by agents in June of 1972. The woman, Mrs. Dorothy King, filed a suit for $18,395 last November in St. Louis Circuit Court.

She alleges that the agents "engaged in a personal vendetta of wanton destruction of property and personal effects."

In the Collinsville raids, one of the families whose home was raided, the Herbert Giglottos, 1003B Arrowhead Drive., said the person in charge of the investigation acted menacingly during the incident.

"As he was leaving the house I walked downstairs and I said, 'Sir, can you explain to me? You just kicked in my door, threatened my life, my wife's—you know, it was terrible. Can you explain to me why you did this?'

"And he pointed at me and said, 'Shut your mouth, boy.' That one person acted like a flat maniac. This man acted terrible. He was the only one who wasn't dressed like a hippie. He was dressed in a London Fog coat."

Mrs. Giglotto said, "Everytime my husband turned, the man would say, 'Don't move or I'm going to kill you.' I'll never forget his face as long as I live.

"Joey (her husband) is trying to look up at him when he's talking to him, and he's telling him not to move. By this time I'm up and I watched him and this man had sweat pouring down his face, and he was shouting—a very maniac-type of a . . ."

Moriarty was one of the agents who made a mistaken identification last October of a man suspected of being a drug pusher.

In that incident, Sterling Bell Jr., a clerk at City Hospital, who had no arrest record, was placed on probation for assaulting federal officers, although the officers later conceded that Bell was not the man they had been looking for.

Bell said that after the scuffle, in which Moriarty took part, he was handcuffed and taken to an office where agents questioned him about selling narcotics and beat him with blackjacks.

Bell was charged with assaulting a federal officer and assaulting a police officer with malice and intent to maim.

Moriarty has consistently been unavailable for comment.

Mr. PERCY. Mr. President, in a related development, the Illinois House of Representatives adopted a resolution sponsored by Representatives Weber Borchers, Clyde Choate, Robert Blair, Gerald Shea, and Leland Kennedy and brought to my attention by State Representative Don Brummet. The resolution highlights several of the most repugnant facts of the Collinsville incidents and calls for an immediate investigation of the conduct of participating agents. I ask unanimous consent that it be included in the RECORD at this time.

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

HOUSE RESOLUTION 293

Whereas, Mr. and Mrs. Herbert Giglotto of 1003B Arrowhead Drive, Collinsville, Illinois, were terrorized in their home on April 23, 1973; and

Whereas, Federal agents from the Bureau of Narcotics and Dangerous Drugs entered their residence by smashing through the front door; and

Whereas, numerous agents entered the Giglotto's bedroom handcuffing the unfortunate couple; and

Whereas, vile and profane language was used while a cocked pistol was held to Herbert Giglotto's head; and

Whereas, this raid lasted 15 minutes before the agents discovered they had entered the wrong residence; and

Whereas, the agents, while conducting the "search", damaged the property of the Giglottos beyond repair; therefore, be it

Resolved, by the House of Representatives of the Seventy-eighth General Assembly of the State of Illinois, That an immediate investigation be made regarding the conduct of the agents participating in the "search" of the residence of Mr. and Mrs. Herbert Giglotto; that full reparation be made for this gross miscarriage of justice; that a suitable copy of this preamble and resolution be forwarded by the Secretary of State to Mr. Elliot Richardson, Attorney General of the United States, and to each member of the Illinois delegation to the Congress of the United States.

Mr. PERCY. Mr. President, I am pleased to say an inquiry is now being carried out by the Federal Bureau of Investigation and that the results will be made a part of a special Federal grand jury investigation into the raids and related activity. The new grand jury will be convened next week under the direction of Deputy Assistant Attorney General for Civil Rights, Mr. K. William O'Conner, assisted by the Deputy Chief of the Criminal Section of the Civil Rights Division, Mr. William L. Gardner.

The new grand jury investigation will focus on whether there has been a deprivation of the civil rights of the victims of the Collinsville drug raids in violation of Federal law, and whether there has been an obstruction of justice by Federal agents and others involved in those raids.

If justice is to be done, I believe it is imperative that the most thorough investigation be undertaken. No citizen can feel secure in the privacy of his own home if fundamental civil liberties are to take a back seat to vigilante behavior even when inspired by the best of motives.

I am outraged by indications that the innocent victims of these mistaken raids may have been subjected to further harassment as a result of the activities of Federal drug agents and others in the days and weeks following the original raids. I cannot believe that it is standard operating procedure for law abiding citizens to be intimidated in this manner.

But if such abuses have occurred, then it is the responsibility of the new special prosecutor to present these facts before the grand jury. Until this case is resolved, the entire Federal drug law enforcement effort will remain under a cloud of suspicion which, on the whole, I believe, is undeserved.

I welcome this decision by Deputy Attorney General Joseph Sneed. The excellent choice of Mr. O'Connor as a special prosecutor signals a commitment on the part of the Department of Justice to carry out a no-holds-barred investigation into the serious charges which have been leveled. I expect the new investigation to build on the wealth of information uncovered earlier by U.S. Attorney Donald Mackay, and am willing to assist in whatever way I can.

THE SURPLUS CHILDREN OF SOUTH VIETNAM

Mr. KENNEDY. Mr. President, the Congress will soon begin consideration of this year's foreign assistance authorization for Indochina (S. 1711), evaluating both the administration's bill as well as several amendments which have been offered to it, including amendment No. 255, which I introduced on June 22.

As we begin considering America's responsibility to help provide assistance to the people and nations of Indochina, I believe we must first and foremost focus our attention on the massive humanitarian needs left in the wake of a decade of war. Nothing reminds us of this more, nor symbolizes these humanitarian needs better, than the faces of the millions of homeless, maimed, and orphaned children spread throughout Indochina.

Their plight, seen through the image of one child, has been eloquently stated in an article by Chester L. Cooper in today's New York Times. Mr. Cooper argues that in our future aid programs the children must come first—the bridges and roads and rail lines will, sooner or later, be rebuilt. The lives of children may not, unless we start now. He writes:

What we must do, if we are serious about a "lasting peace," is to concentrate on the Vietnamese people, rather than on the Vietnamese things.

Mr. President, as chairman of the Judiciary Subcommittee on Refugees, I have long tried to make this case. I believe the people problems must command the highest priority in all American assistance programs, but especially those for Indochina. That is the principal thrust of the amendment I have introduced, and which I hope will be given every consideration by the appropriate committees of Congress.

Until the humanitarian needs of refugees, civilian war casualties, orphans, and all war victims, are the overriding concern and objective of American assistance programs in Indochina, I fear America will remain "part of the problem, instead of part of the answer" in building peace in that area.

Mr. President, I commend Mr. Cooper for his excellent essay and would draw it to the attention of my colleagues. I ask unanimous consent that the text of Mr. Cooper's article, along with the text of my amendment—No. 255 to S. 1711—be printed in the RECORD.

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

THE SURPLUS CHILDREN OF SOUTH VIETNAM

(By Chester L. Cooper)

The terrace of Saigon's Hotel Continentale is one of the few constants in the capital's kaleidoscopic physical and human landscape. In the late afternoon and on into the evening, the good and the evil sit cheek by jowl sipping and nibbling, buying and selling, drinking and brooding. The players change, but the cast is always the same—

foreign soldiers, local hustlers, expatriate Frenchmen, world-weary newsmen. Along the side and rear walls are the prostitutes—male, female and indeterminate. And shuffling around from table to table are the beggars and the pushers. The mood music is a melange of turned-up rock, flatulent Honda, occasional siren.

Two "regulars" recently provided a leitmotif. Big Bob and Little Babe met each afternoon after Big Bob finished pushing papers or driving a truck or doing whatever he did at MAC-V, the Pentagon East. At about 5:30, khaki shirt stained and black face streaked with the sweat of the hot afternoon, he would lumber up to the terrace, look sternly at the score or so of street kids running and shrieking after any soft-looking touch, and shout: "Where's my date?" and then out of the crowd would emerge little Babe. Barefoot, scruffy, scrawny, 7-going-on-30.

"Hi, Little Babe!" and a hug. A scream of joy and skinny arms embracing enormous thighs.

Across the terrace they went, and into the dank men's rooms rich with the aroma of decades of urine. Bob would scrub 24 hours' accumulation of street grime from Babe's face and hands and run his comb through her matted hair. Hand in hand, they went back to the terrace and to their table in the shade. And then, to the music of her giggles and his belly-laughs, Little Babe had her ice cream, cookies and milk and Big Bob his beer. A peck on the cheek and Babe would be off to her home, the street, and Bob disappeared into the crowded square—until 5:30 tomorrow.

Big Bob has long since returned to the States—hopefully, to a houseful of giggling little girls. Little Babe? Who knows?

Babe has at least a hundred thousand counterparts in Saigon and Hue and Danang. There are probably 50,000 Babes, courtesy of three million G.I.'s who passed through during the last decade. Some, the lucky ones, are in the few Vietnamese orphanages; most, like Babe, live on the streets. They provide an unbroken link with the wretched progeny of the French Foreign Legion and the Japanese Imperial Army. Together with the orphaned, the abandoned and the lost they comprise a pathetic legacy of the American struggle to provide the Vietnamese with free choice and a miserable souvenir of peace with honor.

Voluntary agencies have been doing what they can in South Vietnam. And thousands of compassionate Big Bobs have brought a moment of laughter to thousands of miserable youngsters. But the voluntary agencies, as well meaning and effective as they are, are not adequate for the job—and the Big Bobs have all gone home.

In North Vietnam the problem must be quite different in both scale and kind. Even under the fury of bombing, the Hanoi Government probably had some minimal organized arrangements for coping with lost, strayed, orphaned or abandoned youngsters. At least, visitors do not report them drifting around the streets of Hanoi or Haiphong. And, of course, during the last decade or so, the North has been spared the thousands of offspring of Vietnamese women and foreign troops. But, surely, there must be a problem of substantial dimensions; a country as poor as North Vietnam cannot experience years of war without being overwhelmed by maimed, fatherless, sick, frightened and homeless children.

Highly motivated American officials, at this very moment, are wrestling with the problem of programs and modalities for postwar assistance to both North and South Vietnam. Perhaps the sordid terrace of the Hotel Continentale can help us get our priorities straight. Little Babe comes first—the bridges and the roads and the rail lines of North and South Vietnam will, sooner or later, one way or another, be rebuilt.

What we must do, if we are serious about a "lasting peace," is to concentrate on the Vietnamese people rather than on the Vietnamese things.

Schools, mental health clinics, pediatric services, vocational training centers, orphanages, teacher training, foster-parent programs, remedial education are but a few of the objectives of a five-year, children-oriented aid effort. The program, of course, should be wholly Vietnamese in character, not American. We have learned, or we should have learned, that we cannot and, indeed, should not, try to export our own standards and values.

The most expeditious way of accomplishing the task of salvaging a generation of young Vietnamese would be to turn over the major part of our aid directly to UNICEF, which is already operating in South Vietnam.

[From the Congressional Record, June 22, 1973]

AMENDMENT NO. 255

Section 17 is amended to read as follows:

"SECTION 17. The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new part:

"PART V

"Chapter 1—POLICY

"SEC. 801. (a) The Congress, recognizing that the realization of human hopes and aspirations are important in contributing to a stable peace in Indochina, affirms the willingness of the United States to provide assistance for the humanitarian relief, rehabilitation, and reconstruction of the peoples and countries of Indochina. Assistance for such purposes shall have a primary concern over restoring the life and spirit of refugees, civilian war casualties, war orphans, and other persons disadvantaged by hostilities or conditions related to those hostilities, and over rebuilding civilian facilities damaged or destroyed by those hostilities in the war affected areas of Indochina.

"(b) Assistance for such purposes shall be distributed to the maximum extent practicable under the auspices of and by the United Nations, other international organizations, multilateral institutions, and private voluntary agencies with a minimum presence and activity of United States Government personnel. The Congress urges the President to solicit the cooperation of other governments to support and participate in the humanitarian relief, rehabilitation, and reconstruction of the people and countries of Indochina under international auspices.

"(c) The Congress further urges the President to solicit the cooperation of other governments in encouraging the United Nations Secretary General to establish immediately an autonomous United Nations Fund for Indochina, or other appropriate institutional arrangements, to receive humanitarian and developmental contributions to support to the maximum extent practicable the humanitarian relief, rehabilitation, and reconstruction of the people and countries of Indochina under international auspices.

"Chapter 2—GENERAL AUTHORITY AND AUTHORIZATION

"SEC. 821. GENERAL AUTHORITY—The President is authorized to furnish, on such terms and conditions as he may determine, and to the maximum extent practicable under international auspices, assistance for the humanitarian relief, rehabilitation, and reconstruction of the people and countries of Indochina, especially humanitarian assistance for restoring the life and spirit of persons disadvantaged by hostilities or conditions relating to those hostilities, and for rebuilding civilian facilities damaged or destroyed by those hostilities in the war affected areas of Indochina.

"SEC. 822. AUTHORIZATION—There is authorized to be appropriated to the President to carry out the purposes of this chapter in South Vietnam, Laos, and Cambodia, in addition to funds otherwise available for such purposes, for the fiscal year 1974 not to exceed $390,000,000, which amount is authorized to remain available until expended."

IMPEACHMENT TALK UNJUSTIFIED

Mr. BELLMON. Mr. President, the melange of accusations that have sprouted from the weed of Watergate has led to some talk of impeachment of the President.

Impeachment is a word that Oklahomans do not bandy about because our State has had considerable experience in this area. Two of Oklahoma's Governors were impeached and removed from office.

One of Oklahoma's longtime newspaper publishers, James C. Nance, of Purcell, served as a member of the legislature during both of these impeachment proceedings. He recently wrote his observations of this process in a column in the Purcell Register, which was reprinted by Paul John, editor of the Sulphur Times-Democrat.

Mr. President, because of its timely application to current affairs, I ask unanimous consent that this material be printed in the RECORD.

Mr. President, I also ask unanimous consent that an article by Richard Wilson, appearing in the July 7, 1973, edition of the Washington Star-News, be printed in the RECORD.

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

THE EDITOR VIEWS THE NEWS

(By Paul John)

Impeachment is a word which has been surfacing periodically during the current Watergate investigation. Impeachment is an ugly word and one which by its nature can divide and destroy. We were interested in the observations of our former partner in the newspaper business for many years, James C. Nance, publisher of the Purcell Register. After having served in a position of power in the Oklahoma legislature during the impeachment of two Oklahoma governors, Mr. Nance is qualified better perhaps than any other Oklahoman, to discuss the implications of impeachment, both state and national. Here is his editorial.

BY JAMES C. NANCE, PURCELL REGISTER

Even any attempt to impeach the president of the United States would further disorganize the whole administration of the far flung national government.

Impeachment borders on political rebellion because it brings on confrontation between the executive department and the legislative bodies.

Impeachment is the extreme political punishment imposed by the constitution of the United States.

If impeachment proceedings, against the president, shall be instituted for any reason, that move will bring on immediate chaos to our leadership programs and decisions in the national government. Further progress will be temporarily abandoned. The great problems facing this nation would go unsolved until the impeachment proceedings are concluded.

As a person experienced in impeachment proceedings, I would like to enter my protests against any proposition to impeach the president. The president has not, in my

opinion, committed any crime that would justify impeachment.

Under the process of impeachment the House of Representatives would conduct an investigation of the accusations being filed against the president. If the evidence adduced by the investigating committee shall be sufficient to sustain a charge, the house will then vote on the articles of impeachment. If a majority of the house members, present and voting, support the articles, the articles of impeachment are then filed with the Senate. The Senate will in turn adopt rules to govern the trial of the president and will set the charges down for hearing in open session.

When the hearing is concluded the Senators will then vote on each article separately and if two thirds of the Senators, present and voting, should favor any article the president would then stand impeached and removed from office.

The process of investigation and impeachment would require many days, possibly many months, before the charges are brought to final vote before the house and senate.

This writer served as Speaker of the House at the time Henry Johnston, the governor of Oklahoma, was impeached and removed from office. I also served as a member of the house at the time Jack Walton, the governor of Oklahoma, was impeached and removed from office. Impeachment of the two governors seriously divided the people of this state and progress of progressive government was brought to a temporary standstill. Politics played a big hand in the impeachment of both governors.

Impeachments are often based on political feuding. Politics is usually the instigator of the proceedings.

The country would better suffer embarrassment of having to follow a president accused of some misconduct than to launch into a long range political crusade of impeachment proceedings.

The president, in our considered opinion, has not committed any crime that would justify impeachment.

NIXON SHOWING GOVERNMENT NOT PARALYZED

It was modish for a while to say the government was paralyzed by the Watergate scandal, but this was not true at the time and is not true now that administrative changes have been made on a large scale.

These changes were all for the good—a better White House staff, a strong attorney general, a strong secretary of Defense, a professional Central Intelligence Agency director, and an experienced Federal Bureau of Investigation director.

As for policy, President Nixon has been forced to make no change directly attributable to a collapse of confidence from the Watergate affair. The changes in economic policy, the compromise on ending the bombing of Cambodia, the agreements with the Soviet Union, the on-going negotiations with the Chinese, the new energy conservation program were all products of pressures other than Watergate.

In the midst of the worst scandal of the century, the Senate still confirmed Nixon's nominees for high government posts, high-level diplomatic matters of great importance progressed, both Congress and the President backed away from an all-out constitutional crisis on war powers. Needless to add, the mail was still delivered without a noticeable increase in efficiency, and July income tax payments were not rescinded.

Of course, it is Nixon's conscious intention to create the impression of on-going affairs in the normal development of his policy to show that he is not now and will not in the future be a paralyzed president. He does not intend to resign nor expect to be impeached, nor will he sink into paralysis.

Any detached and non-hysterical evaluation of this attempt would have to conclude that so far he has done fairly well in this respect, and more of the same is due to unfold with the submission to Congress of some additional legislative proposals.

His measured response to the Dean testimony before the Ervin committee until former officials of his administration have been heard from is additional evidence of the "calm at the center" motif of his presidency. He is now preparing for a possible visit of Chinese Premier Chou En-lai to this country, and for another presidential visit to both Russia and China in 1974 as if nothing had happened or would happen to diminish his ability to conduct the nation's large affairs.

It is of vital importance to him to remove any impression that even though not convictable upon impeachment, he is so damaged that the nation will suffer irremedial harm unless he resigns. This is subject to demonstration to the contrary by several different measures. First, he will have to improve the economic climate. Climate is the right word because all the economic indicators are good and it is fear about the inflationary future which is causing the trouble. Phase IV of economic controls will have to work.

By another measure, the Cambodian war will have to be brought to an end, and there are indications that it will be, possibly by a compromise which Nixon may not like but at least will get this issue out of the way. Another measure may be the fading away of the short-run effects of the energy crisis—the gas shortage and so on, which also may be in the making.

If all of these results materialize, which is not wholly unbelievable, a very substantial argument can be made on practical grounds that the presidency is far from paralyzed and Nixon's resignation is not necessary to set the country right. The moral question may be something else, and it does not now appear likely, with half the country believing Nixon was involved in some very bad things, that there will ever be a consensus on his culpability. Credibility is also a problem, but in greater or lesser degree, Nixon shares this problem with preceding presidents. It is not necessarily a paralyzing factor.

The country would have to be in a very bad fix for Nixon to bow out. He is not, in fact, under the same pressures as Lyndon Johnson when he despaired of uniting the country and so did not run again. Nixon does not have to run again.

Let us suppose the extreme for a moment and assume Nixon was criminally liable and knew it. Would he reason that the country would be harmed or helped if he uttered mea culpa and went off to jail?

The President's strategy is to show that he was not criminally or morally liable, and, even if half the country thinks to the contrary, he is still able to serve the whole country well. This leaves the Ervin committee in the position of having to show that the President is convictable, which it has not yet done to its own satisfaction.

LAND BANKING

Mr. HARTKE. Mr. President, on May 21, I introduced S. 1857, the National Growth Policy Employment Act of 1973. Title II of that bill concerns the need for land banking in our Nation's urban areas. Title II of my bill is almost identical to H.R. 5808, the Urban Employment Act of 1973, which was introduced by Congressman JAMES STANTON, of Ohio, earlier this year. We have both come to the conclusion that the issue of growth or no growth and the corollary effects on employment in our urban areas is a crucial one. We hope to be able to work together in bringing that issue to the attention of the American public. An article in the Washington Post recently commented on the need for land banking as a means of controlling national growth. I ask unanimous consent that that article be printed in the RECORD.

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

LAND BANKING: IS IT COMING?

(By Benjamin Ronis)

The debate centering around the issues of land use regulation, "growth or no-growth" and corollary topics seems to be spreading into almost every aspect of our national life. Discussions on ways and means to resolve the issues are cropping up in some of the unlikeliest places. But this is evidence of the gravity of the subject.

One "unlikely" place was the recent 50th annual meeting of the American Law Institute at the Mayflower. That body of eminent legislators and jurists, in between its usual discussion of how to improve the American system of jurisprudence, spent almost one entire day discussing the draft of one of its projects, a proposal to create a Model Land Development Code for use anywhere in the United States.

The code, still in a draft stage, contains suggestions from the code committee on provisions to be included covering powers for municipalities to regulate development, planning, land acquisition, discontinuance of existing land uses and enforcement of regulations.

It also contains some comments on "land banking", a topic which has recently come onto the local scene via being sponsored by the Fairfax County Board of Supervisors.

Land banking is the purchase by any governmental agency or substantial quantities of land and holding these parcels in the public name as a means of influencing development patterns and controlling land prices. It is being argued by many students of the land development process that land banking is the only feasible way to resolve a number of the more serious problems arising from our present methods of developing urban land. While the institute does not take a stand either way as yet on whether or not to include land banking in its model code, its draft committee does recommend that all members read the many arguments that have been developed.

No discussion of the use of land acquisition powers to control growth and development would be complete without consideration of the concept of land banking. The term is one that appears frequently in the literature of land use law, economics and planning. Although the term is not always used uniformly, in general we may define it as follows:

A system by which a governmental entity acquires a substantial fraction of the land in a region that is available for future development for the purpose of controlling the future growth of the region.

Land banking has been used in a number of European countries, notably Sweden and the Netherlands, where it has been widely acclaimed as a means of encouraging orderly urban growth. The technique has acquired a substantial number of proponents in this country.

This tentative draft does not include authorization for land banking. Instead, it attempts to summarize the arguments made by the proponents of land banking and the arguments that can be expected from its opponents, and discusses some of the issues that are involved in the drafting of a workable land banking system.

This approach has been chosen because a majority of the advisory committee supported the idea of land banking, though there were differences in opinion on the desirable nature and scope of the system.

Proponents of land banking have relied

primarily on two basic arguments: (1) that it will reduce the cost of land through elimination of land speculation, and (2) that it will permit more rational patterns of development rather than urban sprawl. Large scale municipal acquisition of land for planning purposes was advocated extensively in the 1930s with considerable emphasis being placed on the high costs alleged to result from land speculation. In 1936, James Ford advocated ". . . the condemnation of land for housing purposes and, as rapidly as possible, the perpetual ownership of land through some unit of government. Extension of public ownership of land is necessary to avoid recurrence of the evils of exploitation of land against the public interest and to give the government firm control of the housing situation."

Lewis Mumford wrote:

"What one proposes now is that a bad land policy, which confused stable occupation and security of tenure with the irrelevant concept of individual ownership, should be obliterated. In its stead, one proposes a sound land policy which shall vest ownership in the community, and guarantee tenure, for definitely assigned periods, to those who work the land thriftily and pay their communal taxes. This policy can be put into effect piecemeal, by permitting cities to buy up land necessary for their development and to hold it permanently: an indispensable aid in four-dimensional planning."

Perhaps the most persuasive evidence that land banking can cause a general reduction in land costs is provided by the land banking program that has been undertaken by Saskatoon, Saskatchewan, since the 1930s. A federal task force in Canada studied the Saskatoon experience as part of an over-all study of housing and urban development and found land prices in the area around Saskatoon substantially lower than around comparable cities, and it recommended that the program be duplicated in other Canadian Communities.

The Task Force noted . . . that land costs in Saskatoon had been held in check despite the fact the city's population has more than doubled in the past five years and that the pattern of urban development there showed a certain rationale that appeared lacking elsewhere

During the depression, however, many entrepreneurs defaulted on their property assessment payments and the municipality thus acquired ownership to large tracts of development land. Looked upon at that time by city fathers as a doubtful, unrealizable asset, this "bank" of publicly owned land subsequently provided the foundation for an effective system of municipally-assembled and serviced land. Through it, the Saskatoon government has been able to provide land for private development at reasonable prices while at the same time planning the development pattern in a comprehensive sense and retaining, again on a planned basis, sufficient land at the proper sites for public uses such as schools, libraries, parks and the like.

Starting with the original depression windfall, Saskatoon has continued to acquire land, sufficiently ahead of development to keep prices down, to the point where it has been able to accommodate rent urban expansion and still build up an inventory of some 5,000 acres which should meet development needs for the next 20 years.

In a recent paper, Professor Charles Haar has argued that a land bank is needed to stabilize the market for land in a manner similar to the way the Federal Reserve Bank stabilizes the market for money.

Professor John Reps, a leading planning educator, advocates land banking as a means of controlling urban sprawl.

"The proposed method of directing urban expansion would promote contiguous development rather than the wasteful, discontinuous pattern which now prevails and which results very largely from the whimsical characteristics of the peripheral land market. In order to find land on which to build, the developer must often leap-frog over near-in tracts which are held off the market for one reason or another. The expense and the cost to individuals in time and money is increased by this useless and unessential dispersal."

The National Commission on Urban Problems has recommended that state governments enact legislation enabling state and local development authorities or agencies of general purpose governments to acquire land in advance of development for the following purposes: (a) assuring the continuing availability of sites needed for development; (b) controlling the timing, location, type and scale of development; (c) preventing urban sprawl; and (d) reserving to the public gains in land values resulting from the action of government in promoting and servicing development.

Land banking obviously involves a degree of governmental intervention in the land development process that goes beyond the role of government as regulator with which we are accustomed. Additionally, land banking may be called a scheme to socialize the ownership of land and be described as a deterrent to prevent initiative in designing new and better forms of land development. As a result of these pressures, a land banking agency might be forced into quick turnover of land to private developers, thus hindering the goals. Similar pressures were evident in urban renewal.

Opponents of land banking will also argue that it cannot really achieve the purposes claimed for it. Sylvan Kamm of the Urban Institute, author of a highly critical study of land banking, argues that it is impossible to achieve both better quality development and lower land prices. Says Kamm:

"The essence of orderly development is that varying land uses will support each other and there will be no wastage of land through scatteration. Given such a pattern the functional utility of all parcels will be increased—an increase which would be reflected in price."

Opponents of land banking will also object to the great discretion the agency must be given in determining which land to acquire and in deciding when, for what purpose, and to whom the property must be sold. They will point to the extensive opportunities for corruption that will be presented by such a program.

Assuming the creation of a land banking system were found to be desirable, a number of difficult issues would remain to be resolved before such a system could be designed. These include:

(1) Which agency will run the land bank? The federal government? The state? A regional agency created for the purpose? The central city? Existing suburban governments?

(2) How is it to be financed? General revenues? A special tax on land transactions? Should its sales of its own land eventually make it self-sufficient?

(3) To what extent should the land bank agency subsidize particular land uses? Which land uses?

(4) Can the agency acquire land secretly or must its planning involve public participation? If it operates secretly, how can we be sure it will act consistently with the comprehensive land development plan? If it operates publicly, will it end up paying extremely high prices?

(5) Should the land bank agency pay property tax on banked land? If so, would premature development be stimulated? If not would local government revenues be severely reduced?

(6) Should land held by other governmental agencies be treated as part of the land bank? Should provisions be made for compensating such agencies? If not, should there be a method for insuring that such agencies are not working at cross purposes with the land banking agency?

(7) Should the land banking agency's decision to sell land be subject to review? If so, will prospective purchasers be deterred? If not, can we be sure the agency's operations are consistent with public purposes?

The American Law Institute and its Model Land De elopment Code Committee made an excellent presentation of these timely arguments. Meantime, this makes excellent homework for politicians, planners, citizens and land developers.

THE GREAT OIL PRICE RIDDLE

Mr. ABOUREZK. Mr. President, I recently received a series of articles published in the Wichita, Kans., Eagle and Beacon, written by Ted Brooks, a columnist for this newspaper. Mr. Brooks in this series of articles discusses crude oil pricing. His viewpoints, I believe, deserve the attention of all of us who are interested in this subject. I request unanimous consent that they be printed in the RECORD.

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

[From the Wichita (Kans.) Eagle and Beacon, Mar. 4, 1973]

CRUDE PRICES—FACT AND FANCY

(By Ted Brooks)

If the oil industry was ever flabbergasted, it was Friday, when National Cooperative Refinery Association, McPherson, Kan., boosted the price it pays for Kansas crude to $3.85 per barrel.

The price change, effective Monday, March 5 (not Feb. 5 as mistakenly recorded here) upset some of the industry's most cherished rules of the game.

Independents constitute about 84 per cent of the refining companies in the U.S. If that sounds good, then reflect that they control but 15 per cent of the nation's daily refining capacity of 13.2 million barrels. The top 21 refiners have a capacity of 11.2 million daily. Of these, the top ten, control 64 per cent of U.S. capacity.

NCRA is no midget ranking No. 31 on the U.S. list with 50,000 barrels daily. But in the ways that really count NCRA is a lightweight. It is doubtful if the president of Exxon ever heard of it. Its weakness is that which is shared by most independents—a lack of crude oil production, its own supplies. NCRA's crude production amounts to but 18 per cent of its refining capacity. The top 21 own or control about 66 per cent of U.S. production and the top 10 virtually monopolize the importation of up to five million barrels daily of additional foreign oil needed.

So there's no doubt as to who is running the petroleum industry. At least there wasn't until Friday. Theretofore it was deemed improbable that an independent would be so rash as to presume he could offer the price he thought the oil was worth.

This paradox in what is called a free enterprise system has never been properly explained. It probably never will be.

Economists, usually researching the subject under industry sponsorship, have described a mystic realm in which independent and major purchasers stalk through the fields in deadly competition for every barrel. No one ever explained how this peculiar form of aggressiveness always ended in identical price offers.

Experienced sinners have always concluded that this was evidence of collusion. Nothing could be more satisfying than imagining a smoke-filled room populated by greedy tycoons bent on the ruination of small busi-

ness men and the milking of consumers. This is not true. It is not equally certain that the results are much different.

The established pattern of crude price increases is well known. Agitation among independent producers becomes embarrassing. It might even end in splitting the industry along a few political goals more or less commonly sought. The need of an increase ultimately becomes the consensus. This spreads among corporate executives, none of whom live in isolation.

Some, long on production, have ulterior and sympathetic interests. Others, long on marketing, may view the prospect with horror. These men can and do talk the thing over. At some given time their own consensus gels, and only the most obtuse among them would be unaware of it.

By happenstance, not design, one of them assumes leadership. The rest join in at unpredictable intervals calculated to discourage suspicion of an overt agreement, which in fact did not exist. A community of like interests is enough.

This process may be changing. Crude oil is in short supply. Consumers need more oil, gas and fuel. Producers need more money if they are to find those supplies.

NCRA's price hike is a challenge that suggests a free and uninhibited supply and demand market is the best way to bring forth the energy that must be had.

THE GREAT OIL PRICE RIDDLE—1

(By Ted Brooks)

Almost everyone agrees that crude oil and other goods should command prices which reflect supply and demand in a competitive market. In theory, this is one of the virtues of the private business system.

In practice, it works exasperatingly well in the fields of food, clothing, shelter and services. The doctrine's soundness is repeatedly extolled by sellers in a rising market. In a falling market, they suspect something is out of kilter.

It works less efficiently at the raw material level where sellers become buyers. It works not at all when buyers of raw material control the source of supply.

Crude oil happens to be among those raw materials most effectively contained by the latter condition. Competition appears to be intercepted. This is revealed by current events.

Crude is in very short supply. Kansas and midcontinent crude of high quality sells for an average of less than $3.50 per barrel, perhaps $3.70 delivered. No free market theory can explain how Canadian oil supplements the supply at close to $4 per barrel.

The scarcity radiates outward. Deprived refiners may pay more than $4 per barrel for foreign crude at Gulf ports. This is an opportunity price. It has nothing to do with the real cost of foreign oil, which remains below that of domestic.

In a genuine free market, Kansas' problem would be solved by raising the price of crude. This would do three things: divert some supplies to Kansas plants; bring forth new supplies, since higher profits would attract drilling capital; extend the life of many marginal wells now near the point of abandonment.

This is what a Kansas refiner is attempting to do.

National Co-op in McPherson has raised the price to $3.85 per barrel. In effect, it is betting nearly $6,000 per day that enough guts remain in the free market system to sustain a price that will bring forth the supplies it needs. NCRA could lose its bet. It may have to retract its posting, justified or not.

If this occurs, one has no alternative but to conclude that the claimed market does not exist. At some obscure point it has been intercepted.

Other independent refiners with similar problems did not immediately join in the price boost. One wonders why. They have reason to re-establish some measure of participation in a market now administered to guarantee their ultimate demise.

Some crude producers have switched their connections. Many more have expressed appreciation of the NCRA effort, but appreciation will not fill the tank farm.

Not so obscure is the current order of the Cost of Living Council. Covering both crude and products it limited price increases to one or one and one-half per cent. It directly affected only about 15 per cent of the oil refiners in the U.S. But those firms are the beneficiaries of 95 per cent of the sales dollars.

Ostensibly, the rule was made on behalf of consumers—consumers who may soon run out of gasoline at any price. The timing was such as to nip any change in the status quo of crude and product price controls.

But in effect, it gave government backing to an industry pricing system already controlled by a few dominant firms. None of these had responded to NCRA's posting. The Council's edict relieves them of the burden. Their supplies are adequate. Their prices are their own.

It appears that independent refiners must somehow exist without adequate supplies; that producers must abandon hopes of reviving oil and gas production. For some independent marketers it may be the end of the line.

There is a growing conviction that there is more than just awkward policy-making behind intertwined government and industry edicts. If so, the answer lies in world crude oil supplies and the way in which the industry has structured itself around them. This will be discussed in a subsequent column.

THE GREAT OIL PRICE RIDDLE—2

(By Ted Brooks)

It has been contended here that the Cost of Living Council's edict restricting crude and product prices has but formalized price policies and systems already in effect. It gives government an overt share of responsibility in a small consortium of price-leading buyers whose domestic price stance had won tacit approval.

This is not apparent in the published reactions of the price-setting corporations and their spokesmen. They are not politically naive. They deplore the Council's ruling as being injurious to the domestic industry. Some are silent.

But the years of the immediate past are difficult to ignore. They were then the sole arbitrators of price. They then expressed similar concern while they let fully one-half of the domestic producing industry slide into an undeserved grave. A considerable part of the independent refining industry went with it.

Those events are the real sources of oil and gas scarcity today.

As a matter of record, the agonizingly slow but steady gas price increases permitted by the Federal Power Commission since 1953 have amounted to better than 100 per cent—from about nine to 20 cents per thousand cubic feet. Crude prices, administered privately, have gone up but 28 per cent in the same period—from $2.82 to $3.52 per barrel.

On the face of it, FPC gas controls in the public interest have outperformed industry crude prices controlled by corporate interests.

One is required to ask if what is said comports with what is actually being done. While deploring the plight of the domestic industry, the principal interests of the dominant corporations are deployed elsewhere. The followers of Mohammed are avidly cultivated; the shipyards hum with tanker orders; great petroleum enterprises are launched throughout the world.

Make no mistake. These worldwide ventures are necessary. Moreover, the large international firms are the only ones who possess the capital and high degree of technology and organization needed to do the job.

But the full potential of U.S. domestic reserves also must be developed. If the internationals are to be praised for their enterprise in the first case, they must be condemned for their obstruction in the second. Unless the country is to become a beggar energy nation, the economic structure must accommodate domestic development too.

Closer to home, the Mid-Continent Oil & Gas Association also deplored the restriction on domestic prices. At the same time it employed a lobby in Topeka to vigorously oppose a last ditch stand by Kansas independents to get a price increase.

The independents seek legislation empowering the state to fix a minimum crude oil price. This would be set at a point judged necessary to assure the conservation of present reserves and the development of known or probable reserves.

Mid-Continent and its spokesmen for the companies which have already preempted price controls based their opposition on the grounds that the bill would introduce government controls. It requires a gymnastic form of reasoning to deem price controls by a few for the benefit of the few acceptable while even a partial public control for the benefit of many is deemed unacceptable.

Again, it must be noted that a minimum price poses no threat to enterprise; it is the control of maximums that has pulled the stopper on the domestic industry.

All of these problems and many more are not the deliberate contrivances of wicked men. They are the outgrowth of an industry which grew at random. In the course of that growth it was structured around crude supplies. And to this these columns will belatedly turn.

THE GREAT OIL PRICE RIDDLE—3

(By Ted Brooks)

Minds can be lost and found while engaged in unraveling the complexities of crude supply and pricing. That loss or discovery may not make the earth shake. But it will certainly lead to the intelligence that crude supplies and prices are strikingly entangled and different things to different people. This accounts for the enduring hullaballo.

For example, the current increase of 25 cents per barrel being attempted by two refiners would seem to be of a clear-cut significance to one engaged only in the production of crude. Assuming his wells were operating at some profit previously, it would appear that he has achieved an additional and splendid 25 cents per barrel profit.

The splendor is evaporated by realities.

An eighth, about three cents, goes to the royalty owner. If the producer is fortunate enough to be in the 50 per cent tax bracket and the quality of his wells is high, he will recoup 2.5 cents through the federal percentage depletion allowance; he may get as much through the state allowance. So it would seem that after royalty and tax deductions are accounted for he gets 26 cents on a 25-cent boost.

Alack, this is not the end of the matter. He must pay out of this about 10 cents in federal taxes on the 19-cent profit shown after depletion and royalty deductions. Then he must pay out an indefinite but lesser amount for state income and ad valorem taxes.

The small print makes this more complex and expensive. Anyone filling out his returns on the basis of these rough figures must be resigned to life in the penitentiary. It is in the ballpark to say that the producer may have seven cents left out of the 25.

The conditions outlined are ideal. Actually, many Kansas operators (perhaps most of them) are not in the 50 per cent tax bracket. The depreciation allowance is correspondingly less. Also, since the allowance is tied to net profit, very few Kansas wells qualify for the full 22 per cent allowance. Estimating on the basis of previous studies, the current allowance is about 15 per cent.

This is not to say that one can't become disgustingly rich in the oil business. But it takes a magnificent run of luck. The same may be said for other businesses where it is more polite to ascribe success to genius.

It does mean that, on the average, where the average well produces less than five barrels daily, the oil business in Kansas is not what it is cracked up to be.

To the refiner, crude supplies and prices are quite another thing. If he is without production of his own, they represent a cost that is undiluted by any tax concession.

The posted price, over which he may have but slight influence, is at the wellhead. Until recently, the average cost of transporting the oil to the refinery in Kansas was about 20 cents a barrel. The 600-mile pipelining of supplemental supplies from Canada is boosting this enormously. Currently, oil is laid down at Kansas refineries at an average cost of about $3.85 per barrel.

It is now more convenient to convert that to a more revealing figure—a little more than nine cents a gallon.

There is a professed ignorance in the refining industry of the exact cost of turning crude into any given product. Enough is known to estimate this at two cents a gallon without engendering too much ire. Thus gasoline, with an additional one cent delivery cost, may be peddled to wholesalers at 14 cents a gallon, a common price. It nets the refiner two cents, or 84 cents a barrel, a handsome profit, or so it seems.

The wholesaler is supposed to prosper with another three-cent mark-up; the retailer ideally gets 10. So the motorist fills up for 27 cents a gallon, adds another 11 cents for state and federal excise taxes and proceeds joyfully to the scene of his next accident.

Refiners and marketers may be forgiven for laughing themselves to death at this sequence. In practice, the retail price is much lower. The selling profits are frequently shaved to half. The refiner often will be forced to sell below his nine-cent-per-gallon crude price.

This is why refiners and marketers are nervous wrecks and frequently talk to themselves. Their afflictions are derived from the fact that they have no real control over either their costs or selling prices.

The keen mind of the avid reader will also recall that the independent producer suffers this self-same inadequacy. The reader may further surmise that enterprises in which there is no control of either costs or prices are doomed to extinction. And so they are.

This condition aside, the businesses that have been described seem to fulfill the requirements of the enterprise system. Producers who are just that and nothing else and refiners who are just refiners might get along despite normal difficulties, and so too with marketers.

A competitive push and pull would ensue that would stop short of suicide and deliver products to consumers at the lowest price consistent with the continued production of crude and the manufacture and sale of products.

Unfortunately, the examples described compose an insignificant part of the petroleum industry. The pace is set by another world. It is dominated not by separate producers, transporters, refiners and marketers, but by a small group of immense firms which embrace all of these functions under integrated management.

This is structured around the worldwide control of crude supplies and prices. The amazing mechanics of their operations will be the subject of subsequent columns that will delight some and horrify others.

THE GREAT OIL PRICE RIDDLE—4

(By Ted Brooks)

One of the most treasured articles of faith in the private enterprise doctrine holds that free and equal competitors have equal access to free markets. This in turn is ruled by highly informed consumers who unerringly pick the highest quality goods at lowest possible prices.

It is further adumbrated that the worth of the seller and his products are justly measured in this rigorous system; that success or failure proceeds from the sagacity or stupidity of the enterpriser; that the market accurately measures the ingenuity with which the enterpriser administers his costs and prices and adjusts the quality of his goods in competition with equals. The autonomy of each is presumed.

The doctrine is testily defended by those who at any given point in time feel themselves safely ahead of the bank. Though it smells strongly of newly mown hay, it has prevailed with certain refinements since economists first found they could earn a livelihood by rationalizing the ever-changing techniques of market dominance.

It is a source of growing lament among small business men in hock at double the prime rate. Its weirdly mythological content is nowhere better demonstrated than in the oil business. Here, the foundations of the dogma are washed away one by one.

It has been shown that few of the articles of faith exist in practice. Refiners and some marketers are unable to obtain adequate supplies at any price. Crude producers are unable to command prices that permit them to retain existing production and drill for new. Both the crude raw material and the crude products are fungible—being of broad uniform quality for which no particular claims of superiority can be sustained except in gasoline advertising copy.

The competitors, it turns out are not free, not equal and do not have equal access to crude and product markets. As dramatically revealed by present conditions, crude producers, refiners and marketers have no real control of either their costs or their prices. Yet the control of either one or the other, and preferably both, is one of the absolute prerequisites of business success, even existence.

It is by now clear to the thoughtful reader that the producers, refiners, and marketers described here have represented a particular class.

They are loosely known as independents. This is a poor word. They are anything but independent in fact. It is more correct to say their operations are limited principally to but one phase in the well-to-consumer sequence. As the economists say, they are not integrated.

In fact, some small companies are well integrated in a minimal sense. A refiner may own some production, pipelines and extensive marketing facilities. Yet, he will not have the slightest control over his supply costs or selling prices.

Scale, sheer size and muscle, and a balance between the integrated segments of the operation are potent factors. But this is not all. A relatively large crude oil operation that approaches, is equal to, or exceeds refining needs is the ultimate key to a dominating position at both ends of the market. Large firms who attain this position are the only ones properly defined as "majors."

It is widely held that the resulting advantage is solely a function of the depletion allowance. This is partly true. The very large companies own most of the wells of the high quality needed to qualify for the full allowance. Their fabulous wells in foreign countries absorb about 40 per cent of an allowance originally intended to prevent energy shortages in this country only.

Supporting evidence has been documented by the Treasury Department; firms in the $100-million-and-up category get more than 85 per cent of the total amount of the depletion allowance; small domestic producers of less than $1-million annual gross get less than three per cent.

They fight for this crumb because, though it is a poor substitute for an adequate price, it provides some return in addition to that obtained on marginal markets controlled by the buyers.

It is true, so often claimed, that integration of crude production, together with tax advantages, permits the major production departments to subsidize marketing and thus dictate product prices.

In a well-to-consumer firm, tax advantages but shift to the general public a portion of the product price load that normally would be borne at the market by product consumers alone. They are hidden prices paid indirectly at the tax level by everyone. Since they yield effortless returns, they greatly hasten the process of integration.

But this is not decisive. The opportunities inherent in the mechanics of integrated operations alone are sufficient to create a ruling class of corporations.

This passing phase in corporate development and its impact on crude prices will be discussed.

THE GREAT OIL PRICE RIDDLE—5

(By Ted Brooks)

It has been contended here that the large, integrated firms known as "majors" have effectively intercepted the petroleum market both at the crude supply and product level.

But evidence which appears to refute this is now current. Some of the smaller majors are willing to go along with the current 25-cent field price increase launched by an independent. Others may follow.

If this is evidence of virtue, it is cheaply won. These columns recently have recounted drilling and production cost increases far in excess of the current eight per cent price boost. The difference is a measure of the speed with which needed production is being shut down and small operators are being forced out of business. This deserves an instructive digression.

The real and aggregate cost of finding and producing domestic crude is vastly underrated. Aggregate costs, including social costs, must include the burdens of the losers as well as the winners. These were calculated by an economist unattached to the industry (Henry Steele) in about 1960. He arrived at an aggregate cost of more than $5 per barrel. It now must be at least $7.

This is wildly more than authoritative studies showing costs of around $2 per barrel. The truth is obscured by the fact that reserves may indeed be purchased for around $2 per barrel.

But absolute, aggregate costs do not appear in this figure. It reveals only the costs and profits of the winners who were successful in finding and developing a particular reservoir. It reveals nothing about the majority of less fortunate independent operators who eke out reserves at much higher costs. It discounts as nothing the thousands of dry holes which yield zero barrels at infinite cost.

The problem has vexed economists, so they ignore it. They charge off exploration to another industry—gambling. Costs are calculated on what it takes to find and develop a winning reservoir.

This has a deluding appeal. It is argued that extremely lucky Company "A," finding oil at $2 per barrel, is not justified in getting

$5 per barrel because Company "B" drilled 44 dry holes in a row. Yet, Company "B's" dryholes may have led directly or indirectly to Company "A's" success.

So it's a vexing problem indeed. Independents attempt to solve it by procuring a flow of outside venture capital. This comes from people with oodles of dough who are willing to risk it to make more. They bear the social overhead of the independent production business—the cost of dry holes that must be drilled in order that about one out of every 40 wells will reveal a really good oil field.

Their enthusiasm is not unlimited. It is restrained by three factors: First is the abundance of so-called "tax dollars" which a grasping Treasury Department would take if they were not immediately spent in some worthy cause.

More important to the industry-investor relationship is the incidence of dry holes and the return on successful wells. As the former rises, so must the latter. This means a higher crude price. It must bear some relationship to rising dry hole incidence (social overhead) and rising exploratory, development and production costs.

Otherwise, even fortunate investors find the risk not worth taking. They are remarkably quick in seeing that, even when winning, a $3.50 crude posting cannot cover a $7 aggregate cost without an improbable amount of luck.

Unsophisticated investors misconstrue the source of their losses and sue everyone in sight. In fact, they, and the producers too, are the victims of what might be described delicately as a systemic deficiency, or more harshly, a lousy set-up.

The integrated corporation has neatly avoided this problem with a marvelous structure. Its social overhead is defrayed by everyone who buys petroleum products or pays taxes. In effect, everyone is an investor.

Crude oil prices mean nothing, since the crude is their own. Its cost is the cost of production. The price is administered only to contain competition from outside the brotherhood.

Their crude oil does not surface as a real price factor until it hits the products market at about $7 per barrel. Hence they are far more protective about the retail prices that concern them than the supply prices that concern others.

The details of this sequence, its blessings and inequities will be discussed in the long-awaited, concluding column.

OIL SHUTDOWN—WISE OR RASH?

(By Ted Brooks)

Independent oil producers of Kansas, Oklahoma, Texas and several other states are gathering here to consider the practicality of countering a desperate plight with desperate measures.

To dramatize an untenable business position, some of them would shut down oil production in Kansas and as many other states as possible. Others advocate the formation of a cooperating marketing company to buy and sell independent oil at the prices needed to stay in business. Some want a little of both.

They cannot be blamed for considering these extremities. Conventional action has failed. For 15 years they have been left behind as the rest of the economy soared. Their inability to keep present reserves on the pump and find new reserves at present prices is one of the principal reasons for the current energy shortage.

The confrontation they are bringing to a head is a form of economic warfare. Before they move on the opposition they must identify the enemy, assess its power, determine their objectives, estimate their own resources and their prospects of success.

It is not enough to dramatize and attract attention. There are all kinds of notoriety, and not all of them are good.

They must act with full realization that any damage, intentional or not, inflicted on either their friends in the industry or the general public could bring irreparable damage and wreck the project.

The goal is specific—higher crude prices. This identifies the enemy: a dozen or so large corporations who effectively administer supplies and prices. To this must be added an entrenched federal petroleum bureaucracy whose leadership and policies are provided or dominated by the same corporate group. This amounts to a $100-billion oligopoly and a federal bureaucracy sharing common economic and political goals at home and abroad.

Obviously, little material damage can be inflicted on any such concentration of power. By the same measure, however, it is vulnerable to attack on moral, political and public interest grounds.

The difficulty lies in bringing this off without wrecking the rest of the scenery. A Kansas shutdown would cost operators $665,000 per day. Only a few affluent independents could feel as enthusiastic about it on the 30th of the month as they did on the first.

Regionally, it would bring distress to many innocent bystanders. Some independent refiners, already crude short, might be wrecked for good. Shortages and possible rationing on the product market might ensue. No one could survive the resulting public wrath. It could easily be the independents' last hooray. The effect would be correspondingly grave if other states joined.

It might close the door forever on any attempt to establish a pipeline of responsible influence with an administration that will continue for four more years. That administration is not crossed with impunity; it does not hesitate in the use of retaliatory power.

Previous statewide shutdowns, which were not successful, were made to bolster prices too. But they were in times of surplus. No one outside of the industry was affected. In times of scarcity, it would affect everyone.

If drama is desired, a one or two-day shutdown would provide it without putting the independents under the perpetual stigma of sponsoring calamity.

The idea of a cooperative marketing organization is something else. It could be financed at infinitely smaller cost than a shutdown. It could be launched if each independent participated at the outset to the extent of one or two days net production. It could even yield modest returns above an adequate crude price.

But it poses formidable problems. Crude purchasing and selling is no simple game. The advice and management of recently retired, top notch refining and purchasing men might be obtained. The cooperation of independent refiners would be necessary.

If this seems beyond reach, why wouldn't it be possible to collect a very large fund and match the public relations and political action of the large companies? It could be done at a fraction of the cost of a shutdown.

Whatever is done, the independents must understand that scarcity gives them an awesome power. It derives from controlling vital crude supplies at the margin of need. And power is best utilized as a threat. Once used it destroys itself.

THE GREAT OIL PRICE RIDDLE—6

(By Ted Brooks)

Independent producers, refiners and marketers squander some of their most inspired and thoughtful maledictions in the wrong direction. Finding the sources of their misery invisible or impregnable, they turn on each other.

Their basic difficulties are identical. They should be inseparable friends. All lack discretionary control over their costs, prices and supply for the same reason. Such control is a prerequisite of any viable business.

Honed to perfection, it is the secret of the astounding success of the major petroleum corporations. Their enigmatic bookkeeping to the contrary, they are the biggest money-makers of all. They provide one of the soundest stock investments one can make. It is a constant embarrassment to them to feel duty-bound to deny the former and immodestly confess the latter.

By accident rather than wicked design the relative perfection of their cost, price and supply controls denies similar autonomy and privilege to others. The basis of their success, while not invisible, is an intangible thing, a system, a structure.

The fortunate reader, with total recall capability will identify this instantly as integration. This amounts to well-to-consumer participation in each industry function—producing, refining, pipe-lining and marketing. The structure is enhanced mightily by bigness, but the essential attribute of those commonly defined as "majors" is a plentiful supply of crude oil.

It is interesting to note in passing that neither Ashland nor Coastal, both $1-billion-plus firms, is a major by this definition. And so indeed one finds them responding like independents to current crude and product difficulties, though far more circumspectly.

The flow of crude oil accounts for this. It will be recalled that the independent refiner with no or little production buys his crude in Kansas for about $3.85 delivered, or nine cents a gallon (now nearly 10). Most of the major's crude is self-produced. It flows into his plant at cost of production.

This may range from less than a dollar a barrel at his best wells (two and one-half cents a gallon) to several times that at his worst. It is not wildly speculative to average his cost at about $2.10 a barrel, or five cents a gallon. It is delivered in his own pipelines, which are not unprofitable. His real cost of supply is about half that of the independent refiner.

But this is an unreal world. The producing department charges the refining department the mythical posted price of crude set by the purchasing department. The distraught Internal Revenue Service lets this stand for tax purposes no one but the company can genuinely admire.

The inflated and unreal price is passed on to the marketing department. To the marketing executives is assigned the difficult task selling the product in volume and adding additional profit. Depending upon how far forward into the market the product is sold, it brings on the order of 16 cents a gallon (gasoline), or $7 per barrel.

Who needs a crude hike?

The remarkable thing about this is that it is the first bona fide price to appear. The crude, produced at cost, flows upward through an intricate, interdepartmental price system that is an intra-company tax game. Except for tax purposes, the firm is immune to the ostensible price it sets for that portion of supply it may buy. It makes no difference if the crude is 10 cents or $10 a barrel.

All must buy some crude, even those who produce in excess of refining capacity. It is a matter of geography. This does not alter the ultimate advantage. A barrel purchased here is recouped by a barrel sold there, whatever the price.

As a group, the majors refine seven-eighths of the nation's oil and produce two-thirds of the crude. They buy or import the balance. The purchases are financed all or in part by duplicate barrels sold in worldwide positions.

Only the top international companies get the full benefit of the ideal conditions related. They thus qualify to run the show. Lesser (but still quite large) firms prosper

in descending order of their structural perfection.

Further results of this structure and the partly accidental politico economic advantages the major firms have inherited will be discussed in Sunday's final column.

THE GREAT OIL PRICE RIDDLE—7

(By Ted Brooks)

The cock is certain that his crowing accounts for the sunrise. This must appear as an unmistakable truth to all chickenkind. It is manifestly of high importance to astral mechanics and getting people out of bed.

Cause and effect are similarly confused by mankind. One is daily subjected to all manner of representations purporting to show that established institutions are vital to existence. Considerable wealth is deployed to this purpose. Nowhere is it more lavishly distributed than in the corporate petroleum industry. It has more to prove.

Thus it is claimed that the dominance of the integrated oil companies indicates their superiority in an economy that is based on private enterprise and free markets. They imply that it is slightly subversive, even dangerous, to hold otherwise. Gravely considered, this is for the chickens.

For it has been shown that the majors (as previously defined) have subordinated supply, product and crude markets to their own use. Moreover, this has denied smaller firms a useful amount of decisiveness in controlling their costs and prices.

Independent producers, stewards of badly needed but high cost crude must sell their product at an arbitrary price imposed by the majors—now about $3.70 a barrel in Kansas, or less than nine cents a gallon. The major produces his own oil at cost, from the world's best wells—estimated at $2.10, or five cents a gallon. His crude does not appear on the real market until it emerges as a product at $7 per barrel, or 16 cents a gallon. He is thus immune to the price he sets for others.

The independent refiner buys at the domestic and foreign price similarly set. His supply is now commonly delivered for close to 10 cents a gallon or $4.20 a barrel. To this we have added a refining cost of two cents and a delivery and marketing cost of a cent, though the latter may be somewhat more.

The product leaves his refinery gate with a profit of two cents a gallon—IF the retail market holds at about 37 cents a gallon, which it doesn't. As a result, he frequently sells at or below his supply and manufacturing cost margin.

Meanwhile the major, obtaining his supply at half the cost, has a five cent edge at the supply level and two-cents at retail. The latter is due entirely to his powers of persuasion in claiming a superior product.

In between these wholesale and retail prices, the retailers and jobbers bear the brunt of both pressures. Usually uninformed, they superstitiously blame their predicament on producers of all kinds and greedy competitors. They are now lucky to obtain supplies at any cost.

It would seem logical that if the major can market so cheaply the business should be handed to him along with certain restraints. The thought is dissipated in Alaska and Hawaii. In both places, the oligopoly utilizes the cheapest crude in the nation to post the highest of retail prices.

Clearly, the integrated structure is the principal instrument of this pervading control of costs, supply and prices. Just as obvious, is the ruinous effect on competition and domestic crude and product supplies when that power is extended to control the costs and prices of others.

The depletion allowance augments this control. It was not tailor-made for majors. They were tailor-made for it.

Because it was awkwardly designed to accommodate the owners of the best and most profitable wells, the major firms have appropriated 85 per cent of the total allowance. Coupled with integration, it is correctly described as a handout.

It inadequately compensates independent producers for their lack of price determination.

They unwisely support the principle. This derives partly from the medieval notion that it is better to escape the king's tax collectors than attempt to get a fair price at the market. Again, they have no other recourse. The market, being subordinated to the use of others, is beyond their influence. So they compound their basic difficulty by asking for greater tax advantages, most of which would be absorbed by the majors. A short term gain is traded for an additional long term sacrifice of self-determination.

The allowance is cultivated for good reason by the majors. It is set on the basis of the posted price. Thus, though their crude may flow at a producing cost of $2.10, it may earn a 20 per cent allowance based on a posting of about $3.75 (not all wells earn the full 22 per cent).

At tax time they get 36 cents for every barrel they produce. One may invoke a little math to show that a major who produces about 84 per cent of his own oil need not raise his product postings when crude prices are increased. The allowance on his production makes up for the increased cost of supplemental supplies. Those producing more than 84 per cent, may actually reduce the price of products when crude prices are raised.

It is doubtful if this will ever happen.

Wheresoever one turns, be he producer, refiner, marketer or consumer, the baleful effects of corporation integration intrude. Soon it will completely eclipse the market. It is inevitable so long as small business permits itself to be placated by marginal price increases and preferential tax advantages that disproportionately augment the power of the majors.

The separation of the various segments of the industry into specific functional parts (divorcement) appears to be the only way in which equity and competition may be restored. Producers would act like producers, refiners like refiners and marketers like marketers. The major companies themselves, relieved of bumbling, overlapping management and interdepartment subsidization, would prosper. The erstwhile production departments, standing on their own, would utilize all of their own profits to find new and more reserves. More efficient refiners and marketing firms would stand on their own feet. Single company stockholders would have more profitable and diversified holdings. Products would be relatively cheaper. Independents would thrive on an even footing, taking and giving competition.

This will come to pass, but not tomorrow. Meanwhile, one may be assured that though the cock stops crowing the sun will rise.

QUICK THINKING SAVES LIFE OF INJURED CHILD

Mr. MATHIAS. Mr. President, on rare occasions, there appear news reports of individuals who, when confronted with an emergency, are quick to act positively to save themselves or others from harm. Many of us, I am sure, have wondered how we would react in similar situations. Ronald Herman, of Gaithersburg, Md., need not wonder, for he has shown that he is capable of acting quickly and effectively to avert possible tragedy in an emergency situation.

Recently, while driving in his car, Ronald Herman witnessed the collision of a school bus and a pickup truck. Within seconds he reached for his mobile phone and alerted local police and rescue officials who were able to reach the scene of the accident in time to save the lives of two small children. Mr. Herman has my deepest respect for his immediate reactions and I ask unanimous consent that an article from the Gaithersburg Gazette detailing these events be printed in the RECORD.

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

QUICK THINKING SAVES LIFE OF INJURED CHILD

Spontaneous action on the part of a local businessman when he witnessed the collision of a school bus and a pickup truck, saved the life of at least one, and maybe two children, who could have otherwise died from injuries, according to a police official's report.

Ronald Herman, owner of the Double Knit Men's Clothing Store in the Shady Grove Shopping Center was driving along a road in Rising Sun last Thursday about 3 p.m. on his way home from Philadelphia.

A school bus driver apparently did not see that the driver of a pickup truck who had been parked beside the road, was pulling out onto the highway. The school bus slammed into the truck.

Herman witnessed the accident. But before he got out of his car to aid the victims he used his mobile phone to call the Rising Sun police department. Within about five minutes ambulances and policemen were on the scene. The ambulance was immediately used to transport two of the most seriously injured children to the hospital. One was suffering from a ruptured spleen and the other had internal injuries.

Police told Herman that at least one of the children could have died had it not gotten to the hospital as soon as it did. And police attributed Herman's quick thinking to summon aid before he even got out of his car, as making it possible for the ambulance and police to get to the scene as fast as they did.

Herman also put five of the frightened children in his car and comforted them. He remained at the scene of the accident for some three hours, helping to get things in order.

And it was a tired Mr. Herman who arrived at his home on Westside drive, Gaithersburg, that night at 10:30. His good deed delayed his travel time enough to put him in a traffic jam at the tunnel.

Herman said on Monday that he called the hospital Sunday to check on the injured children. He said he was pleased to learn that both were reported in good health and had even been released.

CONGRESS RESPONDS TO RECOMMENDATION OF WHITE HOUSE CONFERENCE ON AGING—RESEARCH ON AGING ACT OF 1973—S. 775

Mr. CRANSTON. Mr. President, as ranking majority member of the Subcommittee on Aging of the Senate Labor and Public Welfare Committee, and an original cosponsor during the last Congress of S. 887—the Senate version of H.R. 14424, the vetoed Research on Aging Act of last year—I am delighted with the unanimous action by the Senate on Monday to move ahead on this important legislation, S. 775, this year's Research on Aging Act, on which I have joined with Senator EAGLETON again as an original cosponsor.

I would like to take this opportunity

to express my appreciation to Senator EAGLETON, the very dedicated chairman of the Aging Subcommittee, for the fine job he has already done this Congress in responding so effectively to the President's two aging bill pocket vetoes—not only of the legislation we are considering today, but of S. 50, the Comprehensive Older Americans Services Amendments Act of 1973, signed by the President on May 3, as Public Law 93–29. I am hopeful that the same spirit of cooperation which resulted in the enactment of the Older Americans Act will prevail when S. 775 reaches the President's desk.

I am particularly pleased that three amendments which I offered in subcommittee last year were retained in this year's Research on Aging Act. These are the provisions: First, charging the Secretary with the responsibility of insuring the education and training of an adequate number of allied health, nursing, and paramedical personnel in the field of health care for the aged; second, mandating that the new Institute conduct scientific studies to determine and measure the impact on the psychological, physiological, and sociological aspects of the process of aging of all programs and activities assisted or conducted by HEW designed to meet the needs of the aging; and, third, charging the Institute with the responsibility of carrying out public information and education programs and disseminating the findings of relevant aging research and studies and other information about the process of aging which may assist all Americans in dealing with and understanding the problems and processes associated with growing older.

These three provisions are designed to broaden the scope and focus of activities to be carried out by the new Institute.

On March 3 and 4 of last year, I was privileged to chair hearings of the Subcommittee on Aging on the Research on Aging Act in San Francisco and Los Angeles. During these hearings I was very much impressed by the strong support of many, many knowledgeable witnesses for the new institute. Also, just last month in San Francisco, I chaired a joint hearing of the Aging Subcommittee and the Special Subcommittee on Human Resources—which I chair—on alternatives to institutional care for the aged. One of the questions I posed to several of the witnesses at this recent hearing was regarding the need for a new Institute on Aging. The support for this legislation was again very strong, and I was particularly struck by testimony indicating that one of the most significant impediments to significant progress in research on aging was professional reluctance—caused by limited research funds and low priority within the National Institutes of Health. S. 775 is directed right at resolving this problem.

Mr. President, I strongly believe that the Federal Government's effort in the area of research into the process of aging must be greatly intensified and expanded and that present efforts are severely hampered by the limited visibility and allocation of resources within the National Institute of Child Health and Human Development—NICHD. The subcommittee hearings, both here and in San Francisco and Los Angeles, support my belief.

There is presently a very low level of Federal financial support for research into the aging process. The total fiscal year 1973 NICHD budget was over $109 million—of which only $12.3 million was earmarked for aging research. The fiscal 1974 budget request NICHD is $106.7 million—of which $11.8 million is earmarked for aging research. This represents only a bit more than 10 percent of the NICHD budget; and less than one-tenth of 1 percent of the Federal expenditures in health programs for the elderly. Experience has clearly indicated that the focus on aging research within NICHD is not nearly what it should, and must, be.

The White House Conference on Aging recommendations on research and demonstration called for the "immediate" establishment of a national institute "to support and conduct research and training in the biomedical and social-behavioral aspects of aging." I would point out that this recommendation was made in December of 1971. It is now June of 1973.

Senior citizens are the fastest growing segment of our population—the total population of the United States has tripled in size since 1900, while the older population has increased more than twice as fast, multiplying by seven times. We must focus more of our attention, and our institutions and resources, on our older citizens' needs—be they health, income maintenance, education, employment, housing, transportation, nutrition, or recreation.

The Congress has done its utmost to respond to these needs as well as the specific recommendations of the White House Conference on Aging. I am hopeful that the White House will recognize the efforts to meet its objections to this legislation by striking the nongermane provisions, and that S. 775 will finally be enacted in this session of Congress.

We must do much more to enable older Americans, to enable all our people, to make the most of their later years. I believe that this legislation will aid us significantly in developing the expertise to meet this goal.

The testimony presented last year in California, and confirmed again this year at the June 4, San Francisco hearing and the subcommittee's hearing on S. 775 in Washington, pointed to the marvelous potential for enriching and lengthening the human lifespan in order to enable each of us to live more creative, productive, and healthful lives. It is long past time for use to begin to realize this potential, and I am pleased as the ranking majority member of the Subcommittee on Aging, to have been able to participate in the development of legislation in what I consider so very exciting and vital a field.

Mr. President, in passing S. 775 on Monday, we have taken one more step toward fulfilling our commitment to older Americans—a commitment which has too long been neglected.

PRESERVATION OF THE NATURAL WONDERS OF OUR WATERWAYS

Mr. BENNETT. Mr. President, I ask unanimous consent that a joint resolution passed by the Legislature of the State of Utah calling for the protection and promotion of proper tourism and preservation of the natural wonders of our waterways in the national parks and monuments be printed in the RECORD at this point.

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

H.J.R. No. 28

A joint resolution of the 40th Legislature of the State of Utah, memorializing the Secretary of the Interior, the Director of the National Park Service, the Superintendent of Grand Canyon National Park, the Superintendent of Canyonlands National Park, the Superintendent of Dinosaur National Monument, and the Congress of the United States to protect and promote proper tourism and preservation of the natural wonders of our waterways in the national parks and monuments

Be it resolved by the Legislature of the State of Utah:

Whereas, the majority of the river-running companies of Southern Utah are a decided asset to the environment and the economy of the State of Utah; and

Whereas, the river-running companies headquartered in the Kane County area are aiding the local economy by hiring over 70 people; and

Whereas, Kane and Garfield Counties are economically depressed areas with over 14% unemployed; and

Whereas, there is apparent bureaucratic red-tape and discrimination against these river-runners to the extent that they may be forced out of total operation; and

Whereas, these companies are totally committed to a clean, humanly sterile environment in the wilderness areas they visit, leaving behind them absolutely nothing but their footprints; and

Whereas, these companies are being forced to submit to severe reductions in patrons; and

Whereas, some concessioners who have never functioned at all in the past and who do not have any equipment, any supplies, or any intention of river-running, have been given an equal quota of only 320 patrons with other serious businessmen; and

Whereas, the river-runners had an extremely short notification of the cutback in the number of patrons allowed to travel with each company; and

Whereas, many river-runners will not be able financially to correspond with patrons who have already booked trips with them for the coming season to tell them that they cannot find a place for them in their boats; and

Whereas, the Kane County area merchants have begun to gear their operations to accommodate the influx of patrons for the river-running companies.

Now, therefore, be it resolved, by the legislature of the State of Utah that we call upon the National Parks Service, the Secretary of the Interior and the Superintendents of Grand Canyon National Park, Canyonlands National Park and Dinosaur National Monument to rescind the cut-back on such a blanket restriction, and to reconsider the of the State of Utah call upon the Congresing public in such a way that the ultimate enjoyment of the parks can be achieved with the minimum amount of ecological imbalance, if any.

Be it further resolved, that the legislature of the State of Utah call upon the Congressional delegation from the State of Utah to

work avidly for the implementation of this resolution.

Be it finally resolved, that the secretary of the State of Utah, be, and is hereby directed, to send copies of this resolution to the Secretary of the Interior, the Director of the National Park Service, the Superintendent of Grand Canyon National Park, the Superintendent of Canyonlands National Park, the Superintendent of Dinosaur National Monument, to the Senate and House of Representatives of the United States and to the Senators and Representatives representing the State of Utah in the United States Congress.

BRAZIL AND UNITED STATES FOREIGN POLICY

Mr. KENNEDY. Mr. President, recently several articles have appeared in the press charging that repression, torture, denial of civil rights, and press censorship are continuing in Brazil.

The archbishop of Recife, Dom Helder Camara was reported to have made these charges as recently as on June 10 of this year.

Many of the details of these charges including the names of several of the victims and the descriptions of their ordeals were reported in articles by Jack Anderson.

These continued indications of brutality and terror in Brazil conflict with administration assertions that the model for development undertaken in Brazil since 1964 should be followed by other nations.

If social justice remains one of the goals of our foreign assistance program, then the pattern of development in Brazil leaves much to be desired. In an article analyzing Brazil's course of development over the past 8 years, American University Prof. Brady Tyson, has concluded that there has been a widening gap between those at the top of the economic ladder and the 80 percent of the population at the bottom.

The review of our foreign assistance program now underway within the House and Senate Foreign Relations Committees hopefully will provide an opportunity for these questions to be explored in detail. In fiscal year 1973, we transferred some $70.4 million re resources to Brazil in a variety of programs ranging from military credit sales to technical assistance in educational curriculum development. In the previous fiscal year, we permitted Brazil to obtain $300 million in Export-Import Bank assistance.

When the United States is providing this kind of assistance to a government and that government is charged with carrying out political repression and torture against political opponents, there is a serious question in my mind whether we can divorce ourselves from those actions. I believe that at the most, only those programs providing humanitarian relief or directly in support of social development can be justified.

I ask unanimous consent for these articles on conditions in Brazil to be printed in the RECORD along with a table provided by the Senate Foreign Relations Committee on direct transfers of resources by the United States.

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

[From the Los Angeles Times, June 10, 1973]

REGIME LIKE HITLER'S, CLERIC IN BRAZIL SAYS

RIO DE JANEIRO.—Dom Helder Camara, outspoken archbishop of Recife and Olinda, has accused Brazil's military government of methods "reminiscent of the hideous days of Stalin and Hitler."

He appealed for an end of such abuse in a speech last week to the State Assembly of Pernambuco during nationwide celebration of the 150th anniversary of legislative power in Brazil.

Government censors, under orders to bar publication of any statement from Archbishop Helder, stopped Recife and national media from reporting the speech, a copy of which was obtained over the weekend.

SILENCE UNWORTHY

"When the church speaks of oppression, we would be unworthy of Christ if we kept quiet before institutionalized injustices which keep two-thirds of the population of the country and of the world in a situation unworthy of the human condition," the prelate said.

"Or if we did not lend our voice to those who were savagely tortured and not infrequently were killed by various extralegal methods sadly reminiscent of the hideous days of Stalin and Hitler."

"Unfortunately," Archbishop Helder said, "the church on the question of torture must have the loyalty to concede that through the human weakness of the Inquisition, it has been the predecessor of this."

Though his enemies call him "the Red Bishop of Recife," Archbishop Helder is not a Marxist. But his attacks on poverty and political repression have made him the leader of a liberal wing of Latin-American Roman Catholicism.

[From the Washington Post, June 30, 1973]

BRAZIL LEADERS RULE BY TORTURE

(By Jack Anderson)

The fourth in a line of military dictators, General Ernesto Geisel, has just been anointed as Brazil's next President. He helped plot the 1964 military coup, which ousted the corrupt, left-leaning government of President Joao Goulart.

The military leaders have achieved an impressive economic growth and financial stability. But the price has been repression and torture. As one of Brazil's sternest judges and a member of the National Security Council, Geisel had condoned the torture tactics that kept the military regime in power.

In the august chambers of government, he is removed from the cries of the victims. But the cries have been heard by priests who have collected the grisly details. The methods of torture and the names of the torturers have been whispered to ecclesiastics. At great personal risk, couriers have smuggled the information to us.

The Methods—The documentation furnished us describes how the victim's wrists are lashed to his ankles, then he is hung upside down from a pipe passed under his knees. This is called the "Parrot's Perch."

In this helpless position, he is tortured with a magneto machine, sometimes called a "Little Piano," which is used to send high-voltage shocks into the victim's genital organs, nipples, eyes, ear lobes and lips.

As a variation, the upside down victim is gagged and tubes are thrust into his nostrils. Water is slowly dripped into the tubes causing convulsions. This is called the "drowning torture."

The documents also charge that "broom handles are inserted in the anus or the vagina of those being tortured'.' Lighted cigarettes and cigars are also applied to the most sensitive parts of the body. "This process is jocularly called 'turning the folks into ash trays'," report the priests.

The Tortured—We have space to mention only a few of the victims whose cases have been documented by the priests. A journalist named Carlos Nicolau Danielli, for example, was arrested in Sao Paulo last December and "intensely tortured," swear the priests. "In his cell, he wrote on the walls with his own blood. 'This blood will be avenged!' "

A woman psychology student, Aurora Maria Nascimento Furtado, was arrested last November in Guanabara, hung upside down and tortured with electrodes then beaten to death. "When her family and her lawyer went to claim the body, they saw a deep wound two centimeters long on her forehead," report the priests. This was evidence, they say, that "Aurora had been tortured by 'The Tourniquet' " a piece of metal driven into the flesh by tightening a cloth or leather band.

Another student, Frederico Eduardo Mayr, was arrested in February, 1972, and strapped to a galvanized metal chair. High-voltage electricity was run through his body, declare the priests, until he died. Although "covered with blood and with many hematomas," he was able to whisper the names of his torturers to a fellow prisoner.

The priests also describe the tortures of Jose Julio de Araujo who was so abused he was "incapable of any significant movement" when the police finally murdered him in August, 1972. All told, the priests cite 28 torture deaths, plus 15 others whose deaths are suspected of being caused by torture.

The Torturers—The names whispered by the victims in many cases have been identified as Army officers. To list a few, there are Captains Homero Cesar Machado, Dalmo Luiz Cirillo, Mauricio Lopes Lima, Benoni de Arruda Albernaz, Inocencio Fabrcio de Matos Beltrao and Major Carlos Alberto Brilhante Ulstra.

Albernaz, for example, allegedly thrust an electric wire into a tortured priest's mouth, "telling him that it was the Host of the Sacrament."

In many cases, the dying men were able to gasp to other prisoners only the partial names or nicknames of their torturers. For an Army captain called "Attila," an "Investigator Dirceu who calls himself 'Jesus Crist' " and such other colorful characters as "Dr. Ney" and "Pretty Joe."

The Nixon administration, which has had plenty to say about the torture of American prisoners in North Vietnam, has kept silent about the outrages in friendly Brazil. Indeed, the United States will help subsidize the torturers by sending $58 million in military aid. A new U.S. Ambassador, John Crimmins, is also preparing to leave for Brazil.

We have been assured, however, that the Senate Foreign Relations Committee will question Crimmins on what he thinks about torture in Brazil and what he can do to discourage it.

Footnote: The Brazilian Embassy has refused to return our calls for comment. Nevertheless, we are prepared to send reporters to Brazil, if the regime will grant them complete freedom of access, to verify the details furnished by the priests.

[From the Washington Post, June 17, 1973]

POLITICAL OPPRESSION IN BRAZIL

(By Jack Anderson)

Hidden from the tourists who swarm over Brazil's fabled white beaches and the investors who visit the bustling factories is an unspeakable world of political oppression. Hundreds of priests, students, workers and revolutionaries are dying at pistol point or living with terror, torture and tuberculosis.

The military dictatorship which oppresses them will get at least $58 million in U.S. military aid in fiscal 1974. Some 100,000 of the police, who do the torturing, have received assistance from a U.S. "public safety" mission to Brazil. As in the controversial film, "State of Siege," involving American

support of foreign police, at least 344 of Brazil's top officers have been trained in Washington's International Police Academy, courtesy of the U.S. taxpayer.

The story, of course, can't be read in Brazil's suppressed newspapers. However, priests have just set up an "underground railway" for smuggling the stark facts out of Brazil.

Two Brazilian couriers, at considerable personal risk, arranged a rendezvous with us outside Washington and delivered the first detailed documentation of prison conditions.

One stack of documents, developed by a priest-led committee, was presented to the bishops of Brazil at their 13th convocation in February. It is credited, in part, with convincing wavering bishops to join the majority in opposing Brazilian oppression.

"Every totalitarian regime," begins the basic documents, "generates its own political enemies that oppose it with some degree or another of violence which corresponds with the degree of oppression and suppression that the government imposes upon the nation.

"If the people participate in the government . . . then evidently the people will not rebel against the authorities. But when they are oppressed, exploited and their rights are arbitrarily limited, no other way remains except to rebel . . ."

The priests writing in Portuguese, charge the government with "unimagined violence, murdering students who marched peacefully in the streets and workers who organized strikes for higher wages and the return of their rights."

"The jails . . . were inadequate to hold the avalanche of citizens of every social class . . . Army barracks were transformed into dungeons . . . and in the barracks, (the military) were beyond the observation of any who might denounce what was happening there."

The priests allege that some prisoners have been tortured and then killed quickly thereafter. Others were kept for "several years without any trial." Still others were given "incredibly long sentences to justify the long time that the prisoner has already been in jail awaiting trial."

Brazil's courageous Cardinal Paulo Evaristo Arns visited the prisons until recently. Suffering from a limp, he sometimes needed the support of others. The prisoners would rush up to help him and use the moment to whisper urgently in his ear their tales of horror. But now the regime has banned him from ministering to the prisoners.

The priests, picking up the mission from Cardinal Arns, have formed a "Committee for Solidarity with the Political Prisoners of Brazil." They have delivered to us, as an addenda to their basic document, a prison-by-prison report.

At the capital of Brasilia, they report, a hunger strike was organized "to protest against the tortures and abuses, especially (of) a woman who was late in pregnancy." Still, the brutality continued.

At the penitentiary of Linhares, "any little incident can be the cause of beating, or solitary confinement. . . . Often these incidents are provoked by the jail guards and soldiers. . . . The violent reaction . . . is unimaginable."

In Recife, "the violence . . . became so great at one time that Amaro Luis de Carvalho, a militant peasant organizer, was murdered simply because his sentence was about to be completed and he would soon have had to be freed."

At the Tiradentes prison, in Sao Paulo, "the infamous 'Death Squadron' of Sao Paulo took some of its victims (out), only to murder them almost immediately after leaving the prison. . . ."

At the penitentiary of President Wenceslau, three Dominican priests are reportedly held. And at Porto Alegre, the hatred between common criminals and political prisoners is "explosive."

One of the most harrowing descriptions is of the state penitentiary of Sao Paulo. There, young jailed students are threatened constantly with "rampant homosexuality and all its attendant vices." The criminals with whom they share cells are "the most dangerous and violent in the state." The students have almost "no access to newspapers, books, or magazines, except comic books." Their visiting privileges are only 30 minutes a week.

"The food is terrible," say the investigating priests. "Among the diseases the political prisoners are suffering are pulmonary tuberculosis, decalcification and vitamin deficiencies; . . . there are thousands of rats in every part of the prison." Shaken as they are by malnutrition, the young inmates still must carry "150 large containers of water a day a distance of more than 200 yards per trip" in addition to other chores, according to the priests' committee.

Page after page of the report tells similar tales, complete with specifics, about the naval prison on the Island of Flowers, Sao Judas Tadeu Prison for Women, Vila Military, Bangu, Ilha Grande, and numerous others.

Not once has the State Department made a public protest to Brazil about this misuse of American military funding and training. U.S. officials tell us, however, that the Brazilian dictatorship is aware of America's concern.

At the Brazilian embassy, a palace on Washington's "embassy row" where the work day is 10 a.m. to 1 p.m. and 3 p.m. to 6 p.m., the ambassador and press attache refused to return our calls.

[From the Worldview, July 1973]

BRAZIL: NINE YEARS OF MILITARY TUTELAGE

(By Brady Tyson)

The "Brazilian Model of Development" has been the subject of a good deal of comment and analysis during the past few years. Some of those who once looked with hope upon the experiments of the "democratic left" of the fifties as a potentially viable and dynamic alternative to Communist and totalitarian models for less developed countries have now begun to consider that the "modernizing military managers" might offer a more relevant model. Indeed, current interest seems to be in comparing the Chilean and Brazilian models in terms of social and human cost and benefit, though it is certainly too early for any conclusive judgments of net results in either case.

This is an interim, summary and provisional judgment on the Brazilian experiment of the past nine years, that is, since the military took power on April 1, 1964. To try to give an impression of the results of the interaction among the values of political democracy, equality and economic growth, and the present levels compared with those of 1964, as well as what appear to be the trends, I have chosen six "indicators":

1. The autonomy and integrity of the legal system.
2. Torture and police brutality.
3. Freedom of the mass media.
4. Income distribution patterns.
5. Education distribution patterns.
6. The quality of life of the people of the city of greater São Paulo.

Many of the results and trends are not entirely the result or the intention of the military regime, and conclusions as to cause and effect in some fields are necessarily very tentative. By way of conclusions I have offered four questions that are of general concern and are also important in considering the Brazilian case in particular.

THE AUTONOMY AND INTEGRITY OF THE LEGAL SYSTEM

Through the legal system many areas of "human rights" are defined and, to some degree, "operationalized." A legal system that could offer an orderly and equitable process for resolving disputes, that could protect society from persistent antisocial behavior and protect the legal rights of individuals and groups against intrusions by public and private groups has never been even a near reality in Brazil. Recourse to law and the courts has always in effect been denied the great majority of the poor and illiterate, not only because of their lack of resources, but through informal systems of intimidation and social control. Nonetheless, granting all the weaknesses of the pre-1964 legal system in Brazil, there did exist a vigorous tradition of law, a popular belief that the legal system did exist to promote the general welfare and to protect human rights and dignity, and a belief that this legal system could and should be respected and strengthened. This legal system, which was overthrown by the military in 1964—and its remnants steadily eroded since then—was rooted in the same political philosophy and values as those of most of the rest of Western nations.

From the first week of military rule the Brazilian army declared itself not only above the law but the source of law, and has in practice been the interpreter of law and the only official expression of the sovereign will of the nation. The Prologue to the First Institutional Act of April 9, 1964, declares: "The victorious revolution vests the constitutive power in the Army. This is the most expressive and radical form of the constitutive power. The victorious revolution as the constitutive power legitimizes itself. . . . This Institutional Act can be issued only by the victorious revolution as represented by the Commanders in Chief of the Armed Forces. . . . [Only the revolution] is empowered to establish the ways and means of constituting the new government and vesting in it the power and judicial instruments necessary. . . ."

More than eight years later, in July, 1972, President-General Medici gave an important speech in which he tried to lay to rest certain rumors of an impending liberalization of the regime. He said, among other things: "The current regime will modify and correct, in a permanent process of institutionalization, the guidelines of our juridical order in order that they will faithfully carry out the objectives of the political decision of March 31, 1964." *Visão*, a Brazilian newsweekly, commented on the speech: "The insistence on the extraordinary powers [of the executive] is not being made now in the face of some crisis, in which representative democracy is seen as threatened by its enemies of the extreme left. It is made in the name of an antiliberal doctrine of the role of the State. For this reason, the speech of the President, of a known ideological inspiration, ought to please those groups that, in other times, sought to replace representative democracy with a corporatist regime."

In an unpublished paper on "The Role and Rule of Law in Post-1964 Brazil," Professors Trubek and Henry Steiner conclude that "The politicization of legal institutions and processes has surely lessened the 'legitimacy' of law in the public eye. 'Law' must be perceived by many Brazilians ever more clearly as an instrument of state planning and state power, hardly as a structure of norms and institutions that are designed to afford a degree of predictability and security in private life, and to protect areas of private life from governmental interference. Law at once structures the evolving regulatory and administrative state, and loses its identity into administration." Professors Trubek and Steiner also conclude that ". . . a decline in the autonomy, integrity and thus inherent legitimacy; of the legal system has been one of the prices paid by the regime for economic growth within a closed society," and that the purpose of the legal system has been radically changed so that, coupled with the activities of the police and military security agencies, law has become an integral part of a system designed

to "make potential opponents of the regime fearful of acting in any way that might lead to midnight arrest, etc."

Since 1964, then, an authoritarian government has tended to rule more and more by administrative fiat, in arbitrary and even secret ways. The legal system has thus largely ceased to be a system designed to promote and protect human rights and welfare and has become an instrument of national policy, as arbitrarily decided by the President or his appointees.

TORTURE AND POLICE BRUTALITY IN BRAZIL SINCE 1964

Like most nations with a history of small but prosperous minorities profiting from the misery of the poor majority, Brazil has traditionally used police repression and brutality as a means of social control. Peasants and poor and illiterate or semi-literate people in general have always been subject to arbitrary and brutal behavior on the part of the police. However, except for a few highly repressive years of the *Estado Novo* of Getulio Vargas, political dissenters or those of the middle and upper classes were rarely treated harshly.

Since 1964, however, two important changes from traditional Brazilian practice have been institutionalized. First, political dissent, if coupled with anything that appears to be clandestine or mobilizational, has become the instant object of police brutality, regardless of the social class, reputation or profession of the persons suspected. For instance, according to the best information available, the well-known ex-Federal Deputy, Rubem Paiva, was literally beaten to death by police in January, 1971. Secondly, as distinguished from mere police brutality, systematic, officially sanctioned scientific torture has become a common and regular practice in Brazil, especially since late 1968. It is almost totally limited now to several military security agencies.

In spite of the absence of certainty, given the nature of the problem, we can with reasonable assurance give some statistical dimensions. Probably between 40 and 120 people have been beaten to death, tortured to death or died in prison from some such treatment since 1964, the great majority of them since 1968. The practice has continued into this very year. If anything, though the rate of torture probably began to decline last year, the number of deaths is increasing. This number does not include the estimated 200 to 300 people killed by the so-called "Death Squads," usually off-duty policemen, during the past ten years. There have probably been over 20,000 people detained at one time or another for political reasons since 1964. There are probably about 1,000 political prisoners in Brazilian jails at this time, and the high was probably in November, 1970, when there were perhaps near to 12,000. About 2,000 have been the victims of what is usually called "police brutality," but which I am distinguishing from systematic torture.

The number of people tortured and beaten is not large compared with other, recent epidemics of state savagery. What is significant is that the Brazilian army has institutionalized and protected torture and brutality as instruments of social control and that such methods have, and are intended to have, far-reaching consequences of intimidation.

FREEDOM OF THE MASS MEDIA SINCE 1964

Censorship is important because it is a means of social control for governments that are governing against the will of the majority of the nation in question, and the presence and degree of censorship, along with police repression, present at least the presumption that the government is afraid of the consequences of the free press and media and has something to hide. Given the narrow literacy base compared to most nations its size, the Brazil media have in times past exercised a considerable influence and have been the means of communicating most political information, at least about the national political system. With the exception of the most difficult days of the *Estado Novo*, the Brazilian press was remarkably free and uninhibited.

Beginning in 1964 a process of steadily increasing pressure, both formal and informal, has continually narrowed the scope of permissible subjects for discussion in the media. This process has had its periods of greater and less pressure, but the general tendency is clear. As Professor Beverly May Carl has written in a recent article on "The Erosion of Constitutional Rights of Political Offenders in Brazil," "A review of the rights still available to the common criminal . . . shows that, technically at least, an armed robber in Brazil today is in a better position than an editorial writer." What has emerged is a code of rules promulgated by the government that give it some sort of "legal" justification for almost any act of prepublication or postpublication censorship imaginable. The Brazilian press is not completely muzzled: far from it. But it is closely watched, and there are no more than five or six newspapers or magazines in Brazil today that dare to use the remaining freedom to criticize. The rule of thumb seems to be that subjects that irritate the generals or that might excite large numbers of people are proscribed.

INCOME DISTRIBUTION PATTERNS AND TRENDS IN BRAZIL SINCE 1964

Though income distribution patterns are certainly not entirely susceptible to government planning and policy, the Brazilian government has attempted to realize a conscious mode. The level of income and share of national income various groups receive tell much about their welfare, opportunities, status and self-esteem. Furthermore, the nature of the "Brazilian economic miracle" is vitally linked with the patterns of income reconcentration that have become characteristic of Brazil since 1967.

In 1960 Brazilian income was distributed much like that of the United States in about 1929, except that the per capita GNP of the U.S. was about five or six times that of Brazil. But whereas the United States has shown a slow tendency toward more equal distribution, the rapid economic growth that has been characteristic of Brazil since 1967 (averaging about 7 per cent per year, after discounting for the growth in population) has been accompanied by a "reconcentration" of wealth in the upper strata of society. For instance, in 1960 the poorest 40 per cent of the Brazilian population received about 11.57 per cent of the national income, but according to the statistics of the most recent research, this fell to 10 per cent by 1970. On the other hand, the richest 10 per cent had received 39.66 per cent of the national income in 1960, but had increased its share to 47.79 per cent by 1970.

Though the interpretation and adequacy of the statistics is always open to some doubts, it seems reasonable to assume that the real purchasing power of only 30 to 40 per cent of the population has actually increased during the past ten years and that the bulk of the increase in consumer purchasing power has been concentrated in the upper 10 per cent of the population. Likewise, it is reasonable to assert that the proportionate share of the national income has actually decreased for all but the upper 10 per cent. When all is taken into account—and there are many contradictory indicators—probably less than 30 per cent of the Brazilian people have profited from the economic growth, about 20 to 25 per cent have suffered some decline in their real wages, and the rest of the population (perhaps 50 per cent) remain in the level of "absolute poverty." Almost all analysts agree that the real minimum salary in 1970 was about 30 to 38 per cent lower than it was in 1960. There are some indicators that the drift downward of the real wages of the urban workers may have been slowed or even, in some areas, stopped during the past two years, but the data are still too tentative to draw firm conclusions.

The process of economic growth that has characterized the Brazilian economy, especially since 1967, and that has been so warmly received by the multinational corporations, has tended to increase rather than decrease the distance between the "two Brazils": the poor majority of about 70,000,000 people and the relatively prosperous, modernizing sector of 30,000,000 or less people. It is difficult to know exactly whether this decline in proportionate share of national income has been accompanied by an absolute decline in living standard, or whether the living standard has remained essentially the same, or whether there has been a small increase for some of the lower 70 per cent of the population.

Two other aspects of the process of economic growth in Brazil must be at least mentioned. First, the emphasis of this growth has been on durable consumer goods (which must be considered "luxury goods" in a nation such as Brazil—goods such as refrigerators, private automobiles, electric toasters, TV sets, etc.) and manufactured goods for export. In other words, the increase in domestic consumption has been very largely limited to the upper 20 to 30 per cent of the population, and there has not been a significant increase in the production of perishable consumer goods (clothes, processed foods, etc.), goods that might have improved the quality of life of the lower 70 per cent of the Brazilian population. Secondly, the Brazilian government has affirmed (at the Stockholm Conference) that industrial pollution is not a significant concern for developing nations at this time, and, in truth, there are no stringent pollution regulations in Brazil as yet. This means that the rapid expansion of industrial production in the city of São Paulo, for instance, has been accompanied by a consequent decline in the quality of the environment.

EDUCATION DISTRIBUTION PATTERNS AND TRENDS IN BRAZIL SINCE 1964

Educational opportunities are generally regarded as an indication of general equality of opportunity and social equality. The Brazilian army has always shown an interest in education, albeit in particular kinds of education, and has placed some emphasis on improving and expanding the educational system. Almost since the founding of the republic (in 1889) Brazil has entertained two strong but basically incompatible theories of education: First, a traditional, Iberian élitist concept that only an aristrocratic élite really needs much education and that the system should be presided over by a few traditional intellectuals in the small universities that maintain and transmit the values and civilization of the past; second, a positivist concept of education and training for everyone, reenforced by North American liberal (John Dewey) concepts of popular education for citizenship. The Brazilian army, building on its traditional positivist attitudes, has adapted for the purposes of national development (as it understands what development is) the concept that an educational system should be designed to provide the number and types of skills and knowledge needed at a particular time for the process of national modernization.

There has been a steady decline of illiteracy in Brazil each year for over twenty-five years, from 47.4 per cent literate in 1946 to 61.5 per cent literate in 1970. It is not possible at this time to evaluate the impact of the present government's adult literacy program, *Mobral*, on the educational profile of Brazil,

except to comment that in content it represents what Paulo Freire would call a "domesticating" approach, inculcating in a catechetical way a simple but rigid concept of patriotism and citizenship. In other words, it is not designed to create a critical citizenry, whatever its technical competence or final impact in teaching literacy on Brazilian society.

In keeping with the kind of economic system sought, priorities in education have been assigned to training those workers, managers and technicians who can operate a technically sophisticated, capital and technology intensive modern industrial plant designed to produce the diverse and sophisticated products of a middle- and upper-class market. At the same time that the number of Brazilians who are economically active has dropped and the productivity per worker has increased, the average level of education has increased, especially among those in the industrial sector. Again, some tendency toward a modernized version of a dual society is evident.

According to recently released statistics of the Ministry of Planning, there has been a 56 per cent increase in enrollment in primary schools since 1964 (but there has also been in increase of probably 20 to 25 per cent in the age group). But during the same period enrollment in secondary schools increased 208 percent, with approximately the same increase in the age group, and, most significantly, enrollments in institutions of higher education have increased an amazing 460 per cent (from 124,000 university students in 1963 to 694,000 in 1972). In other words, the concentration of income in the upper 20 to 30 per cent of the population has been accompanied by the concentration of years-of-education in the same group, and the distance between the educated minority and the uneducated majority has been increased, not decreased, by the government's application of resources.

THE QUALITY OF LIFE OF THE PEOPLE OF THE CITY OF GREATER SÃO PAULO SINCE 1964

There are probably more and better statistics on this area than on Brazil as a whole, and the analysis of this data provides some sort of check on national accounts. The city of São Paulo and the south of Brazil in general are often looked upon as the chief beneficiary of the process of economic growth in Brazil. This economic growth is often used to justify the imposition of a repressive and authoritarian regime and to justify the claims that the present government is very popular with the Brazilian people, who are supposedly sharing in the largesse of economic growth. It ought to be possible to verify these claims to some degree by looking at this "fastest growing city" in the world, the heart of the Brazilian industrial boom and the center of the richest part of Brazil.

Far less than any of the other indicators in this series can the present situation of the city of São Paulo be considered an intentional outcome of government plans and programs. The problems of urban sprawl, decay and inadequate human support systems are worldwide and are bound to be more acute in a city as large and as fast growing as São Paulo. Nonetheless, the policies of the present government have had the effect of exacerbating all the problems of this city. Such policies as the priority given (though this is to be modified this year) to middle-class housing at the expense of low-cost housing, the tremendous investment in freeway construction in a city that already has more automobiles than any other city in the world except Los Angeles, in encouraging the rapid expansion of the industrial plant without any significant regulations against pollution (thus creating a smog problem already worse than Chicago's), and, most importantly, the wage-and-price policies and controls that have been designed to concentrate wealth in the upper strata of society and to extract the savings necessary for industrial expansion from the urban workers—such policies have all contributed significantly to a quite obvious situation, even though it appears to contradict somewhat some of the statistics above. That fact is that the majority of the people of São Paulo have suffered a significant decline in the quality and standard of life during the past ten years, even though statistics show that their average purchasing power has risen.

Because the channels of expression, such as labor unions, the press, free elections, etc., of popular dissatisfaction—never very satisfactory—have been silenced, the decline in welfare of the majority of the people of São Paulo has not been adequately noticed. Last October, when the newspapers published studies showing that the rate of infant mortality in the city of São Paulo was continuing to rise and that for the first time since records have been kept was about 80 infant deaths per 1,000 live births in 1972, many people were shocked. Such an infant mortality rate should not be surprising in a city of about 9,000,000 people, growing at the rate of nearly 500,000 people per year, in which 48.5 per cent of the people live in substandard housing, 60 per cent of the people are not served by a sewage system and 35 per cent do not have running water.

Even though the per capita monthly income of the city of São Paulo is about $70, which is considerably higher than the average for the whole of Brazil (which is between $40 and $45), almost half 49.1 per capita monthly income of $35 or less, or about $175 or less per family. Sixteen and nine-tenths per cent of the families of São Paulo have a monthly income of $70 or less, or $14 per capita per month, or about $170 per year. Real wages in São Paulo for industrial workers dropped over 30 per cent from 1965 until 1971 though there has been a small recovery since. In 1971 it took a worker on minimum salary 113 hours and 26 minutes to earn sufficient buying power to buy his own minimum diet for a month, as determined by the official standards of minimum nutrition, whereas in 1965 it took a worker on minimum salary only 87 hours and 20 minutes to do the same.

São Paulo is a "sick city," according to the newspaper O Estado de São Paulo. The Archbishop of São Paulo, Cardinal Arns, said last year that the people of the city live "in distress, full of tension and increasing neurosis because of the crime rate." There were 3,750 robberies and assaults in 1968, 7,750 in 1970 and 11,400 in 1971. These are not indications of a rising standard of living. So, in spite of the aggregate statistics and their per capita averages, there are significant indications that the majority of the people of São Paulo have probably experienced a decline in their standard of living, their purchasing power, a deterioration in the urban support systems and environment—in sum, a deterioration in the quality of life during the past ten years. Even though, given its growth rates and the low estate of urban planning and administration all over the world, some decline might have happened under any government, the question before us is whether or not the policies of the present government and its encouragement of the expansion of the consumer market of the middle and upper class has not contributed substantially to this decline.

São Paulo is a booming city, with perhaps up to 40 per cent of its population enjoying a rapidly rising standard of living, but with the rest of its population participating only marginally in this expansion and paying a high cost as a result of a policy of not-so-benign neglect. The city of São Paulo is a Westchester County set in the middle of a Calcutta. High-rise, luxury apartment house buildings, with built-in mini-quarters for two or three domestic servants, expansive urban freeways, luxury boutiques, its own jet set, its own jockey clubs, country clubs, private and very expensive luncheon clubs for executives, coexist peacefully—given the extensive repressive system—with the quiet misery of over half of the population. And the pattern repeats itself, the gap between the two São Paulos widens.

SUMMARY

Slowly and haltingly at first, and recently more rapidly and with more certainty, the Brazilian army has moved to remake the nation over in its own self-image. This has involved a flexible and complicated series of steps and phases, like a prolonged military campaign, with changes of allies now and then and different immediate objectives and tactics for different phases. In the long run the Brazilian army (if we can imagine it has a composite will and attitude) desires a modern, efficient, harmonious, unified, tranquil, prosperous, as nearly autonomous as possible, productive, strong, internationally respected Brazil. To achieve these goals they have over the first nine years of their rule chosen policies designed to stimulate the concentration of capital in the middle and upper classes, promoted the production of goods for export and luxury items for domestic consumption and the attraction of foreign capital.

Because the social and human costs of these policies have been, and remain, high, as well as because the army probably has some built-in antipathy to the untidiness and tensions of public, free debate of national policies and is distrustful of initiatives from below, the army has had to become increasingly repressive and to assume more and more power during the same period in order to maintain the stability that it values and avoid the aggregation of the dissenting groups that it fears. Though a minority of about 20 to 30 per cent of the Brazilian people have profited materially from this process, the great majority of the nation has either been relatively unaffected (because their situation was, and remains, marginal to modernizing Brazil) or, in the case of the great majority of the urban poor and industrial workers, their situation has tended to deteriorate, certainly in terms of their proportionate share of the national income, and almost certainly in terms of their standard of living and quality of life.

Though there have been some signs during the past two years that the deterioriation of real wages has been slowed, or perhaps in some cases stabilized at a considerably lower level than in 1965, it is too early for any definitive conclusions on this. The benefits of the economic growth of the past few years have accrued almost entirely to the top 20 to 30 per cent of the population, and this in terms of a greatly expanded and more sophisticated consumer market of durable goods and luxury items.

But even if the Brazilian government can reverse the trend and begin again the tortuous process of redistributing income more equitably rather than reconcentrating it as is now occurring, and thus achieve what has happened to a limited degree in Spain in the past ten years, Brazil still has another massive problem that will not necessarily be affected by even such a radical reversal of present policy. Even if the benefits of economic growth could be more evenly distributed among those already active in the money economy, there remains the nearly 50 per cent of the population who live at best only on the fringes of the money economy at a near-absolute poverty level. The present trend of reconcentration of wealth through the development of a capitalist, consumer economy seems hardly a wise first step toward an adequate standard of living for all Brazilians.

Furthermore, the steadily increasing use of repression and censorship, the utilization of torture and brutality against political dissenters, the debasement of the legal system through the arbitrary use of its channels for administrative purposes, all seem illogical steps if the goal is truly the "redemocratization" of Brazil. It is much more likely that a new form of what might be called a "modernizing, corporate state" dominated by a managerial and social-engineering mentality is beginning to emerge. But until some degree of law and freedom is restored, the government must remain repressive, and may tend to become even more so, and must remain arbitrary and very closed within a very small group because the social tensions generated by the so-called "economic miracle," as well as those generated by political repression and military and police brutality and torture and arbitrariness, cannot be otherwise contained.

President Medici summed up well the situation of human rights and economic growth in Brazil today when he said in 1970: "Brazil is doing very well, but the people are doing poorly." Indeed, the present economic policies of the military government may be far more cruel and far-reaching than the systematic torture of political prisoners it uses to repress and intimidate dissent. The results of the first nine years show clearly that, in the words of Celso Furtado, policies "geared to satisfy the high levels of consumption of a small minority of the population increase the social cost of an economic system." The results of this policy are to leave, Furtado continues, ". . . a large majority of the population living at a physiological subsistence level, increasing masses of underemployed people in the urban zones, etc."

The concentration of wealth in the hands of 20 to 30 per cent of the people, and the concentration of political power in the hands of less than 1 per cent of the people, continues, and the maintenance of the pauperism of the great majority of the Brazilian people has become state policy. Though the population is expanding, there is no equivalent increase of Brazilians actively sharing in the market of consumer goods.

Consequently, it would seem that the denial of political liberty and constitutional government has produced no significant gain for the overwhelming majority of the Brazilian people and that the Brazilian army has, perhaps unwittingly and unknowingly, been made the guardian for a dynamic but highly exploitive economic system, favoring a small minority of the nation. Political repression and economic exploitation thus go hand in hand. Brazil is creating a Scandinavian-size consumer economy superimposed on an Indonesian-size pauperized mass, presided over by a cruel and increasingly isolated army.

I would like to pose four questions for consideration, against the backdrop of the past nine years of deterioration of human rights and welfare in Brazil:

First, were the Bishops of the Roman Catholic Church, meeting in their world synod of 1971, correct when they said:

"Unless combatted and overcome by social and political action, the influence of the new industrial and technological order favors the concentration of wealth, power and decision-making in the hands of a small public or private controlling group."

Second, was Radomiro Tomic, former Chilean Ambassador to the United States, correct when he said in a speech in this country in January of this year:

"There is no room for illusions. It is already too late for any Latin American country to emerge from underdevelopment through a production system simultaneously based on capitalism and democracy. . . . It is more than likely that the dilemma imposed by history on the Latin American countries for the remainder of this century will no longer be between capitalism and socialism, but between totalitarian, dictatorial and oppressive socialism, or communitarian, pluralistic and self-managing socialism. Whoever fails to understand this will be working against history and against the essential interests of democracy in Latin America."

Third, was Professor Albert Fishlow correct last March when, referring specifically to the present situation in Brazil, he said in Santiago:

"In the absence of effective and far-reaching alteration in governmental attitudes, there is likely to be little progress and, quite possibly, retrogression in the distribution of income. It is mistaken to view such a result as an unfortunate but inevitable consequence of rapid growth. There is no necessary inconsistency between greater equity and expanding output."

And *lastly,* in their message to President Medici of last December, was the Order of Brazilian Lawyers correct in saying:

"There is not any reason why it is necessary to sacrifice the principles of law upon the altar of development, because the legitimate social and economic progress of the country can only be realized if it is consonant with the principle of a government of law and respect for the fundamental right of man. If it is true that peace and security are indispensable for development, it is not less true that tranquility and peace do not exist when there is no liberty and no justice."

TRANSFERS OF UNITED STATES RESOURCES TO BRAZIL
[In thousands of dollars]

	Fiscal year—		
	1972 actual	1973 estimated	1974 proposed
Total of all U.S. resources transferred	49,75	70,435	76,916
Security assistance (subtotal)/	22,136	19,194	58,770
Military assistance program	750	820	
Country costs	(750)	(820)	
International military education and training program			800
Military assistance advisory group			
Administrative and training costs	1,386	1,474	1,970
Ships transfers (loan leases)		1,900	
Foreign military credit sales	20,000	15,000	56,000
Development assistance (subtotal)	27,617	51,241	18,146
Agency for International Development			
Development loans		296,00	
Development grants	9,965	7,050	6,000
International narcotics control		4	100
Peace Corps	2,932	3,148	3,232
Public Law 480	13,928	10,661	7,947
Mutual education and cultural exchange	792	778	867

RAILROAD RETIREMENT AMENDMENTS OF 1973

Mr. BEALL. Mr. President, I am pleased to note that the President has signed the Railroad Retirement Amendments of 1973 (H.R. 7200) into law. In doing so, the President has guaranteed the security of over 1 million railroad retirees. This legislation also marks a significant milestone in our efforts to strengthen the railroad retirement system so that the employees contributing to this program as well as the recipients currently receiving benefits can be assured that their retirement fund is viable, strong and able to fulfill its commitments.

To fully understand the intricacies of the railroad retirement system, it is important for us to briefly survey the history of the Federal Government's involvement in this pension program. During the closing years of the 19th century the railroad companies established a pension system designed to serve their employees.

Because the railroads were, at this point in our history, so productive it was not deemed necessary to establish a pension fund. Instead, the benefits were paid out of the corporation's revenue. Needless to say, such a system functions well in a thriving and expanding industry. The depression, however, brought to an end the companies ability to shoulder this burden, and the Federal Government intervened to establish the quasi-public railroad retirement system in 1935. Today, approximately 1 million beneficiaries receive monthly benefits from this program, and about 600,000 employees are currently contributing to the railroad retirement fund.

Two major factors are currently contributing to the substantial deficit the fund incurred each year. First, as the railroad industry has declined, the number of employees has likewise diminished. Thus, approximately 1.6 people are drawing monthly benefits from the railroad retirement system for each employee who is paying taxes into the fund. Second, Congress has enacted temporary increases in the benefits levels, parallel to those given to social security recipients. Between 1970 and 1972 Congress enacted three temporary benefit increases of 15 percent, 10 percent, and 20 percent. During this period, the chairman of the Railroad Retirement Board advised us that the enactment of increased benefits without a compensatory tax increase would bring about the depletion of the fund by the mid-1980's.

In addition, the three temporary benefit increases were due to expire on June 30, 1973. Thus, it was necessary for the 93d Congress to expedite consideration of legislation that would serve to achieve three basic goals: First, extend the temporary benefit levels so that the current recipients would not be faced with a sharp reduction in the payments they receive; second, codify various aspects of the labor-management agreement which was completed this spring between representatives of the major rail corporations and the unions representing their employees. This agreement provided for some expansion of benefits as well as a significant transfer of the railroad retirement tax burden from the individual employee to the rail corporations. Third, to seek ways of strengthening the railroad retirement system so as to insure the solvency of this fund plus guaranteeing benefits to the current recipients as well as to those who will be covered by the program in the future.

Because our Nation's economic health depends in part upon the strength of our rail system, we must recognize the need to provide rail employees with an adequate retirement system which will help to attract able people into this vital industry. The rail industry has long been an important element in the economic strength of the State of Maryland. Because of its overall importance to our Nation's economic security, I was pleased, Mr. President, to have served in a unique capacity throughout the Senate's consideration of this legislation.

After passing the House of Representatives on May 22, 1973, H.R. 7200 was forwarded to the Senate where it was referred to several separate committees. As a member of the Labor and Public Welfare Committee's Subcommittee on Railroad Retirement. I had the opportunity to actively participate in the structuring of title I. As a member of the Commerce Committee's Subcommittee on Surface Transportation, I participated in the deliberations regarding title II. Thus, my committee assignments made it possible for me to view this legislation as a whole and to participate in all aspects of the deliberations of the Joint Conference Committee which resolved differences between the House- and Senate-passed versions of the measure.

From this vantage point, it is possible for me to conclude that the enactment of H.R. 7200 serves the best interest of the railroads, their employees and the current recipients of railroad retirement benefits, as well as the general public. It became clear during the hearings of the Railroad Retirement Subcommittee and the Surface Transportation Subcommittee that the railroads and the unions representing their employees had bargained in a far more positive and constructive atmosphere than had been the case in recent decades. While the agreement reached on March 7 did not completely resolve all of the problems confronting the rail industry, it can truthfully be said that, insofar as the railroad retirement fund was concerned, great progress was made in resolving the fundamental problems of this system.

Both rail labor and rail management have agreed to begin negotiations on the remaining problems confronting the railroad retirement system, and they have committed themselves to reporting back to the Congress no later than April 1, 1974. The goal of the negotiators is to achieve the restructuring of the railroad retirement system so that it will remain solvent and able to fulfill all of its commitments to its current and future beneficiaries. If these negotiations should fail to achieve this objective, the Congress would have 9 months in which to structure the necessary legislation prior to the expiration of the provisions of H.R. 7200.

Mr. President, I sincerely believe that H.R. 7200 is a significant step forward in our efforts to stabilize and secure the railroad retirement system. We have extended for an additional 18 months the "temporary increases" in benefits which we have enacted in recent years, provided for retirement at age 60 with 30 years of service beginning July 1, 1974, and achieved the necessary streamlining of the railroad ratesetting mechanisms—both inter- and intrastate rates—so as to insure that the rail industry can receive prompt consideration of requested rate adjustments that result directly from the provision contained in H.R. 7200.

I have compiled, Mr. President, a title-by-title summary of this legislation, and I ask unanimous consent that this summary be printed in the RECORD at the conclusion of my remarks.

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

TITLE-BY-TITLE SUMMARY OF THE RAILROAD RETIREMENT AMENDMENTS OF 1973

Title I—Amendments to the Railroad Retirement Act, the Railroad Retirement Tax Act, and certain public laws.

This title deals primarily with the benefits of the Railroad Retirement program. H.R. 7200 extends until December 31, 1974, the temporary railroad retirement benefit increases which have been enacted between 1970 and 1972 and which were scheduled to expire on July 1, 1973. In addition, this act extends to male railroad employees the right to retire at age 60 with 30 years of service. This provision is a permanent liberalization of retirement eligibility which takes effect on July 1, 1974.

Currently, both the railroad employees and the industry are contributing a 10.60 percent. Under the provisions of this act, the employees tax rate would be reduced to 4.85 percent (plus 1 percent for medicare) which is equal to the tax imposed by the Social Security Act. The rail companies have agreed to increase their tax burden from 10.60 percent to 15.35 percent, thus compensating for the reduction in employee payments. This transfer of the tax burden from the employee to the employer does not, however, resolve the basic problem of inadequate income into the fund. To correct this situation, H.R. 7200 creates a joint labor-management committee composed of the major rail companies and the unions representing their employees. This committee is directed to negotiate the necessary restructuring of the railroad retirement system and present its recommendations to the Congess no later than April 1, 1974. In addition, the Congress has declared its intention to "enact legislation in 1974, to take effect on or before January 1, 1975, which will assure the long-term actuarial soundness of the railroad retirement system."

Title II—Amendments to the Interstate Commerce Act.

H.R. 7200 provides an expedited procedure for considering rail rate increase requests resulting from the higher tax burden which is assumed by the rail industry pursuant to this act. Under these provisions, the Interstate Commerce Commission must adopt procedures for handling applications for rate increases directly attributable to railroad retirement taxes no later than August 1, 1973. The ICC must establish an interim rate within 30 days after the petitions are filed. The Commission must commence hearings for the purpose of making a "final rate determination" within 60 days of the establishment of the interim rates. If the final rates are less than the interim rates, refunds may be ordered. Intrastate rail rates will remain within the jurisdiction of the various state regulatory agencies for a period of 60 days. If the State agencies fail to act or if they deny a petition for an increase, the case is automatically referred to the Interstate Commerce Commission which has 30 additional days to make a ruling. If they grant part of, but not all of, the carriers request, the carrier may appeal to the Interstate Commerce Commission which has an additional 30 days in which to act.

Title II only affects increases directly related to the tax provisions of H.R. 7200. Increases attributable to other aspects of the recently completed negotiations must be applied for in accordance with existing procedures. It was the opinion of the conferees that the rail companies, which have been plagued by many problems in recent years, should not have to absorb an increased tax burden imposed by the Congress.

THE UNSTABLE DOLLAR

Mr. HUMPHREY. Mr. President, the American people are regularly confronted with news of declining strength of the dollar abroad. And even when there are promising reports about the dollar, it is difficult to understand the seemingly constant fluctuations in what was once the most stable of all currencies.

Therefore, it serves a needed informational purpose to call attention to an article in the July 6, 1973, New York Times by David P. Calleo entitled "The Shaky Dollar: Its Troubles Are Also Political." Professor Calleo presents a unique examination of one aspect of the international monetary upheaval now affecting the strength of the dollar—the deeply political implications of the current round of international economic uncertainty.

Mr. Calleo offers a sound diagnosis of the strictly economic ailments reflected in the decline of the dollar, but his assessment of the possible cures for these problems is perhaps more enlightening for the public's appreciation of the present difficulties. He notes that the United States apparently has no viable policy toward controlling the international monetary situation. Moreover, he suggests that it is unlikely that European countries will provide one for us. These countries, as well as Japan, benefit from the influx of money that accompanies our military presence on their territory. And despite the drain on U.S. resources created by these commitments, we are unwilling to abandon the posture we adopted in Europe after World War II.

In sum, Mr. Calleo's article encourages a reevaluation of our vision of an economically and politically dominant United States, for the reluctance to engage in this needed appraisal of our strength may have serious consequences for both the United States and its trading partners in Europe and Japan. As Mr. Calleo warns,

> The American failure to retrench voluntarily, and the European failure to force us to do so, may very well lead not only to a world of blocs, which is probably inevitable, but to a world of hostile blocs, where the prolonged disintegration of American hegemony will have embittered trans-Atlantic relations for a generation.

Mr. President, the prospect of such a development, I feel, is sufficiently alarming that the American people should be informed about the underlying causes and repercussions of this situation. I therefore ask unanimous consent that Mr. Calleo's article be printed in the RECORD.

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

THE SHAKY DOLLAR: ITS TROUBLES ARE ALSO POLITICAL

(By David P. Calleo)

WASHINGTON.—The troubles of the dollar are only one expression of a fundamental economic and political dislocation within the postwar "Pan-Atlantic" international system. This dislocation, or crisis, has been gathering force since the early nineteen-sixties. The monetary crisis has its own technical economic causes and explanations. But as the monetary system itself is only part of an overall international order, political as well as economic, so the monetary system's present problems are deeply political as well as economic.

The economic causes are not especially

mysterious. The United States has run a balance-of-payment deficit for nearly every year since 1950. For most of this long period, these payments deficits existed despite a substantial trade balance in America's favor, fortified by an ever-mounting return on American capital invested abroad. But continuing heavy capital outflows for new direct investments, plus the exchange cost of American troops stationed abroad, and other Government expenditures overseas, as well as a substantial tourist deficit, all regularly managed to overwhelm the normal trade surplus. Starting in the later sixties, America's domestic inflation greatly accelerated the outflow.

The resulting deficits have been financed either by foreign central banks, or by private individuals and institutions. Both have held their surplus dollars as reserves in U.S. Government securities or Eurodollar deposits.

After nearly twenty-five years of this American deficit and corresponding foreign accumulation, foreign holders have gradually come to hold a pool of short-term dollars which greatly exceeds American currency reserves. Not unnaturally, foreign confidence has wanted. Once America's trade also went into deficit, that crisis of confidence within the currency markets, which was always likely, became inevitable. At the same time, European governments, perhaps more sensitive to the charge that their accumulation of dollars was financing American military and corporate "imperialism," and, in any event, increasingly concerned with a domestic inflation fueled by excess liquidity, have grown increasingly reluctant to accumulate still more dollars. Hence, their increasing tendency either to float or to impose controls.

These public and private tendencies have had a cumulative, snowballing effect. As private confidence has eroded and official displeasure been more evident, the tendency of private holders to liquidate, or at least diversify their dollar reserves has grown into a series of rushes. On each of these occasions, the dollar has tended to depreciate further. Nor is it unlikely that it may continue to do so, at least until something effective is done, not only to redress America's trade balance but also to fund the huge pool of dollars outstanding, as well as stop any massive new outpourings of American dollars for currency speculation or capital investment abroad. Restoring the monetary system to tolerable technical working order may well also require some substitute for the dollar—both as a source of new international liquidity among central banks and as a private reserve currency for international corporations.

If the ailment is not difficult to diagnose, the cure has been elusive. Indeed, over the years, the American Government has pursued a series of remedies which, in retrospect, seem remarkably inappropriate. Trade liberalization, for example, has not only been an article of official faith, but has often been promoted as a means for alleviating American deficits. Yet there is little evidence, except in the special case of agriculture, that further liberalization would help the American trade balance. Quite the contrary.

Official policy has long dwelled on the need for more world liquidity, as if the American deficits stemmed from an altruistic concern for expanding the world's money supply, and would be ended as soon as an alternative form of liquidity were available. Hence the American campaign to create the S.D.R. While creating the S.D.R. has helped finance our deficits, simply because it gave us more credit, it has predictably had no effect on ending them.

A Machiavellian view, which at least gives more credit to official intelligence, sees the S.D.R. not as a remedy within the existing system, but as an important victory in the long-range American campaign to demonetize gold, and what is really at issue—to establish firmly a world dollar standard. While the U.S. has never officially embraced such a goal, many policies have pressed in its direction. In the long run, however, such a policy seems unlikely to succeed. For the capitalist world's economic and military colossus to fill such a role implies a degree of American political and economic hegemony which becomes increasingly unlikely as European states and Japan return to something like their normal weight. Moreover, the growing inflationary influence which the present international system presses on European domestic economies makes it increasingly unlikely that their governments will continue indefinitely to acquiesce in a dollar standard.

In any event, the American Government has, in recent years, played down its emphasis on liquidity and turned instead to adjustment. This most recent official enthusiasm, flexible exchange rates, hopes to end the basic U.S. deficit by a dollar depreciation big enough to cause a turnaround in American trade sufficient to restore our whole balance of payments to surplus. To succeed, such a policy would seem to require that other countries, in particular Europe and Japan, be willing to sacrifice their current account surpluses. But the great significance of exports for European and Japanese economies means that they will strongly resist losing their surpluses. And while they may not be able to prevent the dollar's further depreciation, they can be expected to counteract its trade effects by more and more rigorous restraints on American money and goods. In particular, the Common Market countries—collectively or separately—can be expected to become increasingly protectionist as the dollar continues to fall.

They will justify their protectionism by noting, first, that they are themselves generally in bilateral trade deficit with the United States, and second, that the American payments deficit is not primarily a trade deficit, but stems from America's heavy foreign capital investments and large foreign political expenditures. They will go on telling us to control our inflation at home, and to stop exporting it abroad.

If the United States has no viable policy, it is highly uncertain that European governments will provide one for us. While the Europeans may be expected to protect themselves increasingly against inflation induced by dollar capital flows, and to guard their current account surpuses against the effects of dollar depreciation, they are unlikely to take the initiative to relieve the U.S. of those noncommercial burdens which continue to play such a large role in our basic balance-of-payments deficits.

In particular, neither Europe nor Japan will pay the heavy exchange costs of our various external military commitments relevant to their defense—even if the costs of these commitments are an important element in our continuing payments deficit. But they will nevertheless resist any American effort to abandon those commitments. In short, they would like the continuing benefits of a hegemonic American military protection, but are increasingly unwilling to pay the economic compensation. At the same time, the U.S. is itself unwilling to abandon its military hegemony, for security and political reasons, and ironically because it provides bargaining leverage in economic relations.

Beyond particular American considerations lingers the old Wilsonian dream of an American-led world political and economic order. According to this vision, the undoubted predominance of the United States over Western Europe and Japan during the post-war era is not temporary, but permanent.

Those strongly influenced by this view, on both sides of the Atlantic and in Japan, can be expected to resist any step, economic or military, which appears to lessen Atlantic interdependence. The American failure to retrench voluntarily, and the European failure to force us to do so, may very well lead not only to a world of blocs, which is probably inevitable, but to a world of hostile blocs, where the prolonged disintegration of American hegemony will have embittered trans-Atlantic relations for a generation.

And more unfortunate still, the struggle over American devolution may gravely impair the intimate economic cooperation and the potential for wider political cooperation built up among the European states in the Common Market. Thus the Atlantic and European ideals may well defeat each other, to the detriment of any rational and peaceful evolution away from the disintegrating post-war system.

We can only hope that such a prognosis proves excessively gloomy. But the present situation ought not to lend itself to complacency. For chaos and conflict normally come at precisely those moments in history when an old order is decaying but will not die, and the forces for change are not quite strong enough to impose a new system.

The steady erosion of the ability of national governments to exercise rational control over their domestic economic environments, an ability we have perhaps unwisely learned to take for granted, suggests that disorder and the reaction against it will not limit itself to the inernational context. Whether the postwar international liberal order can be salvaged from the collapse of American hegemony remains a very open question.

AMERICA'S ECONOMIC DETERIORATION

Mr. MATHIAS. Mr. President, in the July 5 edition of the Daily Times there appeared the following article on America's economic deterioration. Economist, William D. Pardridge, discoverer of the debt-production ratio, says therein:

This 6.9 per cent pure economic increase means the inflation rate for 1973 will be either that high or higher, depending upon downward changes in product quality, which deter price increases, and upon the human factors of greed and consumer anxiety.

Given our critical economic situation and our need to understand the ways to remedy inflation, I ask unanimous consent that this article be printed in the RECORD.

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

ECONOMIST SEES DETERIORATION

The Debt-Production Ratio for 1972 increased to 2.47 from a ratio of 2.31 for 1971.

William D. Pardridge, editorial director of the massive book, Economic Inequities, which now has 40 blue-ribbon co-authors, and discoverer of The DPR, says, This 6.9 per cent pure economic increase means the inflation rate for 1973 will be either that high or higher, depending upon downward changes in product quality, which deter price increases, and upon the human factors of greed and consumer anxiety."

Economist Pardridge, who works out of Washington, D.C. and the hill country of Stanardsville, Va., divides old private-sector net debt by the nation's Gross National Product less government expenditures, less new private net debt to determine The DPR, which ratio has fairly accurately forecast annual inflation for some years past. His DPR's for the seven years 1966–1972 were 1.90, 2.01, 2.15, 2.27, 2.22, 2.31, and 2.47. The last figure means that in 1972 the U.S. private sector owed two-and-a-half times its economic production.

The annual DPR calculation is based upon U.S. Commerce Department data on debt transactions, released the end of each May for the preceding calendar year.

Total U.S. public and private net debt increased in 1972 by $209 billion to a grand $2,227 billion. The 1971 annual net increase was $164 billion, meaning the 1972 increase was 27 per cent greater than 1971. Private-sector net debt in 1972 increased by $177.4 billion, which is 5.6 times greater than the public-sector net debt increase of $31.5 billion.

Despite this large difference, Pardridge accuses, almost all businessmen. economists, and public figures blame public deficit spending for inflation, leaving the private sector lily white. He says:

"The reason for this is that pillars of the permissive society resent terribly and reject summarily any reports that endanger their materialistic affluence and public image."

U.S. corporate business in 1972 increased its net debet by $93.7 billion, from $858.6 billion in 1971 to $952.3 billion. Corporate business accounted for this new, additional net debt through tax liabilities ($41 B.), dividends ($26 B.), and undistributed "profits" ($? B.), a curious total of the same $94 billion.

"While this is bootstrap economics, the more ominous meaning is that Wall Street is deluding itself," Pardridge said, "and when this delusion runs its course, a credit collapse could change substantially the very structure of our society."

Another indication that the U.S. economy is steadily deteriorating, Pardridge claims, is the economic GNP, which is the total GNP less government expenditures (which are not economic sales, they being achieved by funds legislated away from the private sector and by public deficit spending), as a per cent of total private net debt. These decreasing percentages for the seven years 1966–1972 were 56.6, 63.5, 51.9, 50.0, 48.5, 47.8, and 46.2.

Pardridge asks the disturbing question, "At what percentage point of economic production as a part of private net debt does the credit structure of the private sector collapse?"

In 1972 alone, a 6 per cent interest liability of private-sector net debt of $1,667 billion came to $100 billion due the money markets. This is a lot of rent to pay for affluence and image. If 6 per cent interest payments also are deducted from the economic GNP, then the above Production-Debt percentages for 1966–1972 become 50.6, 47.5, 45.8, 44.0, 42.5, 41.8, and 40.8. Pardridge says no amount of economic controls can stop such inflationary pressures.

He adds:

"Either prices go up or quality and quantity of economic production go down. The only solution standing in front of collapse is a lid on credit, but such economic preventive medicine is both politically impossible and beyond the admissibility of business, corporate economists."

REMARKS OF HENNING K. FRIIS, "SOCIAL SCIENCE: CREATIVITY IN AGING," AT THE ETHEL PERCY ANDRUS GERONTOLOGY CENTER, FEBRUARY 14, 1973

Mr. KENNEDY. Mr. President, as a member of the Subcommittee on Aging, which has jurisdiction over the Older Americans Act as well as research on aging, I want to share with my colleagues a most informative address, by Henning K. Friis, the distinguished Danish gerontologist, on the status of social science research on the elderly.

Mr. Friis' remarks were delivered on February 14, 1973, during the dedication ceremonies of the Ethel Percy Andrus Gerontology Center at the University of Southern California.

Mr. Friis provides an excellent summary of the value of existing social science findings with regard to older people, but he adds that we need more major international surveys at "regular intervals, not only to keep the knowledge up to date, but also in order to study the changes which are taking place."

Mr. President, I ask unanimous consent to print Mr. Friis' remarks in the RECORD.

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

ADDRESS BY HENNING K. FRIIS

This paper is to a great extent a review of my personal experiences in the field of social gerontology, first as advisor to the Danish Ministries of Labor and Social Affairs, later as head of an institute of applied research. In the second part of this paper I will deal with policy aspects of welfare programs for the aged, while the first part will be devoted to more scientific problems.

INTERNATIONAL GERONTOLOGICAL ASSOCIATION

My contact with social gerontology as a scientific endeavour began in the mid-fifties when the International Gerontological Association created a Social Science Research Committee with two branches, one for Europe and one for America. The Committee, which is still active, has organized the Social Gerontology Section of the International Gerontological Congresses and has initiated a number of seminars, bringing together social scientists from Europe and the United States. Several of those present at this occasion have participated in this work from which we all have benefited.

The congresses and the seminars have produced results in the form of international acquaintances, leading to discussion of mutual research interests, international visits and development of parallel or cross-national studies. Several volumes of papers have emerged from this collaboration beginning with the report of a Conference at Copenhagen in 1956 on The Need For Cross National Surveys Of Old Age. I mention this first report not because the Conference was held in Copenhagen, from where I come, but because this meeting and successive European and cross-Atlantic seminars led to the establishment in 1960 of a team of researchers from Denmark, Great Britain and United States which carried out the first major comparative survey on living conditions and attitudes of aged in the three countries, which was substantially supported by American Government grants.

LIMITED DATA

The interest in social gerontology had grown enormously in the decade after the II World War. In the Western world and in particular in USA a large number of specialized studies on particular problems as well as some broader surveys had been undertaken with a view to establishing a body of knowledge on living conditions and behavior of the aged. Social gerontology was, however, still at an early stage. Most countries were lacking basic statistical knowledge on most aspects of the life of the aged, and theoretical thinking regarding the social aspects in the aging process were only beginning.

Most of the empirical studies were limited to particular local communities or social groups and it was doubtful to which extent they had wider applications. Neither did they easily lend themselves to cross-national comparisons which was clearly demonstrated in the comparative study "Aging In Western Societies" (ed. by Ernest W. Burgess, Chicago 1960) which had to rely upon material of a very heterogenous character.

Only the summary data from demographic and economic statistics were fully comparable, while on most other matters comparisons had to be based on fragmental evidence or at the best on national sample surveys which, however, used different questionnaires and research designs.

As a result scientific accumulation was hampered, and the development of empirically tested generalizations regarding behaviour patterns of the elderly and comparisons of their relation to environmental factors was retarded.

UNTESTED MYTHS

The result was that a number of untested postulates and myths were prevailing on the aged in Western countries. Some of these common beliefs were perhaps correct, others might not stand up to a study of facts. These postulates were repeated over and over again not only in popular writings but also in more serious literature. The picture which was painted was as a whole pessimistic indicating that the life of aged people had undergone "catastrophic changes" and that most aged people in Western countries were socially and psychologically in a bad state.

Among the more frequently expressed generalizations regarding the situation of the aged in developed countries were the following:

(1) Most aged people are living in poor economic conditions.

(2) Most aged people are in poor health.

(3) Most aged people want to continue to work.

(4) Most aged people are isolated from their families.

To the extent that such assumptions are generally accepted they are influencing the public attitude to the problems of the aged and have a direct or indirect impact on social policies.

DEFEATIST CONCLUSIONS

Generalizations such as those mentioned may lead some policy-makers to the defeatist conclusion that the problems of the aged are too overwhelming for social action; others are led to conclude that programmes for the aged must aim at all or most aged people and thereby perhaps overshoot the target. The defeatist view is well known in social policy discussions in developing countries, where mass poverty is concealing the fact that there are many shades of black. The over-ambitiousness can be spotted in wealthy countries in particular with regard to pension programmes to which I shall return later.

There was, and still is, a tendency to treat the aged in policy as a homogeneous group rather than as a rather heterogeneous section of the popultaion with diverse needs, with the effect that policies for the aged may offer too little flexibility and choice. Retirement and pensions policies are well-known examples, but similar inflexibilities are found in social services for the aged.

MAJOR NEW SURVEYS

It was against the scientific and political background which I have outlined that our international gerontological discussion took place in the late 1950. We were convinced, that it was necessary to initiate integrated cross-national sample surveys covering major areas of concern to the aged including health, family relations, work and retirement, and financial resources. At first a group of sociologists and economists from three countries, Britain, Denmark, and USA accepted the bid. The results of their endeavors were published in 1968 in the volume "Old People In Three Industrial Societies." [1] Subsequently other countries showed interest and similar surveys have since been undertaken in Israel, Poland and Yugoslavia with support from the American Government.

---

[1] Ethel Shanas, Peter Townsend, Dorothy Wedderburn, Henning Friis, Poul Milhoj, Jan Stehouwer: Old People In Three Industrial Societies. London and New York 1968.

The comparative study aimed to provide fundamental information for social policy decisions in the gerontological field by giving a more balanced and varied picture of the state of the elderly than that given by the prevalent generalizations. The study should contribute to the testing of hypotheses about integration or segregation of the aged in Western societies to which has been devoted so much space in social gerontology.

MAIN CONCLUSIONS

The main conclusion of the cross-national study has a dual emphasis. On the one hand, we found that persons aged 65 and over are more strongly integrated into Western societies than is often assumed either by the general public or by sociological theorists. Physically they are largely self-sustaining. The personal and household functions they perform, in the services they receive from their families and in the frequency of their contacts with children and other relatives, most old people are fairly securely knitted into the social structure.

Integration with the family and the local community is maintained by a network of personal relationships. Retirement does not necessarily mean disengagement from other activities. On the other hand, major problems are found among the aged. To a varying extent we found poverty, isolation, lack of adequate care and insufficient meaningful occupation among them, though not to a degree which corresponds to the common generalizations on the situation of the aged. It appeared quite clearly that the aged can not be lumped as one big marginal category in society. They are in most respects as varied as other age groups. There are serious problems among the aged in all the countries studied, but they do not assume dimensions that are inherently unmanageable.

Let me now mention some of the findings from the three-country study, which can throw light upon the generalizing postulates regarding the aged, which I mentioned earlier.

Postulate 1. Most aged are living in poor economic conditions

Through the survey a detailed investigation has been made of income sources of the aged in each country. It is clearly demonstrated that aged people do not form any homogeneous group where income is concerned.

Most aged in all three countries have other income sources besides pensions or assistance from Government. Only ⅓ of the elderly persons in Denmark were wholly dependent on Government benefits while ⅓ in Great Britain and the United States depended on Government benefits.

The various comparisons between the countries based on the survey data indicate that the absolute living standards of the aged in the United States are, on average, higher than in the two European countries, which reflect the higher levels of living generally of the United States' population. The median total money income of the aged from all sources is in all countries about half of the average level of industrial earnings, but income inequalities within the aged population tend to be greater in the United States than in Denmark and Britain.

The survey does not confirm the proposition that most aged in the three countries are living in poor economic conditions. A considerable proportion in the United States and Britain have, however, incomes below generally accepted poverty lines; this is in particular the case for single women. The percentage of substandard aged is smaller in Denmark and the position of aged women is here markedly better than in the two other countries, which is due to differences in income maintenance programmes.

Postulate 2. Most aged are in poor health

The survey was confined to persons living in private households. This means that a number of those who are particularly incapacitated are not included in the survey. However, only a tiny minority of 4–5 pct. of all old people are living in hospitals or other institutions. Around another 10 pct. are bedridden or housebound at home in all three countries, whereas 90 pct. were ambulatory. A special index of incapacity was used to measure the broad ability of the old people to perform those minimal tasks which make them independent of others for personal care.

In all three countries, persons aged 65–69 are functioning quite well as measured by this index of incapacity. It is first with the cohort aged 70–74 in Denmark and Britain, and that aged 75–79 in the United States that there is a change in physical capacity but still not very sharp. The very old in USA report less incapacity than the very old in Denmark and Britain. In the age cohort 80 and over only 2 of every 10 men and 4 of every 10 women in Denmark report no incapacity. In Britain 3 of every 10 men and 2 of every 10 women in the oldest age group report no incapacity, but in the United States 5 of every 10 men and 4 of every 10 women report no incapacity.

The conclusions which one can draw from these and other findings of the survey does not confirm the proposition that most aged in the three Western industrial countries are in poor health condition. A majority are in active function up to the end of their 70's. For comparison it can be mentioned that the surveys in Israel, Poland and Yugoslavia show rather similar results on the physical capacity index, but the old people in those countries describe more often their health as poor.

Postulate 3. Most aged people want to continue to work

A considerable proportion of the elderly men retire at the minimum national pension age, which is 65 years in Britain and USA and 67 in Denmark. However, many go on working after that time. The percentage of men in the age group 67–69 years still working in 1962 was 37 in Britain, 42 in USA and 52 in Denmark. These percentages have decreased somewhat during the following decade in all three countries, but there is probably not important relative changes between the countries. The main reason why men work longer in Denmark than in the other two countries is the higher pension age. The higher percentage of the labour force in agriculture and the higher employment rate in Denmark have also contributed.

Ill-health or strain of work is the main reason given for retirement. This is more often mentioned in Denmark (61 pct.) than in Britain and USA (44 and 50 pct. respectively). But since more in Denmark retire in the late 60'ies and 70'ies than in the other countries this is understandable. Compulsory retirement is less frequent in Denmark (20 pct.) than in Britain and USA (ab. 30 pct.). USA has a relatively larger number who retired early because they "could afford to" (25 pct. against ca. 15 pct. in the other countries).

About ¾ of the men over the pension age who are still at work say that they do not want to stop working. Relatively more of the white collar than of the blue collar workers want to continue. Of those who have been retired for less than three years about ⅓ in Britain and USA but only 14 pct. of the Danes say they want work.

There are marked country-by-country differences in what retired men say they miss about their past work. Half of the British and the Danes report that they missed nothing, while most of the Americans say that they missed something about their work. Almost half of the retired Americans missed "money". The later surveys in Poland and Israel show that the attitude of the Poles and the Israelites are more like the American than the European.

The fact that so many retired in all the countries say that they miss nothing about the job or that they primarily miss the money they earned suggest that work may not be so interesting to them as has often been postulated. The retired men who would like to return to work are mainly those who have recently retired and are in good health and men who feel their income is inadequate. The great majority of the retired do not want to return to work. There is, however, a minority who is able and willing to go on working and this group will probably increase if there were more possibilities for flexible transition between pre- and post-retirement in the form of part-time employment and sheltered employment.

Postulate 4. Most aged people are isolated from their families.

About ¾ of the aged couples in Denmark and USA and ⅔ in Britain are living alone. Of the single 62 pct. in Denmark and less than half in the other two countries live alone. For comparison I can mention that in Poland less than half the aged couples and less than 30 pct. of the single are living alone.

80 pct. have children alive. 42 pct. of the aged in Britain, 20 pct. in Denmark and 28 pct. in USA live with at least one of their children.

The fact that most aged are living alone does not necessarily mean that they are isolated. Almost 80 pct. of those with children had at least one of their children living with them or within maximum 30 minutes transport distance. About ⅔ of the elderly people with children report seeing a child the same day or the previous day. The figures in Poland was of course higher (80 pct.) because more aged lived together with children. Only 6 pct. of the elderly in Denmark and Britain and 10 pct. of the old in the United States have not seen one of their children within the last month (but several of these had seen a sibling or other relatives).

Around ⅔ in Britain and the United States reported receiving help from their families, including money. Considerably fewer in Denmark, though still a substantial minority, reported such services.

In illness about a third relied for help with housework, meals and shopping upon children or other relatives. Between 8 and 9 in every 10 of the bedridden at home depended primarily on members of their families for meals, housework and personal aid.

The conclusion which can be drawn from the surveys is that although most elderly people in the three countries are living alone, it is only a small minority of the elderly which live in isolation. We have not explored the emotional quality of the family contacts but the statistical evidence seems sufficiently formidable to demand revision of earlier theories on relations between generations in Western society.

LIMITATIONS OF THE SURVEY

I have now given you some highlights from one of the gerontological research activities I have had the pleasure to participate in.

It has its obvious limitations. First, the cross-national survey is not dealing with such aspects of the life of the elderly as recreation, religion and politics, and only the British and the Danish survey has included housing.

Second, it can to some extent be looked at as a macro-study, giving a statistical frame for more detailed studies. We have suggested such studies on many points.

Third, it is a cross-sectional study at a given point in time, 1962.

It will in my opinion be useful to repeat this kind of macro-survey with regular intervals not only to keep the knowledge up to date, but also in order to study the changes which are taking place.

CHANGING CONDITIONS

It is difficult to assess how fast living conditions and behaviour of the old age are changing. New cohorts have moved into their

60'ies and 70'ies who have had higher earnings and better education than preceding cohorts. Pension and health programmes have expanded and will expand further. The actual retirement age of men is decrasing in all countries studied, but we also know that a large percentage of women are now gainfully employed up in their 60'ies. Further, the general increase in the employment rate of married women in all ages has perhaps had a negative effect on the extent of help which the incapacitated old persons receive from their daughters and daughters-in-law.

By repeating such cross-national surveys we will be able to establish a set of social indicators on the conditions of the aged which will be valuable for each country but also for international comparisons.

WEAKNESS OF RESEARCH

The surveys are cross-sectional surveys comparing social conditions and behaviour patterns of certain age groups at given points in time. The weakness of this type of research is that the aged are studied without sufficient knowledge about their earlier social situation and behaviour. This is a very unusual situation, but it has the effect, that many social problems of the aged tends to be attributed to aging when in fact they have been with the individuals far back in their life-histories. For example, when studying the economic situation of elderly people, the picture may look worse than it is because we do not always undertake comparisons with their level of living at an earlier time. When studying relations of the aged to their children we may tend to attribute a low or high degree of contact to aging, forgetting that parents and children over life may have been more or less close.

There is an increasing interest in life-cycle studies of cohorts of persons at the same age. Such longitudinal studies can contribute to a correction of some of the misleading interpretations of cross-sectional studies. But longitudinal studies of cohorts are time consuming and money consuming. Our Institute is carrying out a longitudinal survey of a national sample of 900 persons, who were 62–64 years old in 1962 but we should also have followed a sample of persons at least 10 years younger.

RESEARCH AND PUBLIC POLICY

I am not going to give suggestions for needed research in social gerontology. It will be futile to try to compete with the systematic lists in Russel Sage Foundation's volume on "Aging and Society" and the research proposals which are found in every issue of the valuable American journal The Gerontologist. I only want to stress the sad fact that a considerable portion of research in social gerontology as well as in other areas of social science, dealing with important social issues, have only little impact in social policies. The reason is not that the research is irrelevant. According to my experience the explanation is partly that it has not been presented in a way that has made its implications understandable for policy-makers, administrators, unions and personnel management. For their part, the prospective consumers have usually not shown serious interest in using research results even where these might be relevant to their work.

I am sure that this Center will apply itself to the improvement of the communication between the scientists and the public which is required if its work shall have a real impact on attitudes and policies beneficial to the aged.

One of the chief aims of the cross-sectional survey was to derive knowledge that could be of value in the evaluation of social policy. The growing role of public organized social service is a universal phenomenon in industrialized countries and the real problem is how efficiently public resources are adjusted to the needs.

NATIONAL POLICY AND THE AGED

In the second part of this paper I will deal with certain aspects of welfare policies for the aged, again based upon personal experiences.

I am coming from a country where 20 pct. of the gross national product goes into social security, health and social services. ⅓ of our social expenditures are used for national old age pensions, and for institutions and housing, home help services and other activities for the aged. To this is then added the considerable part of the general health service which is used by older people.

NATIONAL PENSIONS

The cost of national pensions has increased enormously in the last decade. The reason is partly the rise in benefit levels, partly an expansion of the coverage of national pensions to everybody from the age of 67 irrespective of their private incomes. This is a trend which you see in all Scandinavian countries. 15 years ago the national pension system was selective in the sense that pensions were paid only to persons with small incomes. This was administered through deductions in the pensions for all other earnings. This principle gave way in the 60'ies to an universalistic trend. The rules for deductions in pensions for earings were gradually liberalized with the effect that more and more people were receiving pensions. Beginning in 1970 the full pension was awarded to everyone over 67 years.

In Sweden this development came somewhat earlier and the increase in the pension level has been higher in Sweden, where the pension for married couples both receiving pensions is ¾ of the typically net income for metal workers (after tax). The corresponding figure in Denmark is about 50 pct. I am here talking about the basic flat rate pension. To this is gradually added a supplementary payment.

The basic national pension is in Denmark and Sweden tax financed while the supplementary pension is financed by contributions from employer and employee.

The value stability of pensions are secured through automatic cost-of-living adjustment which have been in force in Denmark since the beginning of the 1930'ies. Besides this adjustment pension levels with intervals have been increased in order to keep step with the increase in real income level in the active population.

I mentioned that until recently the right to pensions in old age was confined to those with smaller incomes. Why has this system been abolished? The reasons given for the abolishment of income deductions in the basic pensions were the supposed evil effect of such income deductions on an individual's savings during his life-time and their influence on his willingness to continue work in old age.

These are very important postulates on which one would expect economists and sociologists to have something to say. It has actually been discussed at some of the international social gerontology seminars which I mentioned at the beginning. When the discussion on introduction of universal pensions was going on I and other social scientists tried to cause some doubt among the politicians for whom it was axiomatic that income deductions in pension were economically unhealthy. With regard to savings I indicated that payment of the full pension to those who would hitherto only have received a lower pension amount, meant that they could count on an income increase in old age, and that it was doubtful whether such persons would be induced to save more. They would rather be inclined to save less.

I referred to our findings on retirement patterns, which showed that it is to a great extent the individual's health which determines when he retires. It was also argued that abolition of the deduction rules, as well as the many existing tax favours for self-pensioners, mainly favour those with higher incomes and that those still working would receive the pension in addition to their ordinary income.

The law on full pensions for everyone over sixty-seven, however, was passed unanimously by the Parliament without any serious discussion.

When evaluating the factors which have had a major influence on the level of pensions during the 1950'ies and 1960'ies in Denmark, it has to be taken into account that a widespread view that pensions were too low has influenced politicians of all parties.

PERCEPTIONS OF THE ELDERLY

One of the reasons for this attitude toward the size of the pensions is presumably that most persons in the active years compare the nominal size of the pension with their own nominal income, but they do not relate it to the actual cost of living in old age, when the children have disappeared, and taxes and other expenditures are of less importance.

This is perhaps the reason why old people's own opinions on their circumstances were very different from those in the active population. In our survey of persons 62 years and over in 1962, 28 pct. said that they managed better now than they did when they were fifty-five; 44 pct. thought that their circumstances were about the same as earlier; only 17 pct. felt that they could not manage as well. (10 pct. could not make the comparison.)

PRESSURE GROUPS

Another factor affecting the increase in pension policies has been an influential pressure group, the Association of Old Age and Invalidity Pensioners. Individual pensioners are also active at political meetings and in the press. The fact that 20 pct. of the electorate is above sixty-five years of age has undoubtedly had its impact on the attitudes of political parties toward pension policies. No party would dare go against proposals for increases in pensions put forward by any of the other major parties in Parliament.

The gradual extension of the National Pension Scheme to encompass all income groups in Denmark through the abolition of income deduction rules probably has one further important reason. This is the feeling of relative deprivation that has grown among those affected by these deduction rules as they compared themselves with public and private employees who receive pensions without deductions for any income. This feeling was often aired when politicians met with their electorate. It is probable that the feeling of relative deprivation, by comparison with employees who have earnings-related pensions, will in the future promote changes in that direction in the pension system.

PENSIONS AND RETIREMENT BEHAVIOR

As I mentioned earlier, pension policies have a close relation to *retirement* behaviour. The national pension minimum age in Denmark and Sweden is 67 years; in Norway it is even 70 years. However, women can get pension with income deduction from the age of 62 and this is also possible for men in poor health. In Sweden and Norway it is now under discussion to lower the minimum pension age. This is advocated by labour groups.

FLEXIBLE POLICY REQUIRED

In Denmark which during recent decades have had very full employment there is no desire to move the pension age downwards. My personal view is that it is neither necessary nor economically sound to lower the general pension age in a country with an overall scarcity of manpower and when this scarcity is expected to continue. I would prefer to give men in poor health a wider possibility for getting pensions at an earlier stage with income deductions. This view is based on our findings in the cross-national

survey that on the one hand a number of persons with some difficulty are hanging on to their job until they can get the pension at the age of 67 years while on the other hand a considerable number go on working after that time. There is no need to give those who are still able to earn a normal income a pension on the top of it but it is reasonable to give those who feel very strained an opportunity to retire earlier. We are hereby coming closer to gearing the pension system to a more flexible retirement system. Actually the Danish surveys show a much greater flexibility than we expected.

First of all changing of position is a not uncommon aspect of the process of retirement. Half of those still active, who has changed working position, has done so after the age of 60. Secondly, many of the older workers have reduced working hours.

I take this as an evidence for the possibility of alternative forms of employment in old age.

This is made easier in the situation with scarcity of manpower but also through the general interest in all age strata, in particular among the women, for more services for the aged.

If we again turn to the Danish statistics of welfare expenditures it is significant, that the expenditure on *services* for aged persons during recent years has increased by a much higher rate than the cost of pensions. The expenditure for municipal institutions for the aged has spiralled, partly by an increase in capacity, partly because of improved standards. But there has also been a strong trend towards expansion of home-help services and recreation facilities. The aged are eagerly pressing for more services. The municipalities faced with choice between their tradition of institutions for the aged and aid to the old people in their private houses have gradually come to understand the need for more of both types of service. The Danish Institute of Social Research has recently undertaken empirical studies in order to evaluate the needs of the old for institutional and home care, in five municipalities including Copenhagen. Four parties assisted in the evaluation of each case: The old themselves, their general practitioners, the municipality social welfare officers and our own interviewers. The result of the investigation was that about 10 pct. of elderly people aged 70 and over was deemed to be in need of institutional placings. Among the number of people aged 70 and over, living in their own homes, it was estimated that about one-fourth needed home help, and that about two pct. needed home nursing. There were differences between the assessments of the need in the five areas and between those making the assessments in the individual cases.

The most important result of the analysis is perhaps that whatever the capacity of existing services was, high or low, the assessment showed the same relative degree of need for further services.

If this result can be interpreted dynamically, the consequence must be that irrespective of the proportion of help offered, there will still be waiting lists. This entails that there is a need for a social-political priority setting as well as for more systematic local visitation and assessment. If not, the services shall expand to a degree, which is out of proportion with what the municipalities can carry.

The necessity for control and priority-setting is not only a matter of public expenditures. It is also a problem of manpower and in particular qualified staff. While we in my country has developed staff training for institutions for children and handicapped reasonably well, training of staff for care of the aged has hardly started except short-courses for home-helpers. A Government Committee has recently presented proposals for an overall programme for training of staff for the welfare services. Training at various levels for all types of services for the aged has been given the highest priority in this programme.

The Committee, however, emphasizes, that it is necessary alongside with the development of training programmes to study how it will be possible in a longer perspective to reduce the expected increase in manpower demands without a lowering of the level of service for the aged. It suggests "that the care of the aged must change direction in order that the aged to a higher degree are helped to self-activity and cooperation in the development of a satisfying life in their old days. The social welfare activities will hereby be of a preventive, pedagogic character".

EQUALITY OF COMPETITIVE OPPORTUNITY FOR U.S.-FLAG AIRLINES

Mr. HOLLINGS. Mr. President, William T. Seawell, chairman and chief executive officer of Pan American World Airways, in a recent speech before the Wings Club in New York City urged the U.S. Government, labor and the airline industry, both scheduled and supplemental, to work together toward the elimination of unfair competitive handicaps under which U.S.-flag airlines currently operate abroad.

Mr. Seawell suggested that the airline industry should have as one of its goals equality of competitive opportunity. He indicated that one way to accomplish it is for American international trade policy to give to service industries, such as the airlines, the same quality of attention that the administration has indicated in its philosophy toward the American goods industries.

Mr. President, I think that my colleagues will find Mr. Seawell's remarks interesting and I request unanimous consent that they be printed in the RECORD.

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

EQUALITY OF COMPETITIVE OPPORTUNITY IN A COMPETITIVE WORLD

(Remarks by William T. Seawell, April 18, 1973)

Today, I am going to talk about keeping the United States strong. The framework for my remarks is the economic competition between the United States and the rest of the world. Within that framework, I am going to invite you, as a group of people interested in aviation, to consider the contribution of the American-flag international air transport industry to American economic strength.

I will suggest that our industry should have as one of its goals equality of competitive opportunity; that one way to achieve it is for American international trade policy to give to the services account the same quality of attention that is in prospect for the goods account; and that, given that attention, our industry's net contribution to the national balance of payments might increase from 1972's estimated $700,000,000 to $1,500,000,000 five years from now.

The background to my remarks is that since the end of World War II, the United States has been giving economic assistance to the world. This has been enlightened policy. But as recently noted by a State Department official, "The United States is no longer the overwhelmingly predominant economic power in the world; we are now only the first among equals."

A new era has begun. In this new era America no longer has the obligation to handicap itself in order to give advantage to its competitors. Now that we've helped to make the rest of the world competitive, we'd best figure out how most effectively to compete with it. That, as I understand it, is the goal of President Nixon's emerging U.S. foreign economic policy. It is a worthwhile goal for our industry to support.

Some months ago—in 1971—President Nixon said . . . "This nation welcomes foreign competition. But we have a right to expect that our trading partners abroad will welcome American competition. It is a healthy development that the world has come to understand that America believes in free trade as long as it is fair trade" . . . The President expressed a similar philosophy when he sent the Trade Reform Act of 1973 up to Congress for consideration on April 10.

It is important for the world to understand that American trade includes American services as well as American goods.

Anybody who looks at the world of international airlines is struck by the very large number of airlines engaged in foreign trade. One is also struck by how large a proportion of the business is provided by the American citizen. On the North Atlantic, for example, the American citizens provides two-thirds of the travel. So it is his patronage that international airlines seek and largely depend on.

When we at Pan Am last counted them, we found 66 scheduled competitors on our routes, 15 of them flying the American flag. Nobody knows how many supplemental airlines there are worldwide, but they are numerous and some of them are very effective, particularly those represented at this luncheon.

The sheer numbers of the competition are significant. The conditions of competition are even more significant. For American-flag airlines do business abroad in an environment of limitations and government-mandated charges that deny equal competitive opportunity to the American-flag industry and which also deny the American-flag airline the benefit of their superior efficiency.

And the American-flag international airlines are among those components of the American economy that are still more efficient than foreign competitors. If you take major foreign-flag airlines serving the North Atlantic, you will find that average cost per revenue ton mile ranges from 43.1 to 55.5 cents. The same figure for three major U.S. domestic trunks ranges from 41.9 to 47.9 cents. Pan Am's, incidentally, is 38.2 cents. Pan Am, of course, has longer average stage lengths than the three domestic trunks.

We all know that differences between airlines sometimes make comparisons complicated and even misleading. But in the case of unit operating costs, there is no doubt but what the American-flag operators are more efficient than their foreign-flag competitors.

Foreign-flag airlines start off with a lower wage level than that of American-flag airlines. It is a tribute to the men and women who work in it that the American-flag trunkline industry, domestic and international, has lower unit costs than can be found in the rest of the world.

What sort of handicaps do American-flag airlines face abroad? My discussion today of those subjects cannot be exhaustive. Indeed, I believe neither the government nor the American-flag airlines have made a full listing. But it is nevertheless possible to be reasonably illustrative.

Let us consider, briefly, four major types of limitations: Restrictions on frequency of service; limitations on doing business in a foreign country; financial assistance making possible non-compensatory fares; government-mandated, non-negotiable charges.

FREQUENCY OF SERVICE

Foreign-flag airlines as a general principle have freer access to the American market than American-flag airlines do to foreign

markets. Under Bermuda principles, the United States government does, of course, undertake to review and control excess airline capacity between the United States and other countries, although specific foreign carrier abuses have continued far too long. But, as a general rule, the United States Government has taken a more generous view of access to its market than foreign governments have taken with respect to their own.

The basic fact of life behind that situation was stated in a 1972 report issued by the Organization for Economic Cooperation and Development.

Said that report . . . "In the field of air transport there is little prospect of . . . genuine international competition as long as governments wish to protect their own airlines . . ." And most governments do.

Restrictions on American-flag schedules come about in two ways, generally speaking. The foreign government imposes specific restrictions on American-flag operations while its airline continues to have unrestricted access to the American market. Or, in specific cases, where foreign governments have taken a very hard line, the United States Government itself has agreed to prescreen the amount of American-flag capacity.

Is it a fair balance if both the American-flag and the foreign-flag have one flight a day? Not really—because overall, the American market today is far larger than reciprocal foreign markets.

LIMITATION ON DOING BUSINESS ABROAD

Foreign-flag airlines do business in the American market on exactly equal terms with American-flag competitors.

As a generality, American-flag airlines can simply not do business abroad on equal terms with the foreign national airlines. For example, currency or visa regulations may dictate travel on the national airline or in close liaison with government policy. Private financial or commercial interests may bring pressures on shippers and travelers to use the national airline. Or, a country may create conditions under which its long-haul international airline effectively controls long-haul passengers from their point or origin onwards.

Partly in preparation for my appearance here today, we at Pan Am asked some of our foreign stations about government policy either directing, or persuasively suggesting, that government employees and other nationals travel on the national airlines of those foreign countries. We received responses from 34 countries, some small, some large. The total diversion in revenue from Pan Am due to this single policy was estimated at $24,000,000 annually.

And the survey, as you will appreciate, was incomplete.

FINANCIAL ASSISTANCE MAKING POSSIBLE NON-COMPENSATORY FARES

Several weeks ago I had a conversation with a very high official of a foreign government on the other side of the Atlantic. He told me that his government did not care whether it had to give financial support to its national airline, because the government had an interest in fares low enough to continue to bring foreign currency—especially dollars—into the country and to support the national tourist industry. They still do like dollars! The object of the national economic policy of some countries is to develop tourism, not a profitable air transport industry.

In those cases the policy is that the air transport system must serve the national tourism industry even at the price of operating below cost.

It would be wrong to say that in all cases of foreign government financial assistance to foreign-flag airlines, the object is to set fares below the level of operating costs. But it is a fact that financial assistance by foreign governments does exist, and is not confined to what Americans would consider operating subsidy or construction subsidy. One other way is the provision of capital, either through forgiveness of debt or infusion of equity. Another way is the availability of low interest loans.

On the world market, lowering the price of goods through government financial assistance is not considered good form. It is called dumping. Should not a similar view be taken of services offered in the world market place?

Pan Am's accounts in 1972 provided an instructive example of what an enormous difference fractions of pennies can make on a passenger-mile basis. Due in large part, though not exclusively, to fare levels on the North Atlantic, Pan Am's yield in 1972 was 4.95 cents per scheduled passenger mile. That compares, by the way, with the average yield for the domestic trunk lines of 6.20 cents, certainly not too high a level for the domestic system. If Pan Am's yield had been just half a penny below the domestic yield, which had been the differential for some years prior to 1968—the company in 1972 would have shown an operating profit of $146,700,000 instead of the nominal operating profit of $200,000 in 1972.

So fares need be only a fraction of a penny per passenger mile below compensatory levels to make an enormous difference to the financial results of any substantial international operation. North Atlantic fares in effect for the remainder of 1973 are still below compensatory levels.

GOVERNMENT-MANDATED, NONNEGOTIABLE CHARGES

The phrase is a mouthful, but has the merit of saying exactly what it means: Charges, including landing fees, imposed unilaterally by governments on international airlines for the use of air navigation and other facilities. These charges are typically very much higher abroad than in the United States. In the case of one country, we must pay over $3,000 every time we land a Boeing 747, as compared with average payments by that country's airline of $400 at United States airport.

In principle under bilateral air agreements, foreign government facilities abroad charge all airlines performing the same service the same fee, although charges tend to be weighted against long-haul operations. But in the case of government-owned airlines, the money can move from one pocket to another. We learned just a few weeks ago of a case where a foreign government is in part subsidizing its own airline out of user charges paid by Pan Am and other international airlines.

What is the size of the user charge problem? In 1969, user charges cost American-flag airlines $82,000,000 annually. In 1972, they amounted to $124,000,000. It is estimated that they will reach $188,000,000 by 1975 and $375,000,000 by 1980, unless there is an effective intervention by government policy. The figures are from a study by the Air Transport Association of America.

Establishing equality of competitive opportunity for the American-flag industry would seem to be a sensible objective. How to go about it?

There may be several effective ways. But one good way would be for national policy to give American services parity of importance with American goods in negotiations with other countries. There is an effort under way to create competitive equality for American goods. American services are just as important. After all, the American economy is now sometimes described as a service economy. The American-flag airlines are an example of a superior American service. They will stay that way, given equality of competitive opportunity.

Perhaps our industry has been a little modest in pointing out the contribution it can make. For example, Pan Am's net contribution to the United States balance of payments in 1972 has been calculated by a respected outside analyst at $375,000,000, one of the largest contributions of any United States company.

The 1972 net contribution of the American-flag international air transport industry can be set as high as $700,000,000. As a consequence of nominal growth, that net contribution should be at the annual rate of $1,000,000,000 in 1977.

With a vigorous, systematic national policy of fostering our own flag system, as through equalizing competitive opportunity, there is no reason why the goal for the net contribution of the American-flag international air transport industry to the nation's balance of payments should not be set as high as $1,500,000,000 a year by the end of 1977. Were that goal to be realized, the industry's net contribution during the five-year period could be as much as six billion dollars.

That is not a modest goal. But Americans in today's highly competitive economic world have the obligation to establish large goals in international commerce.

Having a goal, if you are serious about it, involves having a plan. The plan should be a joint government-labor-industry plan. There is no reason to think our government would not be receptive to such an effort. There is no reason to think our employees and our unions would not welcome it. Is there any reason to think our own industry should not collectively take the initiative in urging it and helping to devise it?

Our industry is, of course, competitive within itself, scheduled airline against scheduled airline, supplemental against supplemental, the scheduled and supplemental against one another. That competition would remain. But what we are talking about here today is greater competitive opportunity for all airlines flying the American Flag, scheduled and supplemental alike.

Given the circumstances our country faces in this decade, does it not make sense for us to work together on national policies and programs to give American-flag airlines the same quality and scope of support, and of opportunity, that foreign-flag airlines receive? If it does make sense, let us begin soon.

ANNOUNCEMENT OF POSITION ON A VOTE

Mr. STEVENSON. Mr. President, on Monday, July 9, I was necessarily absent from the Senate. On Mr. EAGLETON's amendment No. 286 to S. 2047, a bill to authorize a Federal payment for the planning of a transit line in the median of the Dulles Airport Road and for a feasibility study of rapid transit to Friendship International Airport, if present and voting I would have voted "no." I was previously positioned "aye" on the final passage of S. 2047.

MINIMUM WAGE

Mr. EAGLETON. Mr. President, the Women's Political Caucus of St. Louis has prepared a very interesting and compelling position paper on the minimum wage. I urge my colleagues to consider this position paper.

I ask unanimous consent that it be printed in the RECORD.

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

POSITION PAPER OF THE WOMEN'S POLITICAL CAUCUS OF ST. LOUIS

The Women's Political Caucus of St. Louis urges this Congress to pass improved mini-

mum wage legislation. By this we mean an increase in the minimum wage and an extension of its coverage.

We urge you to pass an increase because we know that life at the minimum wage level is hard indeed. We submit to you an actual budget for a single person living alone in St. Louis, Missouri, who works 40 hours per week at $1.60 per hour (the current federal minimum) and we ask you; Could you support your family on this budget?

Gross Salary: $277 per month ($3,324 per year).

Net Income after taxes:
(State, City, FICA, Federal) $221.74

Rent	$70.00
Utilities	26.00
Telephone	8.81
Hosp. & Life Ins	70.00
Food	60.00
Transportation	21.60
Newspaper	3.00
Clothing	10.00
Church Donation	4.00
Total	213.41

(This leaves $8.33 for any emergency)

Do we need to say that this is almost an impossibility? Do we need to add that this woman, an older woman, already has that furniture, the appliances, the household equipment she needs? And this fact is not true of all people earning this salary. This person lives alone, with no children. Could she take responsibility for a family? And yet this same yearly income of approximately $3500 represents what 53% of the White females and 66% of the Black females in our own state of Missouri earn. Thus many women who are heads of households are continually faced with this grave economic problem of "too little money," even when they work 40 hours a week. And by "too little money," we are sure you realize that we do not mean she cannot afford luxuries, we mean she cannot adequately care for a family.

In our Caucus, we saw this situation as dire. We became very interested in working for minimum wage reform and thus sought to support the purposed $2.20/hr. wage. However, when we began our research, we found that this amount would only lead to an annual income of $4500. Further exploration made us aware that the government's own recommendation from the Department of Labor, Bureau of Labor Statistics, was approximately $7,000 for a family of 4 on a Low Budget Scale in Urban and Metropolitan areas. This raised a serious contradiction for our committee. After careful deliberation we have concluded that we must support an hourly wage of $3.50, for this amount would be consistent with the government's suggestion.

Having reached this decision with regards to the amount of the minimum wage, we turned to the question of coverage. It is our recommendation that the new law be extended to cover all employees not now covered under the present law.

The desire to be economically independent is one that is shared by anyone who works. The workers who are not presently covered, these workers who perform tasks no less useful to the functioning of society than do covered workers, look to the Congress to give them the minimum wage floor it already given other workers.

Because we are a woman's interest group, we have studied the situation in which women find themselves in our economy. We learned that, in 1969, the Median Money Income of Families and Unrelated Individuals for a male head of household was $9,965; and for a female head of household, the income was $4,822. This discrepancy is appalling. And yet it is approximately 36% of the working women who find themselves in this position. Besides the fact that women are earning less in the same industries, it is also true that many women are just not covered by the current minimum wage laws.

Being from Missouri, we are particularly sensitive to this aspect of minimum wage legislation. In Missouri alone, which has no state minimum wage, there are 337,000 employees not now covered by the Federal Minimum Wage; that is, 337,000 employees are virtually unprotected in the economic gain game. And across the country, most of the states that do have minimum wage legislation continue to leave many of their workers out of the picture.

We would at this time ask you to recall that all people, rich or poor, covered or uncovered by minimum wage, must pay the same price for bread and eggs. There are no special supermarkets for those in uncovered employment. When the landlord comes to collect rent, he does not ask whether or not the tenant works in covered employment. In short, there is nothing special about living without minimum wage protection except the fact of living without minimum wage protection.

In this land of opportunity, does it make sense for someone to spend her days cleaning someone else's home, preparing meals for someone else's family and taking care of someone else's children, but to receive such low remuneration that she cannot adequately feed, clothe, and care for her own family? Are her needs any less than those she works for? Are her desires for her children less? She, the domestic, is a member of the working poor. She works hard at a useful job and yet she must struggle to maintain economic independence and dignity for herself and her family. It seems to us that while this country has consistently protected the employer from having to pay adequate wages, it has not protected the employee from the exploitation inherent in this situation.

In conclusion, we might say, we support any effort of the Congress to improve minimum wage legislation in any way. While we cannot support any specific piece of legislation, we urge Congress to do all it can to eradicate the tragedy of the working poor.

THE DEATH OF FORMER CONGRESSMAN CHARLIE HOWELL

Mr. METCALF. Mr. President, yesterday Congressman FRANK THOMPSON of New Jersey announced the death of former Congressman Charlie Howell of New Jersey.

When I was elected to the 83d Congress I was assigned to the Labor and Education Committee. Congressman Howell was the most helpful of all the members of that committee, indeed of all my colleagues, in giving me the counsel and advice all new Members need. I shall never forget his patience and consideration and shall try to repay his courtesy by similar help to new colleagues. I surely regret his untimely death and Mrs. Metcalf and I extend our heartfelt sympathy to Mrs. Howell.

DR. C. R. BROWNELL, MAYOR OF MORGAN CITY, LA.

Mr. LONG. Mr. President, for nearly a quarter of a century Dr. C. R. Brownell has given unselfishly of his time and his energies to be mayor of the great city of Morgan City, La. This past Sunday, July 8, 1973, Morgan City saw fit to honor its mayor with a celebration entitled "Dr. C. R. Brownell, Jr. Day" in appreciation for all the work that this great Louisiana citizen has done.

The list of Mayor Brownell's accomplishments could go on and on, but his most recent endeavor will certainly rank among his greatest. C. R. Brownell personally helped coordinate local, State, and National efforts to relieve the flood threat to the Morgan City area that was caused by what is now known to be the greatest flood of the century. Morgan City, La., won its flood fight, and I want my colleagues to know today that this victorious effort was led by this great mayor.

I ask unanimous consent that a feature story discussing Mayor Brownell's life and work be printed in the RECORD following my remarks. This excellent article was written by Maxine Henthorn, and it appeared in the New Orleans Times-Picayune newspaper on July 8, 1973.

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

MORGAN CITY SETS DAY ASIDE TO HONOR ITS MAYOR-DOCTOR

(By Maxine Henthorn)

MORGAN CITY, LA.—Sunday, Morgan City will celebrate "Dr. C. R. Brownell Jr. Day," an occasion set aside to honor its mayor, who is serving his 24th year as head of a city of extremes.

Blessed with abundance—offshore oil, shrimp, crawfish, oysters, fur producing wild animals, the state's fourth largest seaport, and headquarters for some of the largest oil producing support industries in the world—the city, at sea level and below, is also the recipient of nature's ambivalence.

Situated at the neck of the funnel of one of the nation's most abundant wildernesses, the Atchafalaya Basin, Morgan City in recent weeks has with ingenuity fought just to be. The Atchafalaya, Mississippi's turbulent 130-mile tributary that feeds the basin on its way to the Gulf of Mexico, has continuously threatened to take Morgan City along.

While it has been a time of crises that required the efforts of many, crises per se, seem to be a way of life for the mayor, now in his 60th year.

CHANGE LABELS

Mrs. Blance Bourgeois, the mayor's long time secretary and a force in the city office, has said, "Every day is a crisis here. We just change the labels."

Actually, it was a time of family crises when the mayor first came home to Morgan City to begin the real work of his life.

It was a historical day, Aug. 14, 1945, the day World World War II ended. "I was flying over the Pacific on my way home when the news (that the war was over) came," Dr. Brownell, then a U.S. Army medical officer, said. "My father had suffered a heart attack, and I was coming home on an emergency leave to help him."

At that time C. R. Brownell Sr. was a state representative, and a third generation owner of vast tracts of cypress timber lands supplying the family lumber mills.

Helping his father, the young doctor soon learned, was helping a city in dire need of medical services.

"We had four M.D.'s and between 6–7,000 people here then," the mayor's wife "Pye" recalls. She was then working in his office as a registered nurse. "The whole staff worked 7 to 11 (a.m. to p.m.)," she laughs.

ASSEMBLY LINE

"It was a general practice," Mrs. Brownell said, "and we organized on an assembly line basis. Like everybody who needed shots would line up for that. Those who had wounds to treat and bandage would get in another line for that."

The people themselves took the long waits in stride. They simply planned to spend the day in the doctor's office, and they visited among themselves. Of the office calls, they made a social occasion, Mrs. Brownell said.

One night just as they were seeing the last patient, a police officer came to the office located upstairs over a drug store. He was looking for a lost child. As it turned out, a youngster had fallen asleep under the sofa, and had been left behind by his mother, when she left late in the evening after spending the day with her children in the doctor's office.

In addition to the office practice, Dr. Brownell also made house calls, some of which were "up the bayou" and "down the river." Working late at night, taking his boat named for his father, "The Rusty," Dr. Brownell remembers some of the calls literally as a matter of life and death, and some as an interesting comment on human nature.

HEADACHE GONE

Once after a particular hectic day, the doctor set out across Grassy Lake to answer a call for help that a woman was very ill. He arrived in the early night hours, having had neither lunch nor dinner, to find the "patient" sleeping comfortably. The patient had recovered from her headache and was now doing fine, she explained.

Dr. Brownell's entry into politics was born of an interest in legislature. At the time of his father's death in 1947, Dr. Brownell ran successfully to finish his father's term, something for which he felt a responsibility.

"I've always worked best at things I don't really like," the mayor said. "I hated politics. I was bashful about public speaking. No experience or talent along those lines. I guess what it amounts to is that the things I don't really like the the things I have to work at, really work at, and of course, when you really work at something, most of the time it comes out."

After the election, Dr. Brownell functioned between the state legislature and the Morgan City medical practice.

"I would leave Baton Rouge as soon as I could get away," the mayor said. "Then I would stop along the way and phone the hospital to get ready for whatever I had to do."

LABOR PATIENT

Once, he remembers, he was told to please, please hurry, a labor patient was having a difficult time.

"I drove about 75 to 80 miles an hour, kind of bouncing off the bridges," the mayor said, "and I got into the delivery room, just in time to catch the baby as it was born."

When Dr. Brownell was elected mayor, he functioned in a triple role. The mayor's term and the state representative's term overlapped for awhile, and, of course, he continued with the practice.

The jeep candidate bought for Wednesday afternoon campaigning was functional for housecalls on all manner or roads around Tiger Island, particularly, in rainy weather, which was almost always. Once he parked the jeep, climbed a raw, new muddy levee to reach a patient's riverside home. The astonished trapper expressed surprise that the doctor, now a state representative and mayor of the town, would go to all that trouble to see him and when he was feeling "puny."

"I promised myself when I was in a field hospital (European Theater) working on the critically wounded that if I ever got home, back to my own people, I would never complain," the mayor said. "No experience could be so brutal as a wartime field hospital on the front, and I was truly grateful to be back, mud and all."

This has been a working philosophy for these wetlands. "It's a rough environment these marshes and the (Atchafalaya) basin. But I was shaped by my father. He knew how to live in the swamplands. He taught me to cope."

WEIGHT LIFTING

Learning to cope as a young man meant being in top physical condition. Before he was felled by a coronary heart attack which ultimately resulted in open heart surgery, the mayor maintained a vigorous physical fitness program through weight lifting and various sports, a favorite of which was power boat racing.

Even after his own physical problem developed, it was difficult to slow down. His heart attack came at a New Orleans municipal meeting. Typically, when he collapsed on the floor at the gathering of mayors, a page went out for Dr. Brownell to come to the assistance of the stricken, unbeknowing to the help seeker that Dr. Brownell himself was the patient.

Another time when he was riding in a river parade as king of carnival, he left his royal seat to give aid to an accident victim and return to take his place wearing blood on the royal garb.

During his almost quarter-century as the city's titular head, the changes have come. Mostly, in the spirit of the people. From a small, frontier community where you knew everyone and his history, it's now a place of new faces where few have a past.

CHANGED LESS

Perhaps the mayor's own life style has changed less than most of the townspeople. He lives in the same house in which he grew up. Situated on four lots, the interior and gardens represent the culture. There is no backyard grass to be mowed. Rather, walkways meander among the palms, graceful old oaks, lacy forms and flowers peculiar to the swamplands.

"Old Bull," a 25-year old alligator suns himself quietly. When Old Bull came to live in the Brownell's back yard, the mayor brought him home in his pocket. Now, the 'gator has his own pond, and in an adjacent pen four 7-8-year-old smaller alligators sleep close to each other in the late afternoon sun.

Out beyond, "Tiny," a six-month-old fawn, comes running. The most gentle of nature's wilds, she waits patiently for her bottle which she get four times a day along with a head rub.

A formal garden supplies flowers in seasons for each room in the house, and cucumber vines provide dill pickes, some 85-gallons already this season. Lush tomatoes stand ready for picking for the kitchen.

Fresh fruit, bananas, oranges, figs, pears, lemons, grapefruit grow at the Brownell camp, Land of the Lakes, part of 30,000 acres owned by the family. Accessible only by boat and maintained as a private game reserve, the Brownells like to take their grandchildren, and his only child, Mrs. Ann Magee, along with close friends for weekends and holidays of fishing, picnicking, boating, and good cooking of fresh native foods.

During his years as mayor, Dr. Brownell has received many honors, such as mayor of the year, physician of the year, and he has plaques, trophies, and a photographic history of what has happened here. But the one trophy in which he takes pride in showing is one that came not to him, but to his daughter when she was named student nurse of the year the day she received her R.N. degree.

In terms of Morgan City's future, it will always be a city of extremes. "We have been blessed, but it takes a special kind of strength, a special kind of man to live productively in these marshes."

Sunday, Morgan City salutes a man who apparently came to terms with it.

NEIGHBORHOOD YOUTH CORPS SUMMER JOB PROGRAM

Mr. JAVITS. Mr. President, as Members know, for the past 5 months I have joined with many of our colleagues in the Senate and House to seek, in connection with consideration of the second supplemental appropriations bill and otherwise, to get the administration to release at least the $239.2 million in funds already previously appropriated by the Congress for the Neighborhood Youth Corps summer job program.

This has been a tough struggle on our side and on the side of the administration, but I am pleased to report to those who joined in this effort and to my colleagues that finally, with the aid of the Federal courts, the issue has been resolved in favor of some effective result.

Just yesterday, the Third Circuit Court in Philadelphia in the case of Community Action Programs Executive Directors Association of New Jersey, Inc., the New Jersey Neighborhood Youth Corps Directors Association, Mary Ann Weston, Yvette Young, et al., against Roy L. Ash, Director of the Office of Management and Budget; Peter J. Brennan, Secretary of the Department of Labor; William Kolberg, Assistant Secretary of Manpower of the Department of Labor; and Howard Phillips, former Acting Director of the Office of Economic Opportunity, denied defendants'—U.S. officials—request for a stay of the U.S. District Court's order that the $239.2 million in funds be made available for the program for the current summer.

And just late yesterday afternoon, the Department of Labor, while reserving its right to appeal the matter to the Supreme Court, began complying with the order—as I urged that it should in the Senate after the circuit court had acted—by informing each of the 10 regional Labor Department offices orally and by telegram that funds would be released.

Each regional office is being advised that it will be able to conduct for each State and in cities within the State a summer job program at a level equal to, and in some cases greater than, that conducted last year.

Last year a total of $312,606,000 was made available in Neighborhood Youth Corps funds for approximately 740,222 opportunities.

This year, the $239.2 million together with $78,643,000 in discretionary funds under the Emergency Employment Act, will provide an aggregate of $317,843,000—actually an increase over last year.

It is clear that at least the same number of opportunities will be provided and probably even more youth can be accommodated as in some areas a full 9-week program—as originally intended—will not be possible due to the late hour at which this action is being taken.

Mr. President, I regret that our efforts in the second supplemental to obtain more funds for the Neighborhood Youth Corps summer job program itself to maintain it at the level of last year were only partially successful in the Senate

and then dropped in the House-Senate conference. Had they been maintained, then it would not have been necessary to use any public employment funds.

But at least, the actions of the courts and of the administration in response thereto, means that to maintain last year's level in the summer job program, cities will not have to cut into their "basic"—as opposed to "discretionary"—funds under the Emergency Employment Act, as the administration had urged to the tune of an additional $255,357,000 beyond the $78,643,000 in discretionary funds which the Department specifically allocated in March to the major cities for the purposes of summer jobs for youth.

Mr. President, this result would not have been reached but for the determination of the Congress, the repeated actions and expressions of intent of which, were the basis for the decisions by the Federal courts.

Accordingly, at this point I would wish to acknowledge the gratitude of about 600,000 American youth who will be benefitted to the Members of the Senate who over the past 5 months have joined in positive action on this subject—including letters to the President and attempts to increase the funds. They are: Senators ABOUREZK, BAYH, BEALL, BIBLE, BIDEN, BROOKE, BURDICK, CANNON, CASE, CHURCH, CLARK, CRANSTON, EAGLETON, FULBRIGHT, GRAVEL, HART, HASKELL, HATFIELD, HATHAWAY, HUDDLESTON, HUGHES, HUMPHREY, KENNEDY, MATHIAS, MONDALE, MOSS, MUSKIE, MCGEE, MCGOVERN, NELSON, PELL, RANDOLPH, STAFFORD, TAFT, TUNNEY, WEICKER, and WILLIAMS.

I also wish to express the appreciation due to Senator MCCLELLAN, the chairman of the Senate Committee on Appropriations and to Senator MAGNUSON, chairman of the Subcommittee on HEW-Labor Appropriations, as well as to other members of that committee who have been so steadfast in insuring that the will of the Congress be clearly expressed and maintained as to the funds that had already been appropriated.

Also, I believe that the great support given to the New York City summer job program by the National League of Cities-U.S. Conference of Mayors—which at all times backed its requests with hard facts—should be gratefully noted.

Mr. President, in the end this is not a battle won by the Congress but of poor youth themselves. The lawsuits which led to these actions were commenced by individuals who were deprived of summer jobs by reason of the administration's refusal to carry out congressional intent. It is their victory and it is they who, in the most human terms, will reap the benefits. At least 600,000 youth who otherwise would have spent nonproductive summers which may in turn lead to more meaningful lives.

It must be reassuring to them that the so-called establishment—in this case the legislative and judicial branches—can work for them and that they are not forgotten citizens.

I hope very much that this experience will lead to a new reconciliation between the Congress and the executive branch which will be of major benefit to the country.

Mr. President, I ask unanimous consent that information concerning allocations provided by the Department of Labor at my request, together with an article of this subject set forth in the New York Times of today, June 11, be printed in the RECORD.

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

FISCAL YEAR 1973 SUMMER YOUTH PROGRAM

A decision by a U.S. District Court of June 28, 1973 requires that $239,143,000 of FY 1973 EOA funds be obligated for the 1973 NYC Summer Program.

Regional allocations. The new allocations below have been prepared in relation to the FY 1972 allocations of $312,606,000 issued by TWX on May 30, 1972, and the issuance this fiscal year of $80 million of FY 1973 PEP discretionary funds for Summer Youth Programs. The new EOA funds together with the FY 1973 PEP funds permit a 1973 program total of $317,786,200, or an increase of 1.657 percent over the 1972 level for the NYC Summer Program. To obtain new levels for the 1973 Summer Youth Programs including both EOA and PEP funds, the FY 1972 NYC Summer Program allocations for each region were increased by 1.657 percent. The allocations already made to the regions from the $80 million of PEP discretionary funds were then subtracted from the total to determine the amount of FY 1973 EOA funds to be allocated to each region.

The allocations to Indian reservations from the $80 million of PEP discretionary funds were not included in the calculations and are an increase to the 1973 total discussed above.

SUMMER YOUTH PROGRAM FUNDS, FISCAL YEAR 1973

[In thousands]

Regions	Total	PEP summer youth funds	Allocation of new EOA program funds
Region I	$16,605	$603	$16,002
Region II	47,230	9,825	37,405
Region III	29,318	10,199	19,119
Region IV	55,803	19,265	36,538
Region V	58,973	14,193	44,780
Region VI	34,692	10,753	23,939
Region VII	14,665	2,746	11,919
Regon VIII	7,484	1,191	6,293
Region IX	35,481	6,658	28,823
Region X	11,363	970	10,393
DCMA	6,172	2,240	3,932
U.S. total	317,786	78,643	239,143

State and city allocations. To the extent practical RMAs should follow the procedure outlined above to determine state and city funding levels, i.e. an equal proportionate increase over the FY 1972 NYC funding level considering amounts from both the $80 million of PEP discretionary funds and the $239,143,000 of EOA. However, it is recognized, that the extensive use of regular Sec. 5 and Sec. 6 PEP funds for Summer Youth Programs in some areas, or other factors, may justify adjustments to an equal proportionate increase for areas within a region.

Slot levels. Communities operating Summer Youth Programs with the newly authorized EOA funds are not to exceed the slot levels authorized for FY 1972 including slots funded by both the new EOA funds and the $80 million of PEP discretionary Summer Youth funds.

Slot limitations by region, including slots funded from both the new EOA funds and the $80 million PEP Summer Youth funds are as follows:

Region	slots
1	38,706
2	110,093
3	68,339
4	130,078
5	137,469
6	80,869
7	34,183
8	17,445
9	82,708
10	25,948
DCMA	14,384
U.S. total	740,222

Limitation on use of funds. The EOA allocations contained in these guidelines may be used only for the 1973 NYC Summer Program. Funds unused at the end of the summer program are not to be used to extend the contract beyond the current summer nor can they be used to support the FY 1974 In-School program as in previous years in the case of combined In-School and Summer contracts.

Unit costs. The $80 million of PEP summer limitation of slots permits an overall NOA funds plus the new EOA funds, and the unit cost of $429. RMAs should keep their average NOA unit cost within this total, whether or not the full slot level authorized is achieved. Slot costs in Alaska may average 25 percent higher, or $536.

Program sponsor. To the extent practical RMAs should contract the newly allocated EOA funds with the same organizations that operated the program in 1972. However, if such contracting will result in serious inefficiencies in the quality of the program in terms of meaningful worksites, supervision, or services to the enrollees, or unnecessary and significant duplication of administrative costs, or in serious delay in the initiation, of the program, the RMA is authorized to contract with other available sponsors including PEP agents currently operating Summer Youth programs.

Wage rates. All projects, except those in the territories, must pay $1.60 per hour, or last summer's wage rate, or the applicable State minimum wage, whichever is higher. Projects in the territories may pay the local minimum applicable to those newly covered in the 1966 amendments to the Fair Labor Standards Act (Minimum Wage Law).

Hours and weeks. Enrollees may work a maximum of 234 hours during the summer, or generally 26 hours per week for 9 weeks. Adjustments to these standards may be made if judged appropriate by the Regional Manpower Administrator provided that the total paid hours worked by an enrollee do not exceed 234 for the summer. Because of the tight unit costs, regional staffs and sponsors may budget for a normal underuse of allowed hours due to absences and enrollees leaving before completing 234 hours of paid participation. Conversely, the authorized enrollment level in a project is intended to refer to full term equivalent slots. To the extent that individual enrollees leave the program after enrolling, or underutilize the allowed hours for other reasons, the sponsor is to be permitted to add enrollees to make use of the unused hours, provided that total costs do not exceed the project budgeted amount.

Despite the relatively late allocation of additional funds, programs must not be permitted to run beyond the normal termination date in previous summers or be permitted to continue after the start of the new school year in each area.

The scheduled workweek should allot sufficient time for remedial education, medical services, counseling and guidance.

Project staff may be paid for a longer period as needed for effective program operation. However, administrative costs, as distinct from enrollee supportive services,

should be kept to the minimum level needed for effective program management.

Program components. It is anticipated that project sponsors will develop high quality programs for many thousands of high school age youth from poverty income families. Project sponsors will be expected to provide counseling, remedial education, medical services as appropriate, meaningful work stations, and effective supervision of enrollees.

Sponsors who are unable to provide a quality program should not have their contracts renewed. RMA's may contract with another sponsor in the same community. Recommendations of Mayors and Governors, that are made through the CAMPS process, for Summer Youth programs should be followed to the extent possible.

Remedial education. Enrollees who require assistance with their studies to remain in school until high school graduation may spend up to an average of 10 hours of each week's compensated time in educational programs sponsored by accredited educational agencies as recommended by a school counselor. Under special circumstances, this limit may be exceeded at the discretion of the Regional Manpower Administrator.

Counseling. Counseling should emphasize the completion of high school and continuing education. It should assist trainees to assess their skills and aptitudes, provide information on possible careers and opportunities for post-high school education and training, and on attitudes necessary to maintain employment.

Program design and worksites. Sponsors should develop work stations that will broaden the experience of the enrollees and provide an introduction to possible careers or to skills useful in obtaining post-high school employment.

Special summer projects. Sponsors should utilize special summer projects, such as NYC Goes to Community College, Sesame Street, etc., to the degree possible. (See FM 172–72 for examples of possible worksites.)

REPROGRAMMING PEP FUNDS FOR SUMMER

If $239 million of EOA funds is made available for NYC Summer activities as a result of the Newark law Suit, program agent may wish to reprogram PEP funds to cover the regular participants program. Such reprogramming is authorized at the option of the program agent for reprogrammed Section 5 and Section 6 funds, and his share of the $33 million allocation. His share of the $80 million allocation must remain in the Summer Program.

If the reprogramming of PEP funds would result in the lay-off of any participants already hired with PEP funds, efforts should be made to transfer these participants to the appropriate NYC sponsor. Since this reprogramming will result in a change to the quarterly expenditure ceilings shown in item 4 of the expenditure & employment plan, MA6–113, a grant modification should be accompanied by a revised MA6–133 showing the revised plan and new quarterly expenditure ceiling. Also to the extent possible any summer participants out-stationed to Federal worksites should be transferred to the NYC Summer Program.

The accomplishment of these transfers should be affected by local agreement. No further out-stationing of summer participants to Federal worksites should be made with PEP funds.

If and when you are advised to proceed to make EOA summer grants you should also advise PEP program agents that they may take action with regard to PEP grants as described above.

LETTER CONTRACT

A short form contract which will permit quick sponsor funding is attached. The RMA may elect to use the short form to provide additional time in which to complete the definitive contract while permitting prompt program initiation.

Subject: Summer Youth Employment Program 1973.

Contract No. ———.

Dollars $ ———.

DEAR SIR: You are hereby awarded a contract in the above dollar amount to conduct in accordance with Title I–B of the EOA, a NYC Summer Youth Employment Program in accordance with the attached guidelines. Period of performance shall be ———, 1973, through ———, 1973. Advance payment is hereby authorized upon submission of invoice and executed fidelity bond together with joint bank account agreement (as may be required). Terms and conditions are hereby attached and will become a part of the definitive contract. It is agreed that the definitive cost reimbursement contract will be entered into within thirty days.

The following person is designated as my authorized representative (GAR): ———.

Your slot allocation and goal for accomplishment is ———.

Reporting shall be in accordance with attachment no. 2.

Commence immediately to perform to fulfill the requirements of this contract.

——— ———.

Contracting officer.

Accepted. ——— ———, contractor.

Enclosures:

Attachment 1—Guidelines Summer Youth Program.

Attachment 2—Reporting Requirements.

A. *Statistical*–BWTP–9 "Sponsor's Activity Report" and MA–6A "Summary-Characteristics of NYC Enrollees" as covered in Section II–D (page 24) and Section II–E (page 27) of Attachment to Field Memorandum 234–71 dated July 1971.

B. *Financial*–BWP–24 "Sponsor's Invoice" and BWP–25 "Sponsor's Detailed Statement of Cost" as covered in Chapter II, Section L, pages 52 to 59 of Handbook entitled "Financial Management Requirements for Bureau of Work Program Sponsors" and U.S. Department of Labor MA Manual, Title 3–100, Chapter 3161, pages 1 to 8.

Attachment 3—General Provisions Cost Reimbursement Contract with Series A.

MANPOWER ADMINISTRATION, U.S. DEPARTMENT OF LABOR

To: All regional manpower administrators & DCMA

Subject: 1975 NYC summer program.

A Federal judge in New Jersey ordered the department to release $239 million of BOA funds appropriated for the 1973 NYC summer program. The order is being appealed and no final decision has been rendered.

The following guidance is being provided to the regions for your information and planning purposes. No obligation of funds or contract executions are authorized at this time, but each RMA should initiate in-house planning based on the following:

1. A dollar target is provided for each region based upon the FY 72 NYC program level and the % increase represented by the combination of the $80 million per summer allocation and the new $239 million EOA summer allocation. This results in an increase of 1.65% over the 1972 levels issued by TWX on 5/30/72. See item # 6 for regional office planning allocations.

2. Priority in sponsorship of the EOA funded summer program should be last year's program sponsors, but other sponsorship may be considered if last year's summer project contracts have expired or if sponsors no longer are viable organizations to mount a summer program within the current time constraints.

3. Allotments and authority to execute contracts and obligate funds will be issued when a final decision is rendered. In the meantime, the funds will be obligated by June 30 in the national office to comply with the order.

4. RMA should immediately initiate in house planning to determine which sponsors are capable of conducting a 1973 summer program. RMAs should not at this point in time contact potential summer project sponsors. RMAs are not to enter into executed agreements until officially notified to do so.

5. A proposed one page "boiler plate" contract plus the guidelines for the summer youth employment program will be mailed to you on 6/30/73. The guidelines will require that the 1973 summer program shall not exceed the termination date of last year's program. In addition, it will be required that the 1973 slot level shall not exceed the level of last year's summer program.

6. FY 1973 NYC summer allocations—region —— $———.

FY 1973 NYC summer allocations

Region I	$16,002,000
Region II	37,405,000
Region III	19,119,000
Region IV	36,538,000
Region V	44,780,000
Region VI	23,939,000
Region VII	11,919,000
Region VIII	6,293,000
Region IX	28,823,000
Region X	10,393,000
Region DCMA	3,932,000

U.S. DEPARTMENT OF LABOR MANPOWER ADMINISTRATION

To All RMAs and DCMA.

Subject NYC summer program.

You are hereby authorized to implement the enlarged NYC summer program in accordance with my TWX of June 29, 1973 and the guidelines mailed to you the following day.

Required language to be incorporated into all summer contracts reads as follows:

Payments are being made under this contract pursuant to the order of the United States District Court in the District of New Jersey dated June 29, 1973, at 10:50 a.m., in the case of Community Action Programs Executive Directors Association of New Jersey, Inc. et al.—Roy L. Ash, Director, OMB, et al., Civil Action No. 899X73.

As previously indicated, your FY 1973 OPCS allocation for line 4B(1) is increased by the following amount.

Region	Amount in thousands	OPCS change No.
1	$16,002	125
2	37,405	100
3	19,119	150
4	36,538	156
5	44,780	146
6	23,939	136
7	11,919	102
8	6,293	117
9	28,823	140
10	10,393	102
OCMA	3,932	51

Regional offices are to provide information on funds and slots for 1973 Summer Youth employment programs for each of the large cities identified below. Funds and slots are to be reported separately for each of the following fund sources:

"New" EOA funds authorized by this TWX.

Other fiscal year 1973 or earlier EOA funds.

MDTA funds (if any).

PEP $80 million discretionary funds.

All other PEP funds.

Data are to reflect the situation after planned, as well as actual, reprogramming from summer programs to other uses, of "other" PEP and "other" EOA or MDTA funds previously planned for current summer programs, but no longer needed for that purpose as a result of the release of the new EOA funds.

TELEGRAPHIC MESSAGE

The data are required for the following cities:

REGION I

Boston.

REGION II

Jersey City, Newark, Buffalo, New York, Rochester.

REGION III

Baltimore, Philadelphia, Pittsburgh, Norfolk.

REGION IV

Birmingham, Dade County (Miami), Tampa, Atlanta, Louisville, Memphis.

REGION V

Chicago, Gary, Indianapolis, Detroit, Minneapolis, St. Paul, Akron, Cincinnati, Cleveland, Columbus, Dayton, Toledo, Milwaukee.

REGION VI

New Orleans, Oklahoma, Tulsa, Dallas, El Paso, Ft. Worth, Houston, San Antonio.

REGION VII

Kansas City, St. Louis, Omaha.

REGION VIII

Denver.

REGION IX

Phoenix, Los Angeles (incl. Long Beach), Oakland, San Diego, San Francisco, Honolulu.

REGION X

Portland, Seattle, Washington, D.C.

TELEGRAPHIC MESSAGE

Data are to be sent to me attention Harry Greenspan by July 18, 1973. Questions on this TWX should be addressed to Harry Greenspan, area code 202–961–4555.

PIERCE A. QUINLAN,
Director, Office of Field Coordination.

U.S. DEPARTMENT OF LABOR MANPOWER ADMINISTRATION

To: All RMAs and DCMA.
Subject: Enlarged NYC summer program.

You are authorized to contact program sponsors for the proposed enlarged NYC summer program and to negotiate contracts in accordance with my TWX of June 29, 1973 and the guidelines issued on June 30, 1973.

However you are not authorized to execute the contracts or to authorize expenditures until further notice.

This action is taken to permit the quick implementation of the program pending; a decision on the appeal.

PIERCE A. QUINLAN,
Director, Office of Field Coordination.

[From the New York Times, July 11, 1973]

YOUTH CORPS FUND IS ORDERED FREED

WASHINGTON, July 9—The Labor Department announced today that $239-million in nationwide Neighborhood Youth Corps funds had been released to the states to provide summer jobs for poor youths.

The action came after the United States Court of Appeals for the Third Circuit in Philadelphia, refused earlier in the day to grant the Government's request to halt the release of the money.

"We have released the funds pursuant to the court order," said James Pembroke, a spokesman for the Labor Department's Manpower Administration, which runs the program. Mr. Pembroke said the regional offices of the agency would be notified of the decision by telegram or telephone.

Today's court ruling appeared to end the legal battle that began last month in a suit brought in the Federal District Court in Newark by 22 Community Action Program directors in New Jersey and two girls from Neptune, N.J., who had been promised summer jobs.

The suit was brought after Congress refused to approve a Government "rescission request" to remove the Neighborhood Youth Corps funds appropriation from the budget for the fiscal year 1973.

Without action by Congress until June 19, manpower officials contended that they did not have time to spend the $239-million.

Last year, New Jersey agencies provided 11,591 jobs for poor youths, while New York found jobs for 50,000. This summer 930 organizations over the country are expected to find summer employment for about 600,000 youths.

The Neighborhood Youth Corps is a nine-year-old program that provides summer jobs for poor youths between 14 and 21 years of age. The jobs are usually in public agencies or nonprofit organizations and are service oriented. Many youngsters work in parks, recreational activities or hospitals.

Senator Jacob K. Javits, the New York Republican who has criticized the Nixon Administration for "hoarding" the youth corps funds for some "unknown future purpose," called today's release of money "a recognition of Congressional determination in this matter.

"In addition to the humanity involved," Senator Javits said, "it will give approximately 600,000 youths in our cities a productive summer instead of a wasted one."

NEW AGRICULTURAL DATA SYSTEM NEEDED

Mr. YOUNG. Mr. President, there has been some question whether we will have a census of agriculture in 1974 as required by law. Few people realize a far more accurate census could be taken by the U.S. Department of Agriculture at considerably less cost than in the past when the agriculture census was taken by the Department of Commerce.

Mr. President, an excellent paper on this subject has come to my attention through the American Agribusiness Associates, of which Mr. Frank Frazier is president. This paper, entitled "New Agricultural Data System Needed," is an excellent analysis of the subject. I ask unanimous consent to print this in the RECORD as part of my remarks.

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

NEW AGRICULTURAL DATA SYSTEM NEEDED

INTRODUCTION

High risks and low margins so essential for survival in today's modern, efficient food and fiber industry, spell headaches, nightmares, and even disaster for the uninformed.

This situation is creating growing demands for new and better statistical data, as well as improved data collection systems. But it is also giving birth to a new type of decision maker . . . one who has the sophistication to analyse and use the data wisely.

These new decision makers, through use of new technology and organization structures within production and processing systems, are creating a rapidly changing economic environment . . . one in which capital requirements have an increasingly dominant role.

This rapid evolution in data requirements is taking place in all phases of the food and fiber industry. Accuracy, speed, frequency and greater timeliness of official statistics are of growing importance for risk takers whose profit margins are so narrow there is little room for error.

What is the true significance of these dramatic changes in the nation's on-farm and off-farm activities? Were they in the public interest? Agri-business economists, government administrators, and Congress, as well as farmers and others need to know.

In the final analysis, judgments will be based on data from some source, and these data should be both accurate and adequate or the nation's food and fiber industry will be in jeopardy.

Before taking a detailed look at new data needs and systems, consideration must first be given to the adequacy of all agricultural statistics and the capabilities of data collection systems from which they flow.

STATUS OF AGRICULTURAL STATISTICS

Agriculture is fortunate in having a very comprehensive statistical program that, for the most part, has provided pertinent and timely data. But the program needs to be remodeled and updated. The overall resources for statistical purposes (funds, technical staff, and knowledge of survey techniques) are generally adequate and many parts of the program are well suited to the needs for information. But, owing to changes in the structure of agriculture and in other parts of the economy, a new model is needed so the statistics will be more in tune with reality and hence more useful. In other words, some old concepts of agriculture have persisted too long in the statistical system. This report gives a brief review of the situation and offers recommendations for redirection.

Within the field of agriculture, a distinction is needed among: (1) commodity statistics (e.g., statistics on production, marketing, and prices of various commodities), (2) statistics for the food and fiber industry (e.g., statistics on various agricultural inputs, production efficiency, agricultural income, structural changes in agriculture), and (3) statistics pertaining to people or households. This distinction is important because there is a difference among these categories in the nature of survey problems in the state of development and in terms of the organizations responsible. During the last 10 to 15 years, substantial improvements in the statistical methods for the commodity statistics program have occurred and some adjustments in the content of the program have also been accomplished. Less well developed is the category of industry statistics. In fact it is in urgent need of attention. The concepts for this category have been rather static for decades. According to a report of the American Agricultural Economics Association Committee on economic statistics, ". . . the systems producing our data have never had more sophisticated statistical capabilities," but serious trouble has developed because the conceptual foundation of the system has become obsolete.[1] The third category, statistics pertaining to rural and farm people, is underdeveloped and a big void exists.

A statistical situation, unique to agriculture, developed many years ago because there was a close correspondence between farms as business enterprises and farm households. Thus, it was possible to use data for a statistical universe of farm enterprises as a source of information about the economic status of farm households. Now, however, the correspondence between agricultural enterprises and households has diminished, and it is no longer practical, or advisable, to continue such statistical concepts, except perhaps for family farms. Statistics based on farm enterprises as reporting units no longer accurately reflect the economic status of households. Several other aspects of the present statistical system in relation to the needs for data could be discussed, but the key point is that the time has come for formulating new precepts, and two statistical systems: (1) one based on rural households (with family

[1] Committee on Economic Statistics of the American Agricultural Economics Association, "Our Obsolete Agricultural Data Systems: New Directions and Opportunities," Statistical Reporter, October 1972.

farm households as a subset) as reporting units for statistical purposes, and (2) one based on business enterprises in the food and fiber industry as reporting units, with family farm enterprises as a subset. This probably can be accomplished within the total financial base for agricultural statistics.

AGRICULTURAL DATA SOURCES

Considering the contributions of all producers of statistics—private business, local and State Governments, Universities and the Federal Government, the statistical measurements related to agriculture are probably more extensive than for any other sector of the United States economy. The major suppliers of these statistics are:

1. The Census of Agriculture of the Bureau of the Census, U.S. Department of Commerce.

2. The program of current agricultural statistics as conducted by the U.S. Department of Agriculture.

3. The program of agricultural statistics supported by a number of state governments.

Statistics produced by the Land Grant and other Universities are excluded from this category because they cannot be clearly identified and quantified. However, a considerable body of survey data is collected from agricultural establishments and rural households by academic institutions. In addition, there is an undetermined amount of resources expended by local governments and large business and marketing firms as they seek statistical measurements especially useful to their particular problems or operations. Expenditures are not believed to compare in size to the 3 groups noted above.

More detailed statements relative to resources used by each of the three principal producers of agricultural statistics follow:

A. The U.S. census of agriculture

At 5-year intervals starting in 1920, the Bureau of the Census has conducted a canvass of American farmers. (Earlier censuses starting in 1840 were conducted at 10-year intervals.) Until the last census (1969), this census has always been carried out by means of a farm-by-farm visitation by thousands of enumerators employed for this purpose. The period of employment was short (a few weeks) and training was very limited. The content of the historic Censuses of Agriculture is well known—crop acreage and production, livestock numbers by species, and information on several other characteristics of the individual farm operator and his farming operation. For many decades, census data provided invaluable information about agriculture and "benchmarks" for all other agricultural statistics programs.

All phases of the agricultural censuses have been carried out under close cooperative working relationships between the Department of Agriculture and the Bureau of the Census. The attitude displayed by the Census Bureau in attempting to provide accurate and appropriate statistics for government and public use has always been commendable. Nevertheless, the data compilations have had important shortcomings. Furthermore, the long period between data collection and publication made the results less useful than desirable. The census generally was not available as a tool for revising important, current statistical series until 1–2 years or longer after the census reference date. This often resulted in criticism from data users on the grounds that they had been denied the opportunity to make better production and marketing decisions at an earlier date.

The Census of Agriculture has always been buffeted by more demands for data related to the agricultural economy than it was ever able to accommodate. The fact that choices had to be made among data demands naturally created dissatisfaction. The Department of Agriculture always participated in these decisions and was subject to the same criticism. Another deficiency has been the inability to achieve complete coverage of all units (farms) in the Nation. This "census" has been accepted by many data users as a complete count of farms which has never been a correct assumption.

The marked change in the structure of agriculture in recent decades has torn deeply into the validity of historic concepts and procedures. In 1969, the census abandoned the enumerator canvass procedure and collected the information by mailing questionnaires to lists of persons who were presumed to be operating farms. From a long-term viewpoint, this change was appropriate, but the new techniques also created problems that detracted from the usefulness and timeliness of the census results.

Current information indicates that the total cost of the 1969 Census of Agriculture was about 28 million dollars distributed over a 5-year period. The Agricultural Census of 1964 is reported to have cost about 25.0 million dollars.

B. The current statistics programs in the U.S. Department of Agriculture

The principal program of current agricultural statistics (commodity, price and labor statistics) is carried out by the Statistical Reporting Service. Current statistics are usually defined as those pertaining to the current year's crops or livestock population, prices farmers are currently paying for goods or services purchased, and prices received for commodities sold. Stocks of commodities on hand and the number of people working on farms and the hours worked on specified dates are also statistics of a current nature.

Typically, the procedures employed by the Statistical Reporting Service have involved the use of questionnaires tailored to a commodity or activity and mailed to relatively small samples of farm operators, or other agricultural establishments. These samples are drawn from incomplete lists of the units in the Universe being measured. The Statistical Reporting Service enumerates a nation-wide sample of small areas (segments) each June and December as well as making field observations for yields of major crops during the growing season. In addition, a significant amount of enumerator-type follow-up, either by telephone or in person, is employed in most of the major mailed surveys. Such follow-up activity in data collection is mostly aimed at obtaining a high level of response from so-called "large" farm operators or establishments.

Data from practically all of these samples are collected very rapidly with the elapsed time between the mail out and issuance of a report, generally being 30 calendar days or less. The program of current statistical reports is established at the beginning of each calendar year with the day and hour of issuance published for the benefit of data users. These issuance dates are rigidly adhered to and some 550 statistical reports are distributed at weekly, monthly, quarterly, annual or other periodic dates in the course of each year. Much of the data, particularly perishable and new forecasts are issued as the crop season develops. Revised estimates based on data obtained after commodities have been marketed or processed also are issued.

The Economic Research Service carries out an extensive program of current statistics involving the following:

Agricultural Production and Efficiency, Land Values and Farm Finance, Consumption and Utilization of Agricultural Products, Agricultural Marketing Costs and Charge, Farm Population and Employment, Rural Economic Indicators.

Data in Economic Research Service statistical reports are compiled primarily from statistical output of other Agencies, such as Statistical Reporting Service, and from special surveys.

The Agricultural Research Service issues periodic reports on household food consumption and about once every 10 years sponsors a national survey of food consumption.

Other Department Agencies are engaged in data collection, and, in some cases, reports are issued containing statistics having current significance.

The Market News Service of the Agricultural Marketing Service operates an extensive system to collect data and quote market price actions in a wide variety of market places on a daily basis. Livestock, fruit, vegetable, and other commodity markets are monitored and information designed to assist the farm operator in making his marketing decisions are issued through the various news media.

The Forest Service conducts the National Forest Survey and maintains a running inventory of rates of growth, volume cut, and future trends with respect to forest products.

The Soil Conservation Service (in association with other Department Agencies) compiles a great deal of statistical information related to land resources and conservation needs. Resources expended for this activity are not clearly identified but the subject is one that appears eligible for close evaluation as it might relate to a total system for agricultural statistics.

Additionally, major program agencies such as Agricultural Stabilization and Conservation Service, Commodity Exchange Authority, Agricultural Marketing Service, Animal and Plant Health Inspection Service, Food and Nutrition Service, Foreign Agricultural Service and others carry out statistical and reporting activities for the purpose of administering their programs. Some of these administrative series are useful in the programs of current statistics, but their chief use is as check or support data for the Statistical Reporting Service sampling systems.

Much of the data in compilations of administrative statistics are potentially relevant to current activities on farm enterprises. In addition, some of the Agencies have access to sophisticated electronic record-keeping equipment that could result in data availability on a current basis. These administrative statistical systems ought to be studied with the view to making them more useful as inputs to the total program of statistics on agriculture. Furthermore, there are administrative statistics related to the food and fiber sector in some other Government Agencies (e.g., Internal Revenue Service, Environmental Protection Agency), that should be examined in relation to the proposed total system.

As the structure of agriculture has changed, the demands for more accurate current statistics for decision-making purposes have increased dramatically. The Statistical Reporting Service has altered its methods and coverage to meet these demands. Starting in 1960, the Statistical Reporting Service has gradually replaced a good share of its historic survey and estimating procedures with sophisticated probability sampling techniques. Additionally, in a planned cooperative effort with data users, the program of statistical reports has been closely culled. Numerous historical statistical series, reports and procedures have been abandoned and the resources rechanneled to the more important commodities, using the newer, more expensive statistical techniques. (About 150 statistical reports have been eliminated since 1967.)

Federal resources applied to statistics programs in the Department of Agriculture have been rising and appropriations for the last 5 fiscal years are shown in Table 1.

TABLE 1.—APPROPRIATED FUNDS FOR STATISTICS PROGRAMS, USDA

[Million dollars]

Fiscal year	SRS	ERS	AMS [1]	ARS [2]	Total
1973	22.8	5.0	7.5	0.5	35.8
1972	20.5	4.8	7.5	.5	33.3
1971	19.0	5.0	7.5	.5	32.0
1970	16.9	3.6	7.5	.5	28.5
1969	14.8	3.5	7.5	.5	26.3

[1] Market news service.
[2] Food consumption statistics.

In addition, the Statistical Reporting Service has cooperative agreements with the State Governments in 48 States, which are discussed on page 10.

A serious limitation for the Statistical Reporting Service program is the Census law prohibiting access to individual data. This fact prevents a much wider use of sophisticated probability list sampling techniques by Statistical Reporting Service that have a potential for improving the program in terms of content, timeliness and accuracy within the boundaries of reasonable costs. It is believed that these goals could be accomplished with the same or less cost than is now required in the total system of agricultural statistics, operated by the Department of Agriculture and the Department of Commerce.

C. Current agricultural statistics program of State governments

The Statistical Reporting Service has cooperative arrangements with 48 State Governments to produce current statistical information to accommodate particular needs of the States. The policy of the Department of Agriculture provides for agricultural statistics by States and for the Nation, but not for sub-areas of the State. Except for county data from the 5-year Census of Agriculture, this latter is considered to be a financial responsibility of the State. The agricultural data needs and interests within the respective States are highly variable, both with respect to subject matter and scope.

It was long realized that at the State level a combination of available State and Federal funds into a single effort would yield needed statistical information at less cost and with greater usefulness for both parties. This cooperative arrangement is now in effect in 48 of the 50 States. The level of financial input is highly variable by States, being correlated to considerable extent with the relative importance of the State's agriculture. Nevertheless, the total financial contribution to current agricultural statistics by the States is substantial as shown in Table 2.

TABLE 2.—*Funds appropriated for agricultural statistics, by the States*

[State funds in millions of dollars]

Fiscal year:	
1973	4.2
1972	3.9
1971	3.5
1970	3.5
1969	3.1
1968	2.9

In addition, a number of States conduct an annual State Farm Census to meet their particular needs. The enumerative cost of these State Farm Censuses is not included in the preceding table.

RELATIONSHIPS AMONG DATA SUPPLIERS, COLLECTORS AND USERS

The interest in and need for more relevant, accurate and timely information on agriculture pervades the agricultural economy. The preceding discussions should also underline the fact that the data collection "traffic" on the decreasing number of units in the population of food and fiber enterprises has greatly increased the load on respondents. Respondent burden has become a problem of serious concern for data collectors. On the other hand, the Nation is continually being confronted with new major problem areas such as environmental protection which give urgent rise to new or changing data needs. For example, data required for decisions related to use of pesticides or livestock waste disposal. Therefore, statistical systems must be highly efficient and dynamic or fall into disarray.

Three observations should be emphasized: *The first* is that the demand in recent years for better agricultural statistics and the efforts to increase the financial support for such, have come from non-Government elements of agriculture. It is not a case where the Federal bureaucracy has imposed the newer programs on data users—users have forced the issue primarily through their Congressmen. *Second*, the same elements in the food and fiber sector that have supported the current statistical programs in the Department of Agriculture have also strongly supported the Census of Agriculture. Their efforts to obtain added resources may not have been equally successful but their interest in improved census data is no less intense. Clearly, the two Agencies have identical publics. *Third*, the successful efforts by the food and fiber sector to get increased resources for improved statistics has not been made at the expense of other statistical systems of the Federal Government. In that sense, the current systems of agricultural statistics do *not* compete with other Federal statistics efforts. The thrust and philosophy has been to acquire a greater share of the total resources allocated to Agriculture for acquisition of better measurements about that industry.

A new combined system for agricultural statistics would improve relationships between respondents and data collectors and, most important, provide agriculture with information that is more useful and more timely.

There are four major parts of a well-developed data system which should be recognized because they have organizational significance: (1) Comprehension of informational needs for making decisions, for general public use, and for economic and social research and development. This is a matter of formulating the broad specification of the purposes of data systems in total and in part. (2) Formulation of the data specifications (definitions of parameters to be estimated), timing and frequency of estimates, and levels of accuracy needed. (3) Development of detailed specifications of data to be collected, the survey methods to be used, and the actual collection of data and preparation of estimates. (4) Analysis and interpretation of results, additional or special tabulation to acquire more information about related problems.

Obviously, there needs to be a substantial intellectual and cooperative input in all four parts and the old adage, "a chain is no stronger than its weakest link" is apropos. Presently, parts (1) and (2) are the weakest links in the chain. Full communication between data collectors and users is essential to achieving (1) relevancy in data specifications and tabulations, (2) support for the resources needed for the survey work, and (3) a dynamic system with capability of adjustment to changing needs.

EXCHANGE OF INFORMATION

The Census of Agriculture operates under a law that prohibits access by other than Census staff to any source data collected from persons or firms as part of the census process. This law is rigidly adhered to by the Bureau of the Census. The Department of Agriculture also operates its program of current statistics under very strict security procedures to assure confidentiality of the source data, and to prevent any advance knowledge of a sensitive crop production forecast prior to the date and hour of the scheduled release for public use. These processes are promulgated under Department Regulations rather than under precise laws as in the case of Census.

There is no intent here to make a case against confidentiality of source data. It is essential to protect the individuals concerned and the integrity of the system. However, personnel of both the Bureau of the Census and the Department of Agriculture are accustomed to handling confidential data and are subject to severe penalties for any abuse. A common set of regulations permitting exchange of certain types of information would provide adequate protection of confidentiality and at the same time offer definite advantages. In fact, the present constraints create one of the greatest impediments to improving the entire system of agricultural statistics. Present laws and regulations on the confidentiality of individual source data have precluded the possibility of Statistical Reporting Service and the Bureau of the Census making a joint effort to share information on individual farm operations. The Census of Agriculture files contain data that would be of utmost importance to the Statistical Reporting Service in the design of its sample surveys, but such is not available. Minimum information needed is the name and address of an agricultural enterprise, a measurement that denotes its relative size and an indicator of the type of agricultural enterprise.

On the other hand, the Statistical Reporting Service has not totally prohibited the Census of Agriculture from access to selected information in its files. For each 5-year census, the Statistical Reporting Service has provided the Census Bureau with names and addresses, particularly of large agricultural operations. The Agency has also assigned professional personnel, on a reimbursable basis, to assist the Census with data collection and data analysis. Nevertheless, the existence of this "one-way" street rather than an equal exchange of important data between the two agencies has probably reduced the amount of meaningful assistance the Statistical Reporting Service might have provided to the Census of Agriculture and vice-versa.

RELATIONSHIPS BETWEEN THE CURRENT STATISTICS PROGRAM AND THE CENSUS OF AGRICULTURE

(a) Commodity statistics. Nearly all of the commodity statistics originate in the Department of Agriculture and, except for markets, originate in Statistical Reporting Service. The dependence of the commodity statistics program on the Census of Agriculture has gradually diminished so the Census of Agriculture as a support, in terms of providing benchmarks, is no longer one of the major needs for a Census of Agriculture—especially if a complete list of agricultural enterprises were available as discussed below.

(b) Agricultural industry statistics. The Census of Agriculture, taken every 5 years, is the major source. Some current statistics, though inadequate, originate as by-products or secondary data from various current commodity statistics programs of the Department of Agriculture. Also, various special surveys provide data for economic studies of agriculture.

(c) Technical relationship between sample surveys and censuses. Experts in survey methods make very little logical distinction between a sample survey and a census. They view a census as a survey wherein one attempts to get data from all units rather than some specified fraction (sample) thereof. All surveys, whether they are censuses or samples, are subject to the impact of a multitude of factors causing inexact results. It is

possible for some of these factors to influence a census to a greater degree than a sample, so a census is not necessarily more accurate than a sample. The idea of taking a census to check the results from samples has changed drastically owing to experience and better understanding of the magnitude of errors attributable to various censuses. In fact, sampling is now often employed to evaluate the accuracy of a census.

(d) Sampling frames. For purposes of this report, a "sampling frame" refers to a list of units that are included in a statistical universe that is to be surveyed. An accurate complete list of agricultural establishments, including a small amount of information about each, is of vital importance. To date, neither Statistical Reporting Service nor the Bureau of the Census has established a satisfactory list and means of keeping it current for statistical purposes.

In the absence of a complete list, Statistical Reporting Service has been using a combination of sampling incomplete lists and of area sampling in what has become known as multi-frame surveys. If a virtually complete list existed, including some data on the characteristics of the units on the list, a very important new capability would be provided. It provides a means of doing more efficient sampling than is now possible; that is, smaller samples could achieve the same results. It would provide a readily available and effective means of sampling for surveys having a wide variety of purposes. It could also enable annual surveys in lieu of the census every 5 years. But, this immediately raises the question, "What about county or other small area data?"

The list itself, as envisaged, could provide a small amount of information on the number and kind of establishments by counties. For selected items where county data might be essential, a well designed 25 percent sample selected from the list would probably provide data by counties every 5 years that are about as accurate as the data now available. For intervening years, 5 to 10 percent samples, under a suitable plan for rotation of samples and the content of questionnaires, would provide timely statistics much more in accord with present needs and at favorable costs.

Both in terms of survey methods and survey objectives, the Census of Agriculture and the current agriculture statistics program should no longer be two separate programs. Rather, a single unified program is needed—a program that can provide improved timeliness and a statistical output better suited to informational needs, especially with reference to the category referred to above as industry statistics.

STATISTICS FOR HOUSEHOLDS IN RURAL AREAS

The Census of Agriculture and, to a much lesser extent the decennial censuses of population and housing, have been the primary sources of information about farm people. The Census of Agriculture and farm surveys are no longer considered to be satisfactory vehicles for obtaining economic and social data pertaining to farm households; and there has been a dearth of data about rural farm and nonfarm people from household type of surveys. For rural welfare and economic development programs, important needs for data have been emerging—data that should be obtained from household surveys rather than surveys of agricultural enterprises.

ADVANTAGE OF COMBINING RESOURCES FOR AGRICULTURAL STATISTICS

A. Financial

The foregoing discussions clearly demonstrate that the financial base for the total program of statistics in the Department of Agriculture is substantial (see Table 1 above). The total does not include funds for statistical purposes appropriated by the State for the State-Federal cooperative program.

The $28.0 million required by the 1969 Census of Agriculture averages $5.6 million annually over a 5-year period. Combined with the Department of Agriculture's $35.8 million, the identifiable funds being devoted to agricultural statistics by the Federal Government in FY 1973 amounts to nearly $41.4 million.

The major accomplishments to be expected under a combined statistical system include:

First, improved data for the current commodity statistics program as well as the basic census-type information for local area needs.

Second, a stabilized professional and clerical staff. The 5-year Census of Agriculture has had some managerial problems due to the need for rapid staffing and contraction.

Third, a new program of current statistics for the food and fiber industry.

Fourth, the urgently needed Directory of Agriculture maintained on an annual basis.

Fifth, collection of meaningful data from rural households on an annual basis. This is the biggest single data gap in the existing statistical systems.

Sixth, economies from the combination and re-direction of available resources. The new improved statistical program might well be operated with the funds now being expended.

The new combined system for the food and fiber industry statistics would require about $3.5 million of the annualized sum of $5.6 million of census funds. The remaining $2.1 million (a total of $10.5 million over a 5-year period) could be used for other statistical purposes, particularly to start acquisition of meaningful information regarding the rural population of the Nation. Some pertinent changes in legislation pertaining to both the Census of Agriculture and agricultural statistics will be required.

TABLE 3.—SUGGESTED FINANCIAL STRUCTURE FOR A COMBINED SYSTEM OF AGRICULTURAL STATISTICS

[Excludes funds now employed for statistics by Market News Service of Agricultural Marketing Service, the Agricultural Research Service and State Governments; dollar amounts in millions]

Source of funds (annual)		Suggested activity		
			Current statistics	
Agency	Amount	Directory maintenance	Food and fiber industry [1]	Commodity statistics
Census of agriculture	$3.50	$1.50	$2.00	
ERS	5.00	.50	.75	$3.75
SRS	22.80	2.50	2.50	17.80
Total	31.30	4.50	5.25	21.55

[1] Annual survey based on the Directory in lieu of the 5-year Census of Agriculture.

It seems appropriate to make some observations concerning the State-Federal cooperative program ($4.0 million) and the Market News Service program ($7.5 million). In a new combined statistical system a modest input of Federal funds into selected major agriculture-producing States could result in data that would provide significant support for the Agricultural Directory and also yield more useful local area information. There is a trend in some States to place less reliance on personal property taxation which, in turn, lessens the need for the annual State Farm Census where one has been part of the basis for the tax system. This result in the disappearance of statistical data that have been important to meet data needs for countless and other sub-areas of a State. A re-evaluation of this situation by State and Federal officials might result in a new type State Farm Census or other statistical system that would provide the local data and accrue to the benefit of both State and Federal programs. The subject would seem to warrant discussion with State officials, since relatively small financial inputs might well result in significant statistical gains.

In the case of the Market News Service, the opportunity will be provided to carefully evaluate the current procedure with the objective of making the collected data more useful to data users for marketing decisions and as input into current statistical systems, particularly with respect to prices for commodities.

B. Confidentiality

The laws and regulations governing the confidential nature of reported data must be maintained. Under no circumstances should the proposed Directory of Agriculture be made available for use as a mailing list by any or all survey planners, either Government or private.

Under a combined system, access to confidential data among Statisticians who have a legitimate need for it would be facilitated rather than impeded. In contrast to the present situation, this should lend some economy because, in many cases, more efficient sampling would be possible and there would be a single effort rather than separate efforts to develop and maintain a Directory. Also, the greater ability to relate data on an individual basis from more than one survey could reduce the amount of data that needs to be collected and could enhance the opportunity for fuller analytical use of the data.

C. Coordination of data systems

Statistical definitions of the agricultural sector of the U.S. economy must be consistent with those used in other sectors and fit into the system of national accounts. The present organizational structure of the Federal Government is adequate for coordinating major data systems with one another. But, needed statistical reform in agriculture calls for consolidation of the Census of Agriculture with the current statistics program to facilitate remodeling the agricultural data system and to achieve greater economy. Under present organization, if annual sample surveys in lieu of a Census of Agriculture were adopted, two agencies would have field forces and facilities for collecting current agricultural statistics—a situation that would be wasteful.

Administrative data systems ought to be examined for possible modifications that would make the output of such systems more useful for analytical purposes or perhaps supplement statistical data systems. Some gains should be expected from better coordination of administrative data systems for various government programs with the statistical systems.

RECOMMENDATIONS

The main recommendation of this report is to remodel the agricultural data system. An opportunity is available to establish a new, total system for agricultural statistics within existing resources rather than to continue to add appendages to existing systems. With this in mind, the following recommendations are offered for consideration:

1. Agriculture's prerogative to administer and care for its needs should include the total agricultural data system. Therefore, the entire agricultural statistics program should be in the U. S. Department of Agriculture. The location of the agricultural statistics should not place it in competition with other statistical programs. That is, it should be in competition for resources within the agricultural sector of the economy rather than within the scope of resources for all statistics.

2. The analysis indicates that the Census of Agriculture in its present form can be superseded and the resources ($5.6 million per year) reallocated as follows:

a. About $2.0 million be pooled with about $3.25 million of Department of Agriculture funds for annual sample surveys of the food and fiber industry. These annual surveys would replace the 5-year Census of Agriculture, and parts of the current statistics program of the Department of Agriculture. Once every 5 years, statistics by counties would be

made available by increasing the size of the sample.

b. About $1.5 million be allocated for the development and maintenance of a Directory of Agriculture in accordance with an updated definition of agriculture as a food and fiber industry. This will be combined with about $3.0 million from the Department of Agriculture program.

c. The remaining $2.1 million should be considered for development of rural area statistics because of the growing importance of rural area programs.

3. The Department of Agriculture should restructure its statistical program to achieve the following:

a. The current statistics of the Department of Agriculture, the new program of statistics indicated in 2(a) above, and the task of list development and maintenance, 2(b), should be together organizationally and become part of a unified program of agricultural statistics based on updated concepts.

b. Probability sampling should be extended to all eligible parts of the statistical program as rapidly as possible.

c. Under the proposed total system, there would be opportunity to re-evaluate other statistical programs of the Department of Agriculture as follows:

(1) The Economic Research Service will be able to take advantage of the modified data systems. Furthermore, the proposed system should provide improved access to types of administrative statistics both in and outside the Department of Agriculture that are essential to meaningful economic analysis in a changing world.

(2) The statistical program of the Market News Service of the Agricultural Marketing Service should be re-examined with the view to making the output more useful for current marketing decisions and for analytical purposes, particularly in the area of price statistics.

(3) Also, the Agricultural Research Service household surveys on food consumption and nutrition should be re-examined in relation to household surveys of other Federal Agencies.

4. The annual expenditures by State governments in the cooperative State-Federal statistical program are substantial. It is recommended that these programs be re-evaluated by both parties since small financial inputs from the proposed combined system of Federal agricultural statistics may well result in upgrading the statistics at three levels—local, State and National.

5. The Department of Agriculture should set up a task force to develop a master plan or model of a new data system for agriculture and for rural areas, keeping in mind needs for consistency with other systems. This will require substantial intellectual endeavor by knowledgeable persons from all parts of the agricutural economy interested in agricultural statistics.

RESOURCE RECYCLING AND CONSERVATION ACT OF 1973

Mr. MOSS. Mr. President, there has been a substantial demand for copies of S. 1593, the Resource Recycling and Conservation Act of 1973 which I introduced April 16. In order that this bill be more readily available to the public, I ask that the bill be printed in the RECORD.

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

S. 1593

A bill to promote and enhance interstate and foreign commerce in recyclable and recycled materials; to encourage the utilization of reclaimable postconsumer waste materials; to encourage conservation of our precious energy reserves and natural resources through effective recycling; and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—FINDINGS, PURPOSE, DEFINITIONS

SEC. 101. This Act may be cited as the "Resource Recycling and Conservation Act of 1973".

SEC. 102. (a) The Congress finds—

(1) that existing practices and procedures in interstate and foreign commerce are effectively proscribing, preventing, limiting, and impeding the reclamation, recycling, and reuse of solid waste materials; unnecessarily increasing the problems and costs of solid waste disposal; and contributing to the undefensible depletion of our precious energy reserves and natural resources;

(2) that unreasonable, discriminatory rates and charges for the transportation of recyclable and recycled materials in interstate and foreign commerce licensed by Federal regulatory agencies under existing Federal statutes and adversely affecting and defeating the reclamation, recycling, and reuse of solid waste materials and contributing substantially to the accelerated depletion of our energy reserves and natural resources;

(3) that existing methods of Federal procurement are actually inhibiting commerce in and market demand for recyclable materials and for products which contain recycled materials and are thus also contributing effectively to the senseless depletion of our energy reserves and natural resources;

(4) that existing Federal tax laws discriminate reasonably and unnecessarily against manufacturers who utilize or desire to utilize recyclable solid waste materials in their manufacturing operations in interstate and foreign commerce and thus simultaneously promote and even require continuous depletion of precious virgin natural resources;

(5) that such tax laws inadvertently lead to unnecessary and undesirable consumption of scarce energy supplies by encouraging interstate commerce in energy-intensive products;

(6) that other existing Federal laws, programs, and policies regulating interstate and foreign commerce have served unfairly to stigmatize or discriminate against recyclable materials and products which contain recycled materials and have thus restricted commerce in and market demand for such materials and products;

(7) that unnecessary use of natural resources in manufactured products and unsupportable limits on and impediments to effective recycling of solid waste materials have led to (a) an overburdening of the Nation's solid waste systems, (b) a continuation of solid waste disposal methods which result in scenic blight and serious hazards to commerce and public health, (c) adverse effects on land values, and (d) creation of public nuisances such as litter which interfere with commerce, community life, and development;

(8) that present commercial and municipal solid waste management practices ignore the energy resource potential of solid waste materials;

(9) that such problems of solid waste management and disposal, depletion of our natural resources and energy reserves and unnecessary, outdated impediments to recycling of materials in interstate and foreign commerce are matters national and international in scope and concern and thus require effective Federal action. (b) The purposes of this Act therefore are—

(1) to direct Interstate Commerce Commission and the Federal Maritime Commission to investigate, identify, and eliminate, within the scope of their respective jurisdictions under the Interstate Commerce Act, the Intercoastal Shipping Act and the Shipping Act of 1916, all rates, practices, and procedures governing the transportation of recyclable or recycled materials which are unreasonable or discriminate against recyclable or recycled materials and in favor of competing virgin natural resource commodities; and

(2) to stimulate and encourage interstate and foreign commerce in recyclable and recycled materials by directing the Administrator of the Environmental Protection Agency, in cooperation with the Administrator of the General Services Administration and the Public Printer, to promulgate a system of regulations and procurement specifications to require all agencies of the Federal Government and those who contract with the Federal Government to procure and use paper and paper products which contain recycled solid waste materials and other recyclable materials and products containing recycled materials to the maximum degree feasible and proper; and

(3) to provide for an energy consumption adjustment creating incentives and disincentives for the purchase of materials reflecting the energy consumed in manufacturing processes required for their production; and

(4) to insure rapid dissemination and adoption of developments in recycling and solid waste management by creating a technology transfer program; and

(5) to stimulate energy recovery as well as recovery of material resources from solid waste, encourage regionalization, increased productivity and efficiency through the creation of below-market interest rate loans; and

(6) to provide reasonable and necessary income tax incentives and tax equilization to encourage the utilization of recyclable and recycled solid waste materials and to offset existing income tax advantages which promote depletion of virgin natural resources; and

(7) to amend and modify certain other Federal statutes, regulations, and policies governing interstate and foreign commerce which unfairly stigmatize, discriminate against, or otherwise discourage the utilization of recyclable and recycled solid waste materials; and

(8) to establish product standards for goods manufactured and distributed in commerce which will require the utilization of minimum percentages of recyclable or recycled solid waste materials and maximum permissible quantities of materials which produce adverse environmental effects when such products are discarded.

DEFINITIONS

SEC. 103. For the purposes of this Act, the term—

(a) "Administrator" means the Administrator of the Environmental Protection Agency;

(b) a "recyclable material" or "recyclable solid waste material" means any material such as scrap metal, wastepaper, and paper products, discarded textiles, rubber, plastic, glass, and others which still have useful physical or chemical properties after serving a specific purpose and can, therefore, be usefully recovered from solid waste sources such as garbage, refuse, or trash or from industrial, commercial, or agricultural operations for reuse or recycling;

(c) a "recycled material" or "recycled solid waste material" means any recyclable material which has been usefully recovered from solid waste sources for reuse or recycling;

(d) "recycling" means the process by which materials recovered from solid waste sources are transformed into new products;

(e) "virgin natural resource" means raw materials such as previously unused copper, aluminum, lead, zinc, steel, and other metals, woodpulp, and new or virgin textile mate-

rials which have useful physical or chemical properties which exist, unused, in nature;

(f) "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

TITLE II—INCREASING SUPPLIES OF AND DEMAND FOR RECYCLED MATERIALS IN INTERSTATE COMMERCE

SEC. 201. (a) The Interstate Commerce Commission and the Federal Maritime Commission, within the maximum scope of their respective jurisdictions under the Interstate Commerce Act, the Shipping Act of 1916, and the Intercoastal Shipping Act of 1933, shall, within twenty-four months after the date of enactment of this Act and on a continuing basis thereafter—

(1) investigate and formally identify all rates charged by transportation carriers subject to their respective jurisdictions for the transportation of recyclable or recycled solid waste materials and shall, in each case, determine whether the rates charged and the terms and conditions of transportation for such materials are fair and reasonable and whether they unjustly discriminate against the movement or shipment in interstate or foreign commerce of recyclable or recycled solid waste materials and in favor of competing virgin natural resource materials or commodities; and

(2) issue appropriate orders in all cases where the rates charged or terms and conditions of transportation applicable to recyclable or recycled solid waste materials are found to be unfair, unreasonable, or discriminatory pursuant to which such rates and conditions of transportation will be effectively canceled and repealed and replaced by rates, tariffs, and conditions of transportation which are found to be fair, reasonable, and nondiscriminatory; and

(3) file annual and terminal reports with the President and the Congress regarding the results of their respective investigations and all actions taken to establish fair, reasonable, and nondiscriminatory rates for the transportation of recyclable or recycled solid waste material.

(b) When, during the course of any investigation or other proceeding pursuant to this section, it appears that a carrier's rate or rates for the transportation in interstate or foreign commerce of a recyclable or recycled solid waste material are equal to or higher than the rate or rates charged for the same transportation of a like quantity of a competing virgin natural resource or commodity possessed of a higher commercial valuation, such rate or rates shall be presumed to be unreasonable and discriminatory and the burden of rebutting the prima facie case thus made by showing justification shall be upon the carrier or carriers who charge such rates, and unless justification shall be affirmatively shown, the Commission conducting such investigation shall issue an order terminating the discrimination and establishing a fair and reasonable rate or rates for the transportation of the recyclable or recycled solid waste material.

RECYCLING INCENTIVES; FEDERAL PROCUREMENT

SEC. 202. (a) The provisions of this title shall apply to all purchases and contracts for materials, products, services, and supplies made by—

(1) the General Services Administration, for the use of such agency or otherwise; or

(2) any other executive agency; or

(3) the Public Printer or the Joint Committee on Printing.

(b) It is the declared policy of the Congress that all channels of Federal procurement be utilized to expand recycling of solid waste materials in interstate and foreign commerce and to eliminate unnecessary depletion of our precious natural resources.

(1) Accordingly, every invitation for bids, contract, or purchase by an executive agency, the General Services Administration, the Public Printer, or the Joint Committee on Printing or by any person contracting with the Government to furnish materials, products, supplies, or services shall require that all materials, products, or supplies to be delivered to or for the Government's account shall be comprised of recyclable or recycled materials in such percentages as required by regulations or directives issued after a public hearing by the Administrator of the Environmental Protection Agency.

(2) The President may grant exemptions for any facility of any department, agency, or instrumentality in the Federal Government or any limited category of activities from compliance with regulations issued under this section if he determines that the interests of the national security of the United States require such action, or that the only recycled materials available are priced at unreasonably high levels. Exemptions may be granted for periods not to exceed one year, with one year extensions granted on the basis of a new determination for each extension. The President shall issue a semiannual report to the Congress listing all exemptions granted during the previous six months and stating the reasons for each exemption.

(c) Not later than ninety days after the enactment of this Act, the Administrator, in cooperation with other appropriate Federal agencies, including the Administrator of the General Services Administration, the Public Printer, and the Joint Committee on Printing, after a public hearing, shall propose a system of regulations which require the utilization to the maximum extent feasible of recyclable and recycled materials and products which contain recycled materials by agencies of the Federal Government and public and private agecies, individuals, and organizations that contract with the Federal Government. Such regulations shall—

(1) require purchasing and contracting practices and procedures which, to the maximum extent feasible, assure purchase of recyclable or recycled materials or products which contain recycled materials and may be further recycled or reused when discarded;

(2) establish feasbile content percentages of recyclable or recycled solid waste materials to govern the procurement or production of particular products, supplies and materials required by the Government or its contractors;

(3) provide guidelines and information to Federal agencies, procurement officials, and contractors on the availability of recyclable and recycled materials and products which contain recycled materials, the sources of supply and the existing and potential uses of such materials and products.

Following public hearings on the proposed regulations, the Administrator shall publish final regulations to implement this subsection within ninety days after publication of the proposed regulations.

(d) The President shall prescribe regulations to carry out this title which shall direct every executive agency (as defined in section 105 of title 5, United States Code) to bring its own procurement and contracting activities into compliance with the provisions of this Act and the regulations to be issued by the Administrator pursuant to subsection (c).

(e) The Joint Committee on Printing and the Public Printer shall likewise adopt regulations, standards, and procurement specifications for paper and paper products purchased for public printing and other Federal utilizations which are consistent with the provisions of this Act and the regulations to be issued by the Administrator pursuant to subsection (c).

TAX EQUALIZATION FOR INCREASED UTILIZATION OF RECYCLED MATERIALS

SEC. 203. (a) That part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to itemized deductions for individuals and corporations) be amended by adding at the end thereof the following new section:

"SEC. 189. AMOUNTS PAID TO ACQUIRE RECYCLABLE OR RECYCLED SOLID WASTE MATERIALS

"(a) IN GENERAL.—There shall be allowed as a deduction the percentages specified in subsection (b) of the amounts paid or incurred during the taxable year by the taxpayer to purchase recyclable or recycled solid waste materials for manufacture by the taxpayer into useful raw materials or saleable products.

"(b) PERCENTAGES ALLOWED.—The percentages referred to in subsection (a) are as follows:

"(1) 22 percent for recycled metals other than those referred to in paragraph (2);

"(2) 15 percent for recycled copper, iron, steel, gold, and silver;

"(3) 18 percent for recycled wastepaper, wastepaper products, and textiles; and

"(4) 15 percent for all other recycled solid waste materials.

"(c) Deductions established in subsection (b) of this section are restricted to purchase costs that exceed the average yearly costs incurred by the taxpayer for similar purchases during the previous 5-year period.

"(d) A deduction equal to one-half of the depletion rate established in subsection (b) shall be allowed the taxpayer for purchase costs described in subsection (a) not to exceed the average yearly cost established above: *Provided,* That such deduction shall be allowed only on the condition that all tax savings resulting from such deductions be used wholly for the expansion of recycling facilities, expanded utilization of recyclable or recycled solid waste materials, or devices for the control of air, water, or land pollution.

"(e) LIMITATION.—Notwithstanding any other provision of this section, the Administrator, after receipt of a written request by any person and after public hearings held in accordance with the requirements of the Administrative Procedure Act, may issue regulations suspending for 1 year any deduction established in this section with respect to any specific recyclable or recycled solid waste material during any tax year. Such regulations shall be issued only if the Administrator determines that significant evidence does not exist to indicate that such a deduction is needed to alleviate the depletion of any virgin natural resource or to promote the purposes of this Act or the solid waste recycling purposes of the Solid Waste Disposal Act, as amended."

TO INCREASE SUPPLIES OF RECYCLED MATERIALS INVESTMENTS

SEC. 204. (a) Part VI of subchapter B of chapter I of the Internal Revenue Code of 1954 (relating to itemized deductions for individuals and corporations) be amended by adding at the end thereof the following new section:

"SEC. 190. AMORTIZATION OF SOLID WASTE RECYCLING FACILITIES.

"(a) ALLOWANCE OF DEDUCTION.—Every taxpayer, at his election, shall be entitled to a deduction with respect to the amortizable basis of any solid waste recycling facility (as defined in subsection (d)), based on a period of 60 months. The amortization deduction provided by this section with respect to any month shall be in lieu of any depreciation deduction wtih respect to such month provided by section 167. The 60-month period shall begin, as to any such facility, at the election of the taxpayer, with the month following the month in which such facility was completed or acquired, or with the succeeding taxable year.

"(b) ELECTION OF AMORTIZATION.—The election of the taxpayer to take the amortization deduction and to begin the 60-month

period with the month following the month in which the facility is completed or acquired, or with the taxable year succeeding the taxable year in which such facility is completed or acquired, shall be made by filing with the Secretary or his delegate, in such manner, in such form, and within such time, as the Secretary or his delegate may by regulation prescribe, a statement of such election.

"(c) TERMINATION OF AMORTIZATION DEDUCTION.—A taxpayer which has elected under subsection (b) to take the amortization deduction provided in subsection (a) may, at any time after making such election, discontinue the amortization deduction with respect to the remainder of the amortization period, such discontinuance to begin as of the beginning of any month or year specified by the taxpayer in a notice in writing filed with the Secretary or his delegate before the beginning of such month or year. The depreciation deduction provided by section 167 shall be allowed, beginning with the first month or year as to which the amortization deduction does not apply, and the taxpayer shall not be entitled to any further amortization deduction under this section with respect to such solid waste recycling facility.

"(d) DEFINITIONS.—For purposes of this section—

"(1) SOLID WASTE RECYCLING FACILITY.—The term 'solid waste recycling facility' means any plant, facility, land, building, machinery, vehicles, tools, or equipment, or any part thereof, constructed, reconstructed, erected, installed, improved, put into operation, utilized, or acquired by the taxpayer for the purpose of reclaiming, collecting, sorting, baling, packing, shipping, transporting, processing, or manufacturing recyclable or recycled solid waste materials.

"(2) AMORTIZABLE BASIS.—The term 'amortizable basis' means that portion of the adjusted basis (for determining gain) of a solid waste recycling facility which may be amortized under this section."

(b) The table of sections for such part VI is amended by adding at the end thereof the following:

"Sec. 189. Amounts paid to acquire recycled solid waste materials.
"Sec. 190. Amortization of solid waste recycling facilities.".

(c) Sections 189 and 190 of the Internal Revenue Code of 1954, as added by this section, shall apply to amounts paids or incurred more than ten days after the date of the enactment of this Act in taxable years ending after such tenth day.

MODIFICATION OF OTHER FEDERAL IMPEDIMENTS TO RECYCLING IN COMMERCE

SEC. 205. (a) Section 2 of the Wool Products Labeling Act of 1939 (15 U.S.C. 68) is amended by deleting subsections (c) and (d) and inserting a new subsection (c) to read as follows:

"(c) The term 'recycled wool' means the resulting fiber when wool has been woven or felted into a wool product which, without ever having been utilized in any way by the ultimate consumer, subsequently has been made into a fibrous state; or the resulting fiber when wool or recycled wool has been spun, woven, knitted, or felted into a wool product, after having been used in any way by the ultimate consumer, subsequently has been made into a fibrous state."

(b) Section 2(e) of the Wool Products Labeling Act of 1939 (15 U.S.C. 68(e)) is redesignated "(d)" and the following subsections, now "(f)" through "(i)" are redesignated "(e)" through "(h)" and redesignated subsection "(d)" is further amended to read as follows.

"(d) The term 'wool product' means any product, or any portion of a product, which contains, purports to contain, or in any way is represented as containing wool or recycled wool."

(c) Section 4(a)(2) of the Wool Products Labeling Act of 1939 (15 U.S.C. 68b(a)(2)) is amended by deleting the words "(2) reprocessed wool" and "(3) reused wool" wherever they appear and inserting in their place the words "(2) recycled wool", and by thereafter renumbering subsections "(4)" and "(5)" to read "(3)" and "(4)".

SEC. 206. Section 12 of the Fair Packaging and Labeling Act of 1966 (15 U.S.C. 1461, 80 Stat. 1302) is amended by replacing the period at the end thereof with a colon and adding the following: "*Provided, however,* That, notwithstanding any other provisions of this Act or the laws of the States or political subdivisions thereof, any recyclable or recycled solid waste material which is not a consumer commodity as defined in this Act and which historically has been labeled and sold on the basis of gross weight with a stated maximum percentage of such weight for tare or packaging, may continue to be labeled and sold in that manner and without any other weight designation."

TITLE III—CONSERVATION OF RESOURCES IN INTERSTATE COMMERCE

LIMITATION OF DEDUCTION FOR UNNECESSARY CONSUMPTION OF ENERGY RESOURCES

SEC. 301. (a) Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"SEC. 191. ENERGY RESOURCE CONSUMPTION ADJUSTMENT.

"(a) Beginning not later than 2 years after the date of enactment of this Act the applicable energy consumption adjustment must be subtracted from the deduction allowed in any tax year for the purchase of each major material used to form any product manufactured by the taxpayer when that material is not a recycled material.

"(1) The energy consumption adjustment shall not exceed one-half of the deduction that would otherwise be available to the taxpayer for such purchases, and shall be computed by—

"(A) determining the total energy costs involved in extracting, refining, transporting, and otherwise producing the material from virgin resources,

(B) determining the total energy consumed in collecting, separating, transporting, and otherwise producing comparable material from recyclable materials,

"(C) subtracting (B) and (A).

In the event (B) is larger than (A), the energy consumption adjustment shall be computed by subtracting (A) from (B) and subtracting the result from the deduction allowed for the purchase of that recycled material."

(b) Not later than fifteen months after the enactment of this Act the Administrator, in consultation with the Internal Revenue Service and after appropriate studies and a public hearing, shall issue a schedule of the energy cost information necessary to compute the energy consumption adjustment defined in section 301 for all major materials used in manufactured products. The Administrator, in consultation with the Internal Revenue Service and after a public hearing, shall issue a revision of this schedule at least every three years, unless the Administrator determines that such a revision is unnecessary and reports the reasons for such a determination to the Congress.

(c) The Administrator may issue a one year certification exempting a specific material from the provisions of this section if he determines that substantial evidence indicates that application of the provisions of this section to that specific material would have effects contrary to the purposes of this section. Annual extensions of exemptions may be granted upon a separate determination by the Administrator. An annual report shall be made to the Congress by the Administrator each November listing all exemptions and stating the reasons for such action.

RESOURCE CONSUMPTION STUDY

SEC. 302. The Administrator, in cooperation with other appropriate Federal agencies, shall conduct a study of resources which are adversely affected by the consumption of virgin resource materials and products. Not later than two years after the enactment of this Act and Administrator shall report the results of such investigation and study together with appropriate recommendations to the President and the Congress.

TITLE IV—REDUCING THE VOLUME OF NONRECLAIMABLE PACKAGING AND PRODUCTS IN INTERSTATE COMMERCE

RECYCLING INCENTIVES; PRODUCT AND PACKAGING STANDARDS FOR GOODS IN COMMERCE

SEC. 401. It shall be unlawful for any person to introduce or deliver for introduction into interstate commerce of the United States any manufactured product or container or package for which the Administrator has prescribed product standards pursuant to section 402 of this title and which does not conform to such standards prescribed by the Administrator.

SEC. 402. (a) Within one year from the enactment of this title, the Administrator shall promulgate such standards regulating the manufacture, distribution, reuse, and recycling of products, containers, or packages in commerce as are necessary to protect against unreasonable burdens on commerce and risks to health or the environment associated with the disposal of such products. Such standards shall include minimum percentages of recyclable materials which shall be contained in such products, containers, and packages, maximum permissible quantities of component materials which produce adverse environmental effects when such products, containers, or packages are discarded, and may prescribe methods of distribution for certain products and containers and prohibitions against the manufacture and sale of specific products and containers.

(b) The Administrator, upon receipt of a written request by any person and after public hearings, may exempt from the requirements of this section any products, containers, or packaging which he determines are—

(1) composed of unique properties or designed for unique purposes that make such requirements inappropriate; or

(2) not contributing to solid waste management or disposal costs, endangering public health or public welfare, or creating adverse environmental impact. In cases where exemptions are given, the Administrator shall prescribe special regulations for the manufacture, distribution, reuse, and recycling of the products, containers, or packaging covered by exemptions. Such regulations shall be in accordance with the purposes and policies of this Act.

SEC. 403. Any person who knowingly or willfully violates any provision of this title, or any regulation or standards issued hereunder, shall, upon conviction, be fined not more than $5,000 for each such violation or be imprisoned for not more than one year or both.

SEC. 404. Any person other than a person who commits a violation the penalty for which is prescribed by section 403 of this title, and who is found by the Administrator to be in violation of section 401 of this title, shall be assessed a civil penalty by the Secretary of not more than $5,000 for each such violation. No penalty shall be assessed unless such person is given notice and opportunity for a hearing with respect to such violation in accordance with section 554 of title 5, United States Code. Each violation shall be a separate offense. Any such civil penalty

may be compromised by the Administrator. Upon any failure to pay the penalty assessed under this section, the Administrator may request the Attorney General to institute a civil action in a district court of the United States for any district in which such person is found, resides, or transacts business, to collect the penalty, and such court shall have jurisdiction to hear and decide any such action. In the case of Guam, such actions may be brought in the District Courts of Guam; in the case of the Virgin Islands, such actions may be brought in the District Court of the Virgin Islands; and in the case of American Samoa such actions may be brought in the District Court of the United States for the District of Hawaii. Such court shall have jurisdiction of such actions. In hearing such actions, the court shall sustain the Administrator's action if such action is supported by substantial evidence.

SEC. 405. (a) Notwithstanding any other provision of this title, no product shall be deemed in violation of this title when intended solely for export to any foreign nation.

(b) The Secretary of the Treasury shall refuse entry into the United States of any product, container, or packaging material offered for entry if it fails to conform with standards promulgated under section 402 of this title. If a product is refused entry, the Secretary of the Treasury shall refuse delivery to the consignee and shall cause the disposal or storage of any such product or container which has not been exported by the consignee within three months from the date or receipt of notice of such refusal. The disposal or storage of such product or container shall be in accordance with such regulations as the Secretary of the Treasury may prescribe, except that the Secretary of the Treasury may deliver to the consignee such product or container pending examination and decision in the matter on execution of bond for the amount of the full invoice value of such product together with the duty thereon, and on refusal to return such product for any cause to the custody of the Secretary of the Treasury, when demanded for the purpose of excluding them from the country, or for any other purpose, said consignee shall forfeit the full amount of said bond. All charges for storage, cartage, and labor on products or containers which are refused admission or delivery under this section shall be paid by the owner or consignee; and in default of such payment shall constitute a lien against any future importation made by such owner or consignee.

PRODUCT DURABILITY STANDARD

SEC. 406. (a) Not later than one year after enactment of this Act the Administrator, in cooperation with the Secretary of Transportation and the Secretary of Commerce where appropriate, and after a public hearing, shall publish—

(1) a classification system of major items of solid waste based upon—

(A) the solid waste and resource consumption problems caused by the item,

(B) the potential for increasing the useful life of the item, and

(C) such other factors as deemed appropriate; and

(2) proposed regulations etablishing product durability standards setting the minimum life for major items classified as contributing significantly to solid waste or resource consumption problems and having substantial potential for increased useful life.

(b) Not later than ninety days after publication of the proposed regulations the Administrator, after public hearings, shall publish final regulations governing the minimum life of items as described in paragraph (2) of subsection (a) of this section, which regulations become effective fifteen months after publication.

(c) Not later than four years after the date of enactment of this Act the Administrator shall publish—

(1) a revision of the classification system required in paragraph (1) of subsection (a) of this section, and

(2) proposed regulations further establishing product durability standards.

(d) Not later than ninety days after publication of the proposed regulations the Administrator, after public hearings, shall publish final regulations governing product durability standards as described in paragraph (2) of subsection (c) of this section, which regulations become effective fifteen months after publication.

(e) The Administrator, in cooperation with other appropriate Federal agencies, shall conduct a study to determine the feasibility and desirability of adopting product durability standards designed to increase the minimum useful life of a broad range of products classified in subsection (a) of this section. The Administrator shall report the results of such investigation and study to the President and the Congress no later than fifteen months after the date of enactment of this Act.

LOAN PROGRAM

SEC. 407. (a) The Administrator is authorized to make loans to any State, municipality, or interstate or intermunicipal agency for the purchase of solid waste collection and separation systems that encourage the flow of recycled and recyclable materials in interstate commerce.

(b) A loan under this section may be made only if the proposed system is consistent with the purposes of this Act and the Solid Waste Disposal Act, as amended.

(c) The amount of the loan may cover 100 per centum of the project and shall be available at an interest rate not to exceed 3 per centum per annum, as determined by the Administrator, conditioned upon repayment within twenty years from the date of the loan.

(d) Loans must be consistent with State and regional plans, all Federal, State, and local pollution control acts, and provide for a system of distributing the costs of construction, operation, and maintenance of the system equitably among the users of the system.

(e) The Administrator shall, on an annual basis, reduce the payment of principal and interest due by a fixed amount for each feature of a given year if the system produces any of the following features:

(1) recovery and/or sale of energy resources;

(2) recovery and/or sale of other resources;

(3) regionalization of systems; and

(4) increased efficiency and productivity.

Payment reduction schedules for each feature shall be established by the Administrator not later than ninety days after the enactment of this Act: *Provided*, That no loan payment may be reduced by more than one-half in any given year.

TITLE V—GENERAL PROVISIONS

TECHNOLOGY TRANSFER

SEC. 501. (a) The Administrator shall establish a Research and Development Advisory Board with membership composed of representatives from State and local government, private industry, and the general public for the purpose of providing broad guidance for research, development, and demonstration decisions and to improve the communication of results to interested persons.

(b) The Administrator shall assign broadly interdisciplinary evaluation teams to review the results of research and development projects, disseminate such results widely and frequently, and collect, review, and make available public and private comments regarding research and development projects.

(c) The Administrator shall—

(1) establish a central reference library of the actual performance records and cost effectiveness of various methods of solid waste management for State and municipal officials, and

(2) implement a program of technology transfer for the rapid dissemination of information relating to all aspects of recycling, solid waste management, and related resource conservation practices to public and private entities.

CITIZEN SUITS

SEC. 502. (a) Except as provided in subsection (b) of this section, any person may commence a civil action on his own behalf—

(1) against any person (including (A) the United States, and (B) any other government instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any standard or requirement which has become effective pursuant to this Act; and

(2) against the Administrator of the Environmental Protection Agency or the Secretary of the Treasury where there is alleged a failure of such Administrator to perform any act or duty under this Act which is not discretionary with such Administrator.

The district courts of the United States shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such standard or requirement or to order such Administrator to perform such act or duty, as the case may be.

(b) No action may be commenced—

(1) under subsection (a)(1) of this section—

(A) prior to sixty days after the plaintiff has given notice of the violation (i) to the Administrator of the Environmental Protection Agency and (ii) to any alleged violator of such standard or requirement, or

(B) if the Administrator has commenced and is diligently prosecuting a civil action to require compliance with such standard or requirement, but in any such action in a court of the United States any person may intervene as a matter of right; or

(2) under subsection (a)(2) of this section prior to sixty days after the plaintiff has given notice to the defendant that he will commence such action.

Notice under this subsection shall be given in such manner as the Administrator of the Environmental Protection Agency shall prescribe by regulation.

(c) In an action under this section, the Administrator of the Environmental Protection Agency or the Secretary of the Treasury may intervene as a matter of right.

(d) The court, in issuing any final order in any action brought pursuant to subsection (a) of this section, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such an award is appropriate.

(e) Nothing in this section shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any standard or requirement in this Act or to seek any other relief (including relief against the Administrator).

PUBLIC RULEMAKING

SEC. 503. (a) After publication of any proposed standards or regulations under this Act, the Administrator shall, after adequate notice, hold a public hearing on the proposed standards or regulations and shall also allow the public an opportunity to participate in rulemaking in accordance with section 553 of title 5, United States Code.

(b) Any Federal agency, including, but not limited to, the Office of Management and Budget, that desires to comment on any proposed standards or regulations under this Act shall be allowed only the same opportunity to comment as provided to the public under subsection (a) of this section, and all such comments by any Federal agency shall be in writing and made available for public inspection during regular business hours at a place to be designated by the Administrator.

JUDICIAL REVIEW

SEC. 504. (a) Any judicial review of final regulations promulgated under this Act shall be in accordance with sections 701–706 of title 5, United States Code, except that with respect to relief pending review, no stay of any agency action may be granted unless the reviewing court determines that the party seeking such stay (a) is likely to prevail on the merits in the review proceeding, and (b) will suffer irreparable harm pending such proceeding.

(b) If the party seeking judicial review applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court either (1) that the information is material and was not available at the time of the proceeding before the Administrator or the Secretary of the Treasury, or (2) that failure to include such evidence in the proceeding was an arbitrary or capricious act of the Administrator or such Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Administrator or such Secretary, and to be adduced upon the hearing, in such manner and upon such terms and conditions as to the court may deem proper. The Administrator or such Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file with the court such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original order, with the return of such additional evidence.

EFFECTIVE DATE

SEC. 505. Except as otherwise specifically provided herein, the amendments made by this Act shall become effective on the date of enactment of this Act.

SEPARABILITY

SEC. 506. If any particular provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

ONE OF THE 17 PERCENT DEFENDS MR. NIXON

Mr. DOMENICI. Mr. President, our country is captivated by one of the largest scandals in the history of our Nation, and by the most severe political crisis of this century. The Senate Watergate committee hearings are being carried into millions of homes daily. One of the reasons Americans are interested in Watergate is because of our curiosity. We are enthralled by mystery. Watergate is to many a "who-done-it," complete with midnight meetings, mysterious characters, payoffs and espionage plans.

But because the scandal involves vital elements of our democracy—our political system—that mystery takes on intense importance. It involves the Presidency, the adminstration and its effectiveness, and the balance of power within our Government as well as our election processes.

That shroud of mystery and the overwhelming importance of the whole Watergate affair have caused hundreds of thousands—millions—of words to be printed and spoken in the media during the time since the bugging of Democratic National Headquarters was discovered. The Washington Post and newspapers throughout the country have carried almost daily articles for over a year.

I am pleased today to bring to your attention an article printed in this morning's Wall Street Journal. Editorial writer Jude Wanniski has given us a perspective on the Watergate hearings, he has thoroughly analyzed the testimony John Dean presented before the Senate Watergate committee, and he has reminded us of the President's constitutional right of innocence until guilt is proven.

The article shows Watergate in a perspective it would have taken most of us a year or more to develop. The arguments are concrete and basically objective; but in presenting a defense of Mr. Nixon, Mr. Wanniski gives us a look at Watergate from a seldom seen angle.

I believe in fairness to the President, we in the U.S. Senate should listen to both sides of the case. Mr. Wanniski has analyzed Mr. Dean's testimony and he has found concrete discrepancies. He has presented a case for Mr. Nixon that I believe we should consider.

I would like to ask that the Wall Street Journal article be printed in the RECORD.

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

ONE OF THE 17 PERCENT DEFENDS MR. NIXON

(By Jude Wanniski)

Although there may have been some wavering in the rough spots, it has never been difficult for quite a few Americans—17% of us according to Gallup—to believe Richard Nixon is telling the truth when he says he was not involved in the planning or cover-up of Watergate.

Indeed, the week of John W. Dean III that persuaded many Americans the President must be guilty had the opposite effect on this embattled minority group of Nixon believers; the assumption of Mr. Nixon's veracity and innocence was steadily reinforced.

That basic assumption took shallow root among most Americans with the very first reports of the Watergate break-in. A year ago, Mr. Nixon's most devoted admirers simply judged that he was too good a man to be involved in any way with so sordid a business. His critics have always believed that Richard Milhous Nixon is unscrupulous, capable of anything. But at least at the start, they too seemed to judge that their nemesis of more than a quarter century would never be so foolish as to risk the scandal of the century in order to find out what Larry O'Brien was saying on the telephone.

These varied judgments came easily to Americans because they've had more exposure to Richard Nixon than to any other person in public, political life. After 27 years on stage, he has been so thoroughly dissected and analyzed that there is almost nothing we don't know about the man. Friends and foes agree he's solitary, resilient, combative, intelligent, moody and short-tempered under stress, prone to exaggeration and hyperbole, capable of pettiness and magnanimity, moderately puritanical, and distinctly lacking in style, flair, charisma or what have you.

We also know that in 27 years of political life he has never been caught in a lie. He has pushed and pulled on the truth, infuriating his critics with his "trickiness," his ability to twist weakness to advantage. But so far as the public record shows he's never been nailed to an out-and-out falsehood. If he had lied and been caught, by now we surely would have been reminded of it.

STRETCHING THE IMAGINATION

Knowing him as well as we do, neither friend nor foe should be able to imagine him vowing, as New York City mayoral candidate Mario Biaggi did, that he did not take the fifth amendment in testimony before a grand jury, knowing all the while that conclusive proof to the contrary was at hand. It is only slightly less implausible to imagine him thinking he could get away with an unequivocal denial of the Watergate cover-up; he would have to believe that men like Archibald Cox, Elliot Richardson and Sam Ervin would fall asleep while the network of cover-up conspirators remained silent, and imprisoned, in order to preserve his place in history. To a President who spent his first-term reading about the most secret decisions of his administration in Jack Anderson's column, it would have taken monumental optimism to think he could get away with it at all.

These surmises allow us to assume the President is innocent even while we keep an open mind to his possible guilt. But there are two surmises that cut against the grain.

The first is that Mr. Nixon, if he really wanted to clear himself in a hurry, would have issued a definitive statement on what really happened. As it is, he gives the appearance of a man who has something to hide. But if the President did not orchestrate Watergate or his cover-up, he would no more be able to issue a definite statement at this point than is Sen. Ervin or Mr. Cox. To do so, he would have to pick and choose among the myriad statements, allegations, recollections, and denials of guilt of a host of his subordinates. This is a process the Ervin Committee will find difficult even after months of extensive hearings; for the President to now throw together his theory of what happened would be as inappropriate as his 1970 faux pas when he announced the guilt of Charles Manson before the jury rendered its verdict.

The other surmise that cuts against the grain is that it is hard to see how all these dismal things were going on all around Mr. Nixon at the White House and he didn't know about them. Again, friend and foe credit the man with intelligence, tenacity, inquisitiveness; it's hard to believe these virtues became inoperative in the face of Watergate.

Yet we learned from Mr. Dean, the person who so far more than any other sought to implicate the President by telling all, that the President did not understand "the full implications" of the cover-up until March 21 of this year. The president himself told us that this was the day on which he learned of "a real possibility that some of these charges were true."

Mr. Dean, who admits to being a central, active participant in the cover-up, was not moved to tell the President about those implications from June 19, 1972 to March 21. The thrust of his testimony was that he assumed all through this period that the President was generally aware of White House involvement in the cover-up even as he was repeatedly telling the nation that there was none. It's also clear from his testimony that he, Dean, also assumed the President wasn't fully informed on the specifics of the cover-up; otherwise, there is no conceivable reason why Mr. Dean should have been driven to seek a meeting with Mr. Nixon on March 21 in order to catalog many of those details.

NO "FIRST-HAND" KNOWLEDGE

No matter how Mr. Dean chooses to characterize the bulk of his testimony, it could in no way be considered "first-hand" knowledge of Mr. Nixon's complicity in the cover-up. Nearly every point he attempted to make to that end, beginning with his Sept. 15 conversation with the President, rests solely on his, Dean's, impression of what was on Mr. Nixon's mind.

The only evidence that fits into Sen. Baker's category of first-hand knowledge was two bits of conversation with Mr. Nixon, the two remarks Mr. Dean remembers as Mr. Nixon having made on March 13 regarding a million

dollars of hush money and executive clemency for Howard Hunt.

The President's recollection of these remarks—as reflected in an unofficial second-hand account of his meetings with Mr. Dean—is that these subjects first came up in his March 21 meeting, and that he, the President, ridiculed the idea of paying blackmail, and that he only then learned from Mr. Dean that Charles Colson had discussed the idea of executive clemency with Hunt.

These impressions and recollections on Mr. Dean's part are nevertheless damaging to the President if we are willing to place a higher degree of faith in Mr. Dean's memory than in Mr. Nixon's veracity. Yet if what Mr. Dean remembered discussing with Mr. Nixon on March 13 actually was a part of the March 21 conversation, there is no irresolvable conflict between the two.

The fact that these two Nixon-Dean talks were only a week apart, a frantic week for Mr. Dean, and that Mr. Dean made no notes of them but reconstructed them from memory in *June*, must also weigh in the balance. But more than that, the Dean recollection imparts a strange coloring to the two meetings; the sequence has an inner implausibility, one that might be credible only if we can believe Mr. Dean looked on the President as a person possessed of childlike naivete.

On the 13th, according to Mr. Dean, here is the President telling him a million dollars hush money is no problem and that Hunt has been promised executive clemency. A week later, Mr. Dean the lawyer sits down with Mr. Nixon the lawyer and explains to him "the full implications" of all this.

Along the way in the meeting of the 21st, Mr. Dean informs the President "that Kalmbach had been used to raise funds to pay these seven individuals for their silence . . . and for this cover-up to continue it would require more paying and more money. I told him that the demands of the convicted individuals were constantly increasing." Why did Mr. Dean bother to bring all this up on the 21st if Mr. Nixon not only knew about it a week earlier, but also was nonchalant in agreeing to pay blackmail?

The unofficial White House account of that Nixon-Dean meeting of the 21st, as relayed to the Ervin Committee via telephone by Presidential Counsel Fred Buzhardt, asserts that Mr. Dean "stated Hunt was trying to blackmail Ehrlichman about Hunt's prior plumber activities unless he was paid what ultimately might amount to $1 million. The President said how could it possibly be paid. 'What makes you think he would be satisfied with that?' Stated it was blackmail, that it was wrong, that it would not work, that the truth would come out anyway. Dean had said that a Cuban group could possibly be used to transfer the payments. Dean said Colson had talked to Hunt about executive clemency."

Two days after this meeting, Mr. Dean went to Camp David. There's some disagreement on whether he was asked before he went or after he got there to write a full report on Watergate, but no dispute that he was asked to write a report. Neither did Mr. Dean testify that he was asked to write a doctored version of what he knew to be the truth. Thus, we are supposed to believe that the President and his chief of staff, Mr. Haldeman, were anxious to have Mr. Dean write the indictment that would surely guarantee the President's impeachment.

Of course, what Mr. Dean did write at Camp David (Exhibit No. 39 in the Senate Committee) does not form the basis for articles of impeachment against the President. It implicates Messrs. Mitchell, Magruder, Haldeman and Ehrlichman in the Watergate cover-up, but pins Watergate directly and solely to G. Gordon Liddy: "He told me that this was his operation that had gone bad . . . I asked him if anyone from the WH was involved in any way and he said no."

Furthermore, instead of encompassing Mr. Dean's alleged desire to end the cover-up and remove the "cancer" from the presidency, his Camp David report not only makes no mention of his "first-hand" knowledge of President Nixon's involvement, but also exonerates Charles Colson. According to Mr. Dean's Senate testimony, Mr. Nixon himself told Mr. Dean on March 13 that Hunt was promised executive clemency by Mr. Colson. Yet at Camp David, Mr. Dean writes: "Colson talked with Bittman (Hunt's attorney) again and told him that he couldn't give a hard, and fixed commitment (sic), but that as Hunt's friend he would do everything he could to assist Hunt in getting clemency in approximately a year." Thus Mr. Dean's story in March was far different than it was before the Ervin committee in June.

Mr. Dean so cooly and consistently stuck by the testimony he laid out before the Senate committee that it is hard to believe that he doesn't believe the story he has told. Which is why it is so generally agreed that his testimony was "credible," that he has "credibility." But it is not only possible that his perspective has been warped during the passage from the pro-Nixon to the anti-Nixon phase of his personal odyssey, it is demonstrably so. It's possible to believe he has told the truth, yet is not to be believed, that in reconstructing the past year from memory he has rearranged the furniture, a foot here, a foot there.

How, though, is it possible that Richard Nixon, the smart, tenacious pro of 27 years experience, could remain for so long in the dark? Mr. Dean himself seemed almost outraged, in retrospect, that the President last August would tell the American people that he, Dean, Counsel to the President, had conducted an investigation of Watergate and found no one at the White House involved. He didn't conduct any investigation, he told the Senate committee, and he hadn't even talked to the President. Mr. Dean implies he was *used*.

CURIOUS INCIDENTS

And yet, as his Camp David memoirs indicate, he talked to the mastermind of Watergate, G. Gordon Liddy, and Liddy told him "it was his operation that had gone bad," that no one at the White House was involved. It's odd Mr. Dean wouldn't consider this an important bit of information for the President as having been dug out by Dean. Funny, too, that he could absolve Press Secretary Ronald Ziegler of knowing the facts because he, Dean, kept Ziegler in the dark. Wouldn't it be unusual if Mr. Ziegler, on one of his frequent trips to the Oval Office, hadn't reported to Mr. Nixon that Mr. Dean says everything is okay, the White House is clean? And that throughout the period to March 21, Mr. Nixon was being fed similar reports emanating from Dean and others.

As a whole, Mr. Dean's testimony, like Chinese food, was only momentarily filling. Its bland delivery made it palatable, but upon a second viewing and third and fourth reading it is unsatisfying. How much more meaty it would have been if he had been able to testify that last August, or in September or February, he had confronted the President with the cover-up.

But he never did and so all he really has is an impression that the President knew, must have known, and unrecorded recollections of conversations that took place on March 13, or was it the 21st?

No, so far as the Dean testimony is concerned, it is now easier to presume the President's innocence. As it unfolded, even as Americans either exulted or despaired over the President's guilt, a great wave of relief spread over that number of us who are still prepared to believe a man we have known for most of our lives than to trust in the motives, the memory and the vantage point of a young man we have not even known for 27 days.

QUORUM CALL

The PRESIDENT pro tempore. Is there further morning business?

Mr. ALLEN. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. ALLEN). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? The time for the transaction of routine morning business has closed. Morning business has closed.

HIGH-SPEED GROUND TRANSPORTATION SYSTEM IN THE STATE OF CALIFORNIA

The PRESIDING OFFICER. In accordance with the previous order, the Chair lays before the Senate S. 1328, which will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1328) to direct the Secretary of Transportation to make an investigation and study of the feasibility of a high-speed ground transportation system between the cities of Sacramento, San Francisco, Fresno, Los Angeles, and San Diego in the State of California.

The Senate proceeded to consider the bill, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as "The West Coast Corridor Feasibility Study Act of 1973".

SEC. 2. The Secretary of Transportation is authorized and directed to make an investigation and study for the purpose of determining the social advisability, technical feasibility, and economic practicability of a high-speed ground transportation system between the cities of Tijuana in the State of Baja California, Mexico, and Vancouver in the Province of British Columbia, Canada, by way of the cities of Seattle in the State of Washington, Portland in the State of Oregon, and Sacramento, San Francisco, Fresno, Los Angeles, and San Diego in the State of California. In carrying out such investigation and study the Secretary shall consider—

(a) the various means of providing such transportation, including both existing modes and those under development, such as the tracked levitation vehicle;

(b) the cost of establishing and operating such a system, including any acquisition of necessary rights-of-way;

(c) the environmental impact of such a system including the future environmental impact from air and other transportation modes if such a system is not established;

(d) the factors which would determine the future adequacy and commercial success of any such system, including the speed at which it would operate, the quality of service which could be offered, its cost to potential users, its convenience to potential users, and its ability to expand to meet projected increases in demand;

(e) the efficiency of energy utilization and

impact on energy resources of such a system, including the future impact of existing transportation systems on energy resources if such a system is not established;

(f) the ability of such a system to be integrated with other local and intrastate transportation system, both existing and planned, in order to create balanced and comprehensive transit systems.

(g) coordination with other studies undertaken on the State and local level;

(h) such other matters as he deems appropriate.

SEC. 3. In carrying out the investigation and study pursuant to this Act, the Secretary of Transportation shall consult with, and give consideration to the views of, the Civil Aeronautics Board, the Interstate Commerce Commission, the National Railroad Passenger Corporation, and regional, State, and local transportation planning agencies.

SEC. 4. In carrying out the investigation and study pursuant to this Act, the Secretary of Transportation may enter into contracts and other agreements with public or private agencies, institutions, organizations, corporations, or individuals, without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

SEC. 5. The Secretary of Transportation shall report the results of the study and investigation pursuant to this Act, together with his recommendations, to the Congress and the President no later than January 30, 1976. The Secretary shall submit an interim report to the Congress on January 30, 1975.

SEC. 6. There is authorized to be appropriated not to exceed $8,000,000 to carry out the provisions of this Act.

The PRESIDING OFFICER. Debate on this bill is under controlled time of 1 hour, to be equally divided between the distinguished majority leader and the distinguished minority leader, with 30 minutes for amendments, motions, or appeals.

Who yields time?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time being taken out of either side.

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

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. MANSFIELD. Mr. President, will the Senator from California yield me half a minute?

Mr. TUNNEY. I yield to the distinguished majority leader.

Mr. MANSFIELD. First, Mr. President, I yield my time under the bill to the distinguished Senator from California.

Mr. BEALL. Mr. President, I ask unanimous consent to yield the time in opposition to the bill to the distinguished Senator from Wisconsin (Mr. PROXMIRE).

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

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order calling for the yeas and nays on final passage be voided.

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

Mr. TUNNEY. Mr. President, I ask unanimous consent that the following members of the staff of the Committee on Commerce be permitted to be on the floor during the consideration of and any votes on S. 1328: Thomas Allison, Art Pankopf and Mal Sterrett; and that Dan Jaffe of my staff also be permitted to be on the floor during the consideration and any votes on S. 1328.

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

Mr. TUNNEY. Mr. President, the west coast travel corridors will soon be facing a transportation crisis. All projections predict an explosive growth in travel demand in this area. There is reason to expect that this steep increase in demand will overwhelm present and planned transit systems on the west coast unless systematic travel planning for alternative systems is begun immediately.

Already the San Francisco-Los Angeles air corridor is the most heavily traveled in the world. Furthermore it is predicted that there will be an increase of approximately 400 percent in air travel in this corridor during the years between 1970 and 1985.

Other corridors on the west coast will also soon be reaching saturation levels. In fact by the year 2000, California's transportation systems will have to accommodate about 200 million travelers per year—the rough equivalent of the entire present population of the United States.

If immediate action is not taken, and unplanned transit growth is allowed to occur, it can be confidently predicted that there will be severe environmental effects, including greatly increased air and noise pollution, hazardous and inefficient travel, wastage of energy resources and serious travel curtailments which will severely affect the economic growth and quality of life of the entire west coast.

I do not think that we as legislators can afford to let these problems occur. S. 1328, now before the Senate, would help the west coast meet these problems. This legislation calls for an $8 million multimodal feasibility study of the transportation corridors on the west coast. The study is to make a determination regarding the social advisability, technical feasibility, and economic practicability of high-speed ground transportation systems in these corridors along with an investigation of the effects of expansion of existing transportation modes if such alternatives are not developed. In carrying out these studies, the legislation places particular emphasis on a careful examination of the environmental and energy utilization effects of the various transportation modes. It also mandates a study of the best methods of integration of these systems into intracity and interstate systems in order to create a balanced and comprehensive west coast transportation system.

It is imperative that we act quickly to carry out these studies. Even a few years delay could have extreme adverse effects. Already a number of metropolitan areas in the west coast corridor are in the process of planning and developing intracity transit systems. As these plans become finalized and these comprehensive systems are developed, it will become increasingly difficult to integrate these intracity systems with intercity regional networks which must inevitably be developed.

The long leadtimes necessary for planning and construction of innovative intercity transportation systems also argues for immediate action. In the hearings on S. 1328, it was noted that even if planning were begun immediately, it would be unlikely that an innovative high-speed ground system could be available until 1985, by which time travel demand in California alone will have doubled from 50 to 100 million trips annually. Thus delay at present will have the most crushing impact in future years when the most severe demands will be placed on these transit systems.

One point I would like to strongly emphasize is that S. 1328 is strictly a feasibility study. It does not commit the Federal Government to any later course of action, nor does it obligate the Federal Government in any way to undertake any later construction costs. However, if requests for construction costs are made, an objective feasibility study would be an invaluable tool for Congress to assess the validity and sensibility of these requests.

It is illusory, however, to believe that if Congress ignores the need to develop a systematic study of west coast transportation we will not have to face even larger and more insistent demands later when unplanned transportation growth leads to a crisis situation in that area.

Furthermore in carrying out this program, the total west coast should be investigated. The west coast is economically and socially integrated, and if we are to develop meaningful findings we should conduct these studies in a manner which will allow us to make projection for the whole region.

Finally, to assure expeditious study, Federal direction is required. DOT with its experience with the Northeast Corridor and its general transit planning expertise, is best qualified to carry out the requirements of this legislation. DOT is the most competent agency to efficiently and quickly coordinate a major transit study involving three States—California, Washington, Oregon—and two foreign countries—Mexico and Canada.

If this important task were left to State compacts and State agencies, and informal negotiations with the foreign governments, this would undoubtedly slow down the completion of this project. In addition, it would mean that the Federal Government would inevitably have to make its own evaluation of the analysis which the State agencies would have accomplished before the Federal Government could take any part in any planning and development of a recommended system.

DOT control is the best way to insure that the study may later be able to be coordinated into a plan of national applicability, and Federal funding will also assure the rapid completion of this important project.

Mr. President, I might say that this legislation was passed by the Commerce Committee with strong bipartisan sup-

port. In fact, it passed with unanimous support. It has the support of the Senators from the States involved.

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

Mr. TUNNEY. Mr. President, I yield to the Senator from Maryland.

Mr. BEALL. Mr. President, I rise in support of the legislation and confirm what the distinguished Senator from California has just said. The legislation did come out of the Commerce Committee with the unanimous support of all committee members.

We are certainly all concerned about the availability of high speed transportation systems for people all over this country. I believe that last week the Senate passed an authorization for availability and feasibility studies in connection with the bicentennial. I think it is appropriate that we study similar systems on the west coast also, because it is our hope some day that we can tie together all parts of the country so that people can move around by means of surface transportation.

Shortly after I leave the floor of the Senate this morning, I will be attending a meeting with officials of the State of Maryland with respect to EPA requirements in air quality standards in the Baltimore, Md., region. They require standards that are impractical and are incapable of being met at the present time because, while it is desirable that we reduce the amount of vehicular traffic on the streets and highways, there must be an alternative mode of transportation to move people at high speeds if we are going to improve the quality of air through the reduction of motor vehicles.

I think it is very appropriate that the Department of Transportation undertake a study of feasibility in connection with cities on the west coast through high-speed ground transportation.

I commend the Senator from California for introducing this bill, and I hope that Senators will join with us in giving it favorable consideration.

Mr. TUNNEY. Mr. President, I thank the Senator from Maryland for his support of this legislation and for the help which he gave us in committee in developing the final package.

It was clear when the bill was first introduced that it was of a more modest scope and included only California cities. However, as a result of the assistance of the Senator from Maryland and the distinguished chairman of the Commerce Committee, the Senator from Washington (Mr. MAGNUSON), the scope of the legislation was enlarged to include the entire west coast, Mexico and Canada.

I might point out that the hearings demonstrated that right now in Pueblo, Colo., the Department of Transportation has contracts for the testing of high-speed surface transportation vehicles that are now going at speeds of up to 185 to 200 miles an hour. They feel that if the test site were longer—since they only have 6 miles of track now—they would be able to get the vehicles which they are now testing up to speeds of 250 miles an hour.

We know that systems are available elsewhere. In France, for instance, they are presently utilizing in the suburbs of Paris a surface transportation system that goes 185 miles an hour. It is clean. It is relatively quiet. Certainly it is no louder and the impact of the sound is no worse than a train. It is smooth. And it has great acceptability on the part of the French traveling public.

We are behind in this country, and we ought to catch up. I am one person who believes that the study we will be doing on the west coast, similar to the study we did on the east coast, could at some future point be fitted into an overall national transportation plan.

It does not do any good to say that we have to have a national plan before we go ahead with these components. Some people are making the argument that nothing can be done in these corridors that are severely impacted right now as a result of too many travelers using outmoded modes of transportation until we have an overall regional transportation study.

Much as I favor the concept of a national transportation study, it does not seem wise that we should not move ahead vigorously in areas where we have very serious problems. On the east coast, as my distinguished friend, the Senator from Maryland, has pointed out, we also have serious problems.

I thank my colleague for the approach he has taken and for the help he gave us in the committee.

Mr. PROXMIRE. Mr. President, I yield myself such time as I may require.

Mr. President, this legislation is wrong. It is ill-conceived, it is wasteful, and it is a Federal giveaway.

It authorizes $8 million for a feasibility study of rapid transit for the complete length of the west coast—in fact, all the way from Tijuana, Mexico, to Vancouver, British Columbia.

There are plenty of reasons this legislation should not pass. It is a giveaway to the West Coast States—there are many other areas which need this help as much or more, as I shall show. It sets a poor precedent by getting the Federal Government into funding intercity rapid transit, something it has not done before except for demonstration projects. It covers miles of mountainous regions with low populations. And the authorization is way too high. The administration opposes it.

This legislation—which could be the beginning of billions of dollars of spending by the Federal Government—was considered in 1 day of hearings in California which are not even printed yet.

Let me elaborate some of these objections:

First. Federal giveaway. The Department of Transportation completed this past January a study titled "High Speed Ground Transportation Alternatives Study." This study made an analysis of the development of ground transportation—including rail and levitated vehicles—and their possible use in transportation corridors across the country.

One part of the study included a ranking of these corridors according to the desirability of building high-speed ground transportation within them. What did this ranking show? First, the Boston-to-Washington route, now served by the Metroliner, came out way in front. After it came:

First. Los Angeles to San Diego;
Second. New York to Buffalo;
Third. Chicago to Milwaukee;
Fourth. Pittsburgh to Detroit;
Fifth. Washington to Norfolk;
Sixth. Hartford to New York;
Seventh. San Francisco to Sacramento;
Eighth. Chicago to Detroit;
Ninth. Los Angeles to Las Vegas;
Tenth. Cleveland to Cincinnati;
Eleventh. Los Angeles to San Francisco;
Twelfth. Pittsburgh to Philadelphia;
Thirteenth. Chicago to St. Louis;
Fourteenth. Tampa to Orlando; and
Fifteenth. Seattle to Portland.

Considering this list, which shows the order in which rapid transit should be built, there are three segments of the west coast route. Los Angeles to San Diego ranks first. That area needs rapid transit, and it will get it since the State of California has already been studying intensively that corridor.

It is beyond me to understand what this enormous study, covering all the way from Canada to Mexico, will contribute to the understanding of that route, which, as I say, is already being studied intensively by the State of California.

Then we skip way down to No. 7 for San Francisco to Sacramento. That corridor has also been studied intensively by the State. No. 11 is Los Angeles to San Francisco. As any California traveler knows, that is a long route, and mountainous. This has not been studied by the State. And way down at No. 15 is Seattle to Portland, another part of this authorization.

But this bill ignores all the other cities on that list—Chicago, Detroit, Pittsburgh, Buffalo, Milwaukee, Hartford, Cleveland, St. Louis, Philadelphia, Tampa, Orlando. All these cities have a higher priority than some of those on the west coast. This is even ignoring the out-of-the-way Sacramento-Portland leg which the legislation we are considering authorizes.

So Senators can see why I say this is a west coast giveaway. It ignores the parts of the country that need help the most.

Second. Poor precedent. So far, the Department of Transportation has not funded studies or construction of intercity rapid transit, except for demonstration projects. Some funds apparently also got mixed in with State funds for a study of the San Francisco to Sacramento corridor, against the intention of DOT. This bill makes a major authorization in this new area. It enlarges Federal responsibility. We should not do this in a piecemeal way, but rather consider the issue comprehensively.

Third. Administration opposition. Mostly because this bill sets a poor precedent, the administration flatly opposes this authorization. Last month in California, Milton Klein, associate administrator of DOT's Federal Railroad Administration, testified against the authorization. These hearings have not even been printed yet. They are not available to us; we are acting without the record.

Fourth. Not multi-modal. Another interesting aspect of this legislation came

up in those hearings. Most witnesses testified that air transportation would probably be better than ground rapid transit along parts of the proposed route. But the bill as written directs a study only of ground transportation; air transport would be considered only as a side effect. Senator TUNNEY criticized this aspect of his own bill. But it has not been corrected.

Fifth. Excessive authorization. The authorization in this bill is for $8 million. This is a relatively small figure, and it is only an authorization. But it is way out of proportion to what it should be. The feasibility study for the east coast corridor—including as large a population and as many major cities as the west coast—cost $12 million. But DOT staff say that at least 80 percent of this $12 million went to develop the methodology for the study. That methodology can be used again—it does not have to be duplicated. So the substantive work for the east coast cost $2.4 million. Why should the west coast study cost more than three times that amount?

We will need rapid transit in many of our transportation corridors—there is no doubt about that. But we should not be authorizing these studies on a piecemeal basis. We need to consider the national need and make decisions on that basis, not on the basis of political pull of single States, or the ability—which is very considerable indeed—of the Senator from California (Mr. TUNNEY). Mr. TUNNEY has my admiration and respect. He is a very effective legislator. He does a great deal for his State. But it seems to me this is not the way the Congress of the United States should legislate.

I also question this expenditure at this time of budgetary austerity. We are cutting back on housing, health, social services. Studies show that most of the increased demand for transportation will be from recreational users. This $8 million will start to help Californians take vacations when funding for decent housing and medical research is being slashed. Is this any way to set our priorities?

I urge my colleagues to vote "no" on this authorization.

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

Mr. TUNNEY. I yield the Senator from Oregon such time as he may require.

Mr. HATFIELD. Mr. President, I would like to associate myself with the comments made by the distinguished Senator from California (Mr. TUNNEY). I appreciate the concern expressed by my good friend from Wisconsin (Mr. PROXMIRE) about what he considers to be a piecemeal approach, and I could not agree with him more.

When I was a member of the Committee on Commerce, the chairman of the committee, the Senator from Washington (Mr. MAGNUSON) and I discussed the possibility of a high-speed transportation system between Eugene, Oreg., and Bellingham, Wash. We both have seen development along that corridor, both in population and in industry, as well as all the other auxiliary services that must be provided to growing communities. We obviously have not kept pace with the transportation system that was needed.

In addition, we have also been considering the possibility of a monorail system between Vancouver, Wash., and Portland, Oreg., just across the Columbia River, under the Department of Transportation. Severe traffic congestion has created problems for both cities.

The Senator from California (Mr. CRANSTON) introduced this bill earlier just for the State of California. Thus, we had three such piecemeal proposals. The chairman of the committee (Mr. MAGNUSON) then amended the bill to include Oregon and Washington, because we did not want such a piecemeal approach, and that was what we were getting.

I do not see how we can call it piecemeal when we are discussing the entire west coast, which is a very extensive and distinct territory, from Tijuana to Vancouver, British Columbia. So I would reject the argument that this is piecemeal. It is just the opposite of piecemeal; it is an integrated approach to the transportation needs of a very important section of this country.

Mr. TUNNEY. Mr. President, will the Senator yield at that point?

Mr. HATFIELD. I yield.

Mr. TUNNEY. The Senator from Wisconsin made the statement that the bill suggests we are studying just a surface transportation sytem, rather than applying a multi-modal approach. I would like to point out to my distinguished colleague that the following facts are contained in the report. We have approved amendments in the committee, and one of the amendments accepted by the committee was that this study should be one that is on balanced and comprehensive transit systems, which is the multimodal approach. I know that my distinguished colleague was not on that committee and did not have the opportunity to acquaint himself with the deliberations of the committee. But that is in the report. The point he made, although applicable to the bill introduced, is not applicable to the bill reported by the committee.

Mr. PROXMIRE. If the Senator will yield at that point, I call the Senator's attention to page 3 of the bill, lines 21 to 23 which indicates that this is for the—

technical feasibility, and economic practicability of a high-speed ground transportation system * * *

The Senator knows perfectly well that we can say all we want to in the report and we can make all the legislative history we want to on the floor of the Senate, but what really is the cutting edge and what determines where the money will be spent is what the law itself says. This is what the law says, regardless of the good sentiments that may be expressed in the report.

Mr. HATFIELD. I should like to emphasize a second point, in addition to the thesis that this is a long-term and a very comprehensive, rather than a piecemeal approach. We should undertake such a study before we encounter greater transportation crises along the Pacific coast than we have encountered up to the present. Too often we wait until the crisis is upon us before we make our projections, programs, or plans. This bill will give us an opportunity to deal with an area of the country that is developing very rapidly. We already have spotty crisis areas, but by acting now we can make projects and plans and avoid greater crises than those we have seen on the eastern seaboard.

I would also indicate that before the Committee on Interior and Insular Affairs at the present time we are considering a very interesting set of bills that are closely related. One of the most comprehensive land use planning pieces of legislation ever to pass Congress has been acted on by the Committee on Interior and Insular Affairs and then by the full Senate in which we have asked the States to set forth a comprehensive program for all land use. An important facet of this involves transportation.

There is a second piece of legislation which would set up Federal corridors and would direct the Secretary of the Interior to designate Federal corridors for ground lines, pipelines, electric transmission, other means of transporting energy, and all rights-of-way across Federal land. Our committee recognizes we have wasted much of our land in a piecemeal approach to all rights-of-way, and without comprehensive planning either in transportation or in the field of energy transmission.

So, consequently, with this kind of trend and direction on the part of Congress, it seems to me that S. 1328 reflects such trends. It is in harmony with this kind of programing and planning for a specific use of land, and for the specific needs of transportation and right-of-way. We are attempting to recover from the mistakes of the past in projecting corridors for transporting energy and other uses of our land. This bill, S. 1328, complements the others.

So I should like to point out that, in my opinion, this is a very good, progressive, modern, and forward-looking piece of legislation. We should act on it now in order to save money and to avoid the mistakes that have been made that we already have seen on the eastern seaboard. Therefore, we want to avoid those mistakes on the western seaboard.

I hope that the Senate will pass this measure this morning.

Mr. TUNNEY. Mr. President, just a couple of quick points to clear up for the record some misunderstandings that may be created as a result of the speech made by my colleague from Wisconsin.

One thing that I should like to point out to my friend is that this bill assumes that there is going to be a multimodal study, including the use of air transit.

Now I should like to point out in the bill and in the report, the legislation says that the Secretary shall consider:

(a) the various means of providing such transportation, including both existing modes and those under development, such as the tracked levitation vehicle; * * *

Including air transportation.

Going on further down in the bill:

(f) the ability of such a system to be integrated with other local and intrastate transportation system, both existing and planned, in order to create balanced and comprehensive transit systems.

That includes air transportation and I presume it also includes transportation over water or on land—any kind of transportation.

Section 3 states:

In carrying out the investigation and study pursuant to this Act, the Secretary of Transportation shall consult with, and give consideration to the views of, the Civil Aeronautics Board, the Interstate Commerce Commission, the National Railroad Passenger Corporation, and regional, State, and local transportation planning agencies.

So it is clear that it is a multimodal approach which is envisioned by the bill.

I did not want the RECORD to go out without that kind of correction, because it is clearly important that we understand what we are doing here today.

I might also add that this is not the first time Congress has used general revenue funds for such a regional study, as was suggested by the Senator from Wisconsin. In the northeast corridor study, which was authorized by Congress in the late 1960's, they spent $12 million. This is $8 million. Even though we have had inflation in the intervening years, we are asking for one-third less money.

So that is just not accurate.

With respect to the opposition of the associate administrator of the Federal Railroad Administration. I must say that his was one of the most confused pieces of testimony I have ever listened to. For instance, he was not even aware of the fact that the Department of Transportation was partially funding smaller regional studies in the State of California. When I suggested to him that this was the case he indicated that he had previously been unaware of it.

So the fact is that the administration did not oppose the concept—and this is in the record of the hearings—of having this kind of study made. What the Deputy Administrator did oppose was the fact that the Federal Government would be putting up the money. I do not understand why he opposed it. OMB probably gave him his marching orders. The fact is, the only way we will have a study of this kind is a Federal study, and that cannot be done on a piecemeal basis.

Mr. PROXMIRE. Mr. President, I yield myself such time as I may need, but I shall not take very long. I just want to make a few more points. The Senator makes the best possible case. It is true that in the bill there is reference to air travel and other transportation modes, specifically on page 4 of the bill, lines 11 to 13, where there is a specific reference to consideration of air and other transportation modes.

But the thrust of this legislation, the main body of the legislation is the study of the "economic practicability of a high-speed ground transportation system between the cities of Tijuana in the State of Baja California, Mexico, and Vancouver in the Province of British Columbia—in carrying out such investigation and study the Secretary shall consider—"

So that he may consider this, in carrying it out. But, there is no indication that this will be a "front and center" matter. It is not multimodal in that sense.

Of course, any consideration of the need for ground transportation would have to consider air transportation and any other kind of transportation. But the central part of the study is certainly directed at one kind of transportation—specifically high-speed ground transportation.

I might say to my good friend from Oregon, for whom I have very great respect, that when I say "piecemeal" I mean that what we need is in some way to relate this to the needs of the whole country. If this were for the midwest only, it would be wrong, or for another section of the country, it would be wrong. But this is for the west coast.

I point out that the New York-Buffalo route has far more traffic than most of the areas on the west coast that would be studied or Chicago-Milwaukee—in my own State; Pittsburgh-Detroit; Washington-Norfolk; Hartford-New York; Pittsburgh-Philadelphia; Chicago-St. Louis; or Tampa-Orlando.

Under the circumstances, to simply single out the west coast, now that we have already completed a study of the east coast, and to leave out the central part of the country seems to me piecemeal and unwise. Congress should have a notion of the total priority system. Where should we go next? The study that has been made to date indicates, at least on preliminary basis, that these other areas have a far greater claim. More people live there and more people would travel in these areas than would travel in the very beautiful part of our country that the Senator from Oregon so ably represents.

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

Mr. PROXMIRE. I yield.

Mr. HATFIELD. I would agree with the Senator from Wisconsin on that point; but does he not agree that it is going to take perhaps a different technology and a great deal more money with respect to the concentrations of population that exist in these other areas, in the very heavily populated areas the Senator has mentioned?

Does he not agree that to forestall the high cost of such transportation in an area of the country that is yet to be as heavily populated, has not yet achieved that population, but whose rate of growth is projected to be 31 percent between 1970 and 1990, projected here for Oregon and Washington, as an example of two States; that before we reach that population and have to displace people and industries and again go to the extremely high cost of putting in a transportation system, it would be far more economical to investigate and study such a program now, and plan ahead and accommodate that growth?

Mr. PROXMIRE. No. I think the Department of Transportation is on the right track in opposing this legislation. It seems to me that the west coast should benefit from the study that has been made on the east coast. There we found that 80 percent of the funds had to be used to develop methodology. Having developed that methodology, then we have a system, a basis, for studying the west coast, the Middle West, the mid-Atlantic area, and so forth. It seems to me that we can learn from all these studies to have a better basis, a wiser basis, for studying any particular area of the country.

I think the Senator will agree that while some parts of the west coast are not intensely populated, others are intensely populated—among the most intensely populated in the entire country. That is particularly true of the situation we have. We have all kinds of population situations on the west coast, and there is no reason why we could not apply the methodology we have already developed wisely in determining what kind of national system we should have, rather than do it under what seems to be a piecemeal—one-section-of-the-country—method. It is true that one can find an even more piecemeal method if it is confined to one State, and one can argue that this is better, having been expanded; but still it is piecemeal as compared with a truly national study.

Mr. HATFIELD. I would agree with the Senator that by utilizing methodology that is developed out of a study, if it is applicable to another part of the country, it is to our benefit generally. But do we have to wait for methodology at this point? The Department already has methodology. We have developed that out of these experienecs on the east coast.

All I am saying at this point is that we should see if we can apply this to the western seaboard. We do have differences of geography, differences of population, and other differences. It will be much to our economic benefit if we act now rather than wait until we become more intensely populated, or until the Department of Transportation has been able to move on a total national basis.

I remind the Senator from Wisconsin that we are proceeding to seek funds to study these other parts of the western coast that I mentioned earlier. We are investigating funding to work on a Portland-Vancouver monorail, and we hope to get those funds. We have discussed application and, we are encouraged.

We are moving piecemeal now, even within the region. It would be far more economical to move on a total regional basis at this time than to wait for a wholly national program which may not be as applicable to one section or region, due to geography and transportation problems that exist there now. We should move ahead rather than have to wait for a national approach to develop an approach that might not apply to our different and unique problems.

Mr. PROXMIRE. I invite the Senator's attention to a very interesting finding by the Department of Transportation in their January 1973 study. They found that if we begin operations of a mass transit system in the Portland-Seattle area, in 1985 the cost would be $422 million. If we were to postpone it, if we were to begin it in 1995, 10 years later, the cost would not be more; it would be far less. It would be about a third less. It would be $152 million. The reason is that far more people would be there and it would be on a basis which would make it much more economical, much more

efficient. For that reason, it would seem far wiser, from the economic standpoint and the efficiency standpoint, to postpone the study.

Mr. HATFIELD. I think the Senator from Wisconsin is comparing apples to oranges. We are talking about an actual system of transportation. This is only a feasibility study. We are not talking about construction at this point. Depending on what kind of system is needed, we cannot talk about our needs. We are talking in this bill of a feasibility study to meet the needs and to help find the best method of transportation that will meet our region's future needs. Then we can talk about figures. We won't have the system; we only will have a study.

Mr. PROXMIRE. Here is where we have different opinions. It seems to me that we cannot justify spending $1 million unless we have a clear justification to do so. When the Department of Transportation shows us how we would be better served if we postponed construction until a later date, why should not we wait for a later date for the study itself. We have so many needs and we are in such a serious condition of inflation that, particularly on the basis of the findings, a $8 million study would be more appropriate.

Mr. HATFIELD. Mr. President, coming from a public lands State and from a region which has many public works, I can say that there is a great difference between the study and the construction itself—we can draw an analogy between authorization and appropriation. We only are asking for a study at this time—not appropriations—we expect to have the construction work come later if it is feasible. But we often have found that after a study for feasibility, there is a long time before construction moneys are made available. It may even be necessary to have a new feasibility study, because there has been such a large lapse of time between the feasibility study and the construction.

Mr. PROXMIRE. I do not follow the Senator completely. If we are not going to have this system until 1995, on the ground that it would be more efficient at that time, it makes no sense to me to make a study now.

Mr. President, I understand the sentiment of the body. The Senator from California is ready to vote.

Mr. TUNNEY. Mr. President, I first should like to yield to my colleague from California.

Mr. CRANSTON. I thank my colleague for his most excellent work on the bill. It is of great importance to California and to all who live and work on the west coast.

In response to some of the statements that have been made by the distinguished Senator from Wisconsin (Mr. PROXMIRE), I should like to tell him that this proposal is important to the people who live elsewhere and have similar transportation problems. I think that as we develop a system in California, we will develop a system that can help to resolve transportation problems in other parts of the country.

In the past decade, intercity traffic in California has doubled, from 25 to 50 million travelers. It has been estimated that this growth rate will accelerate until by 1990 as many as 125 million travelers will be jamming the highways and the skyways of California.

The bill before the Senate this morning will make it possible to plan a better alternative for the millions of people who will, because of the increasing travel involved in business, and, too, because of growing affluence and leisure time, need to or will be able to afford to travel more in the future. The bill directs the Department of Transportation to study the feasibility of developing a high-speed ground transportation system that can efficiently and rapidly allow people to travel the west coast corridor from San Diego to Seattle and Vancouver.

It is quite possible that with a commitment now of the resources necessary to study the transportation problem on the west coast, we can develop in the next several decades a mode of ground transportation that is economically competitive with other means of transportation and that is clean, quiet and energy-efficient. Faced today with staggering questions about future supplies of energy and with air and noise pollution growing threats to our health and welfare, these goals must be pursued. Thus this effort in California can develop a pattern that can be of benefit to the people of all our States. I urge the Senate to pass S. 1328 so that we can begin this important work.

Again, I praise my colleague for his work on this important measure.

Mr. TUNNEY. Mr. President, I thank my colleague for those remarks. I want the Senate to know that without his help this legislation could not have reached the point that it has reached. I deeply appreciate the Senator's efforts in that regard.

Mr. CRANSTON. I thank the Senator.

Mr. TUNNEY. Mr. President, I am prepared to yield back the remainder of my time, but first I wish to thank the distinguished Senator from Wisconsin (Mr. PROXMIRE) for his diligence in highlighting our national transportation needs, particularly in the areas not covered by this bill. I know how conscious he is of those needs. As a member of the Committee on Commerce I wish to state that if he has any desire to introduce legislation which would take care of those parts of the country and the transportation of the people in those parts of the country, I would be more than happy to work with him to assure that such legislation would receive the attention of the Committee on Commerce.

Mr. PROXMIRE. Frankly, I was thinking of an amendment to this legislation which would include Milwaukee, and other parts of the country, but I know that this is not the measure on which to do so. Under the circumstances we will postpone that until later. I must oppose this, as the Senator understands.

Mr. TUNNEY. I thank the Senator. I yield back the remainder of my time.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (S. 1328) was passed.

The title was amended, so as to read: "A bill to direct the Secretary of Transportation to make an investigation and study of the feasibility of a high-speed ground transportation system between the cities of Tiajuana in the State of Baja California, and Vancouver in the Province of British Columbia, Canada, by way of the cities of Seattle in the State of Washington, Portland in the State of Oregon, and Sacramento, San Francisco, Fresno, Los Angeles, and San Diego in the State of California."

Mr. TUNNEY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BICENTENNIAL COINS

The PRESIDING OFFICER. Mr. President, under the previous order, the Chair lays before the Senate S. 1141, which the clerk will state.

The bill was stated by title as follows:

A bill (S. 1141) to provide a new coinage design and date emblematic of the bicentennial of the American Revolution for dollars and half dollars.

The Senate proceeded to consider the bill which had been reported from the Committee on Banking, Housing and Urban Affairs with an amendment to strike out all after the enacting clause and insert:

That the reverse side of all dollar, half dollar, and quarter dollar coins minted for issuance on or after July 4, 1975, and until such time as the Secretary of the Treasury may determine shall bear a design determined by the Secretary to be emblematic of the Bicentennial of the American Revolution.

SEC. 2. All dollar, half dollar, and quarter dollar coins minted for issuance between July 4, 1975, and January 1, 1977, shall bear "1776–1976" in lieu of the date of coinage; and all dollar, half dollar, and quarter dollar coins minted thereafter until such time as the Secretary of the Treasury may determine shall bear a date emblematic of the Bicentennial in addition to the date of coinage.

SEC. 3. Nothwithstanding any other provision of law, rule, regulation, or order, the Secretary of the Treasury is authorized to coin and issue or cause to be sold, between July 4, 1975, and January 1, 1977, special gold coins commemorating the Bicentennial of the American Revolution of such design, in such denomination, in such quantities (not exceeding sixty million pieces), and containing such other metals, as he determines to be appropriate. Notwithstanding any other provision of law, coins minted under this section may be sold to and held by the public, and the Secretary of the Treasury is authorized, by regulation, to limit the number of gold pieces which any one person may purchase.

SEC. 4. Notwithstanding any other provision of law with respect to the design of coins, the Secretary shall mint for issuance between July 4, 1975, and January 1, 1977, at least

sixty million silver-clad alloy coins authorized under section 101(a) of the Coinage Act of 1965, commemorating the Bicentennial of the American Revolution, of such design, in such denomination, and containing such quantities of such other metals as he determines appropriate. The Secretary of the Treasury is authorized, by regulation, to limit the number of silver coins minted under this section which any one person may purchase. Coins minted under this section shall be treated as pieces subject to the one hundred and fifty million piece limitation contained in section 101(d) of the Coinage Act of 1965, and shall be subject to such limitation.

SEC. 5. Until the Secretary of the Treasury determines that the mints of the United States are adequate for the production of ample supplies of coins and medals, any facility of the Bureau of the Mint may be used for the manufacture of medals and coins.

SEC. 6. In connection with the operations of the Bureau of the Mint, the Secretary of the Treasury is authorized to manufacture and distribute numismatic items. Proceeds from the sale of numismatic items shall be reimbursed to the current appropriation for the cost of manufacturing and handling of such items.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The Chair reminds the Senator from Maine that time for debate on this bill is limited to an hour and a half, to be equally divided between the majority leader and the minority leader, or their designees, with time on any amendment, debatable motion or appeal limited to 30 minutes.

Mr. ROBERT C. BYRD. Mr. President, on behalf of the majority leader, I yield time on this side to the distinguished Senator from Maine.

Mr. HATHAWAY. Mr. President, this bill, S. 1141, would provide special coinage to commemorate the Bicentennial of the American Revolution. This is the first time in our history that the Treasury Department has proposed a change in our coinage to honor an historical event.

The bill, as amended by our committee, would authorize the Secretary of the Treasury to chose new designs representative of that crucial period in our Nation's history. These new designs would be used on the reverse side of the dollar, half dollar, and quarter coins. The bill would also authorize the addition of a date, 1776–1976, on these coins. The commemorative coins will be minted for issue between July 4, 1975 and January 1, 1977.

To secure a fitting design to be used on these coins, the Treasury Department will conduct a design competition. It is expected that our foremost artists will compete in this contest.

There are provisions in the bill for the minting of two special coins during the Bicentennial period. The Secretary of the Treasury is directed to issue at least 60 million silver-clad alloy coins commemorating the Bicentennial of such design, denomination, and content as the Secretary determines appropriate. The coins will be struck from silver currently held by the mint. The Secretary of the Treasury is also authorized, but not directed to mint special gold commemorative Bicentennial coins. The Secretary is given freedom to determine the denomination and content of the gold coins because of the high rate of fluctuation of the price of gold.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill be printed in the RECORD at this point.

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

ANALYSIS OF S. 1141

S. 1141 is a committee bill containing parts of S. 422, S. 1927, and S. 1928. Hearings were conducted by the Subcommittee on Minting and Coinage on June 6, 1973.

This bill would authorize the Treasury to change the design on the reverse side of the dollar, half dollar and quarter dollar coins to commemorate the Bicentennial of the American Revolution between July 4, 1975 and January 1, 1977.

Section 2 directs that all coins covered by the bill will bear "1776–1976" in place of the date of coinage.

Section 3 authorizes the Secretary of the Treasury to mint special gold coins commemorating the Bicentennial of the American Revolution. The Secretary is given freedom to determine the denomination and content because of the high rate of fluctuation of the price of gold.

Section 4 directs the Secretary of the Treasury to issue at least 60 million silver-clad alloy coins commemorating the Bicentennial of the American Revolution of such design, denomination, and content as the Secretary determines appropriate. The coins will be struck from silver currently held by the mint.

Section 5 authorizes the Secretary to use any facility of the mint for the manufacture of medals and coins, assuring that the mint will have the capability of striking the volume of coins necessary for the Bicentennial celebration.

Section 6 allows the Treasury to manufacture and distribute numismatic items with proceeds being reimbursed to the current appropriation for the cost of manufacturing and handling such items.

Mr. HATHAWAY. Mr. President, I suggest the absence of a quorum, the time to be taken out of my side from time on general debate.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. HATFIELD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk read the amendment, as follows:

On page 2, line 19, after the word "authorized," insert the words "and directed".

Mr. HATHAWAY. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. HATFIELD. I yield.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that Mr. Edward Sokol a member of the staff of the Committee on Banking, Housing and Urban Affairs have the privilege of the floor during debate on this bill.

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

Mr. HATFIELD. Mr. President, I ask that this amendment be adopted because the present wording of the bill is discretionary, as far as the Mint is concerned, in reference to the minting of a gold coin for the Bicentennial, and because of the fact that the Treasury is already on record—by a letter dated May 10, 1973, addressed to the chairman of the committee, and signed by the acting general counsel of the Department of the Treasury—that they do not support legislation for the minting of gold coins. The present wording of the bill, which is discretionary, is therefore really meaningless. If we want a gold coin for the bicentennial, we are going to have to mandate the Mint to do so.

Many questions have been raised as to what kind of gold coin and how it should be designed, and so forth. Let me say the wording in section 3 is very broad. It gives to the Mint very broad powers as far as design, size, and metal content are concerned.

My original bill, which was heard by the committee, had indicated that it would be appropriate to issue a $25 gold piece, which would be within the reach of most American families, at 0.667 fine rather than the 0.900 fine which has traditionally been the amount of gold in American gold coins of past years. In order to take the world gold market into account, I suggested we make it 0.667 fine, or two-thirds gold, alloyed with another metal. The intrinsic value of such coin would be only about $15 on the current London gold market, which is about $119 per ounce.

So we would not have a gold coin, I have testified to the committee, which would make it beneficial for the owner to melt down the coins and sell the gold on the present high gold market.

The size of the coin and the brilliance of the sheen would still make it a quality coin; yet it would be a coin with only two-thirds gold.

The Director of the Mint, Mrs. Brooks, would have ample opportunity to review the gold market situation and make the determination as to the size, denomination, and metal content that would be appropriate.

In the testimony that Mrs. Brooks gave to the committee, she testified as follows, and I would like to quote from the testimony. The subcommittee, headed by the Senator from Maine (Mr. HATHAWAY), heard in June 1 this testimony:

Mrs. BROOKS. I am not an expert on the gold situation. I believe Mr. Wolf has submitted a Treasury position on that. Personally, I would love to make a gold piece, but officially I am not in a position to say.

Senator HATHAWAY. But you would be minting them, wouldn't you?

Mrs. BROOKS. Oh, yes, we could make them, yes.

Senator HATHAWAY. And that would not burden you?

Mrs. BROOKS. I do not imagine you would be making them in the volume that we are talking about with the other ones.

The "other ones" refers to the dollars, half dollars and quarters in S. 1141.

Senator HATHAWAY. The bill authorizes 60 million.

Mrs. BROOKS. Yes. We could do that.

Senator HATHAWAY. Fine.

So, Mr. President, it is a very simple matter. It is just a question of whether we want a gold coin for the bicentennial. I think the present coinage is not something we can be proud of. Frankly, as a collector, I find the American coinage today is not a high quality coinage. It is not considered, in the numismatic world, as something of great value or quality. Merely to redesign and issue a second-class coin is not a fitting commemoration of the very important anniversary we are celebrating—our 200 years as a republic. So I feel a gold coin would be a much more appropriate symbol for the bicentennial than merely redesigning our present coinage.

I will certainly go along with the rest of the bill that we have before us, but I would like to see, in addition, the kind of gold coin I have described.

One hears a lot of arguments to the effect that issuing a gold coin today would have some kind of impact on the American dollar. This is absolutely falacious. There is no relationship between the gold at Fort Knox and the American dollar. No longer is there any relationship between issuing a gold coin and the value of the American dollar in the world. The fact is that we have a lot of gold buried in the ground. I believe private citizens ought to be able to own the gold. I did not believe in the confiscation that took place back in 1934. I think it is high time that we reversed something that was wrong in the first place.

If we issued the $25 gold piece that I described earlier, it would take only 2½ percent of the total U.S. gold reserve. Sixty million of these coins would be worth $315 million at the par value of $42.22 an ounce. If we valued it at $120 an ounce, the price on the world market today, that gold would be worth $900 million. But they would sell at the face value $25 for a total of $1.5 billion.

So we are still talking about sound economics in striking a gold coin. And I am very hopeful that the Senate will agree to the amendment.

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

Mr. HATFIELD. Mr. President, I yield to the Senator from Idaho.

Mr. McCLURE. Mr. President, I join with the Senator from Oregon in his statement. And I commend him for his leadership with respect to this gold coinage, because without his very diligent effort and very persuasive testimony before the committee, I suspect that the authorization in the bill never would have occurred.

I think we should all be grateful for the assistance we have obtained from him. I am grateful to the committee for having responded as they did under the leadership of the Senator from Maine in getting this legislation to the floor with a provision authorizing the issuance of this gold coin.

I am aware, as the Senator from Oregon has stated, that the official position is adverse to doing so, even though the committee has authorized it. I therefore support very strongly the amendment which the Senator has just now offered, an amendment which would direct that this coin be issued. I think that was the intention of the committee in writing this language. It was not just an idle gesture. If it is to be more than just as idle gesture, I think we have to add the language which the Senator has suggested to direct the Mint to do so.

I thank my good friend, the Senator from Oregon, and point out that we do not necessarily have to use the gold at Fort Knox. The Government would not lose anything if it went out on the market and purchased the gold with which to mint the coins. It would still not cost any more. This is an effort to make money at the best, and at the worst, it is a break-even effort. It cannot cost the Government anything to make this commemorative coin for our bicentennial.

Mr. HATFIELD. I thank the Senator from Idaho. I point out that it was the Senator from Idaho who offered an amendment for private ownership of our gold, an amendment on which the Senate went on record in a very substantial vote to support such ownership; and it was because the people of this country believe that they have a right to own gold.

It fits into the total picture. However, in addition it enables the broadest possible ownership of the gold coins at a time that is very significant, the 200th anniversary of our country.

I feel that the Senator from Idaho has certainly assisted greatly in bringing the attention of the Senate into focus on a problem that contains so much mystique and mystery on the part of many. It is time to get a clear understanding of what we are talking about in terms of ownership and in terms of dollars and the monetary policy of our country.

I thank very much the Senator from Idaho.

The PRESIDING OFFICER. Who yields time?

Mr. HATHAWAY. Mr. President, I yield myself as much time as I may require.

I want to state my opposition to the amendment of the Senator from Oregon. I am in sympathy with his objective as I have already enunciated in the hearings. However, arguments subsequent to the hearing, and particularly before the full committee, have convinced me that the language in the bill is appropriate language. The language in the bill does authorize, in the secretary's discretion, the minting of these coins. The reason for this is the fluctuating price of gold.

First, I want to answer the statement that the Senator from Oregon read from the hearings record. It was a correct statement of what Mrs. Brooks had to say. Subsequent to that, however, she has written me the following letter, which is rather brief, and I want to read it in full in the RECORD. The letter is dated July 10 and reads as follows:

This is to let you know that I have in the past said that personally I had no objection to having a gold commemorative Bicentennial coin struck. However, I always based this remark on the fact that the world gold situation would have to be taken into account if such a gold coin were to be authorized.

As you know, there is presently considerable speculation in gold in the world markets so I naturally think this is no time for the Mint to strike a gold commemorative coin.

MARY BROOKS.

The situation with respect to the minting of gold coins is if we took a coin the size of the present $20 gold piece, for example, such a coin containing two-thirds gold, would have a value of $25 at the present official gold price of $38 an ounce. However, the important point is that the value of the gold in the coin, based on today's market price, would be over $80. There would therefore be a strong incentive for someone to melt the gold into bullion and sell it. However, if the same coin were priced at $100, it would thereby eliminate any incentive to melt it into bullion, but we would not meet the objective of the Senator from Oregon of obtaining a wide distribution of the coins.

Mr. HATFIELD. Mr. President, if the Senator will yield, I want to say, too, along with the Senator from Idaho, that the Senator from Maine was very gracious in the hearings which he chaired at the time we were discussing this specific coin. However, in the pending bill and in the pending amendment we do not specify the size, denomination, or amount of gold for the coin. It would be entirely up to the mint to do this in relation to the current gold market. So when I discussed the matter before the committee, I suggested that at this time it would be appropriate to strike a $25 gold piece, at 667 fine. I would then point out that we would come up, even at the $120 an ounce gold market price, with only a $900 million cost in terms of gold content that would sell at face value for $1.5 billion.

Second, I would point out that there is a numismatic value of such a coin over and above the value of the gold in the gold market.

This was proven by Canada when it issued a centennial coin. Those coins are rare pieces. They are held by collectors and others as commemorative pieces. The coins have a numismatic value over and above the content of the gold in the coins.

So, I think that Mrs. Brooks' letter does not shed any light on this at all. She is using the gold market fluctuations as an excuse for not giving it full support. The Secretary, of course, has already taken a position against a gold coin. She must support that position. That is understandable.

It would be interesting to point out that in the hearings, as the chairman recalls, Mrs. Brooks indicated that there would be technological problems with her own proposal, because the machinery that is presently minting the regular coinage would have to be redesigned, whereas different machines are used for the minting of gold coins.

So we do have technological problems, which I thought she might use as an argument. That would have been a far

stronger argument than the one she did use.

I thank the chairman of the subcommittee for a very objective and very fair hearing.

I wish to reiterate that section 3 is meaningless due to the official Treasury position. The authorization is clearly an authorization. But what will come of it? Nothing. The Treasury has already said that they do not want to mint a gold coin. If they have taken that position, the language in the bill is worthless. Therefore, I propose that the language in the bill say that it would direct the Secretary of the Treasury to issue a gold coin.

Mr. HATHAWAY. But how does the Senator answer the argument that there would be an incentive to melt down the coins and sell the bullion for $80 an ounce? And if, on the other hand, we make the coins sell for $100 to obviate that problem, we are not going to have much of any circulation, because not many people could afford to buy coin for $100?

Mr. HATFIELD. Mr. President, I would answer it in two ways. One is that the Treasury would have complete discretion to decide the gold content, size, and denomination. There is nothing in the bill that determines that. That decision would have to take the gold market into consideration.

Second, there is a numismatic value over and above the gold content that would cause collectors and other individuals, aside from sentimental reasons, to want to hold it rather than melt it down to make a profit.

We are allowing for only 60 million coins in this measure. That was based on a figure of 60 million American families, and that each family could afford a $25 gold piece.

But let me point out again that the Treasury is not directed either as to the size of the coin or the amount of gold to be contained in it.

Mr. HATHAWAY. The problem is that if they could put the requisite amount of gold in a coin to make it a certain size, it would be far too expensive, and if they just put a small amount of gold in the coin, and have it at least the size of a nickle, then it will not have much of a shine and will not be worth turning out.

All the people who will have these coins will not be coin collectors and willing to sell them for whatever excess value they might have, in the future even though it might eventually go over the current $80. Many of them, I would think, would melt them down for their value now.

Mr. HATFIELD. Mr. President, if the Senator will yield, I have here a sample of a gold coin in the form of a cuff link. This coin is about the size of our own nickle, and is 0.900 fine.

I am not advocating that, nor is the Secretary of the Treasury directed to make it 0.900 fine. If we went for .667 fine, there would be $15 worth of gold in the coin we would be selling for $25—that is, $15 at the rate of $120 an ounce.

If we want to go up to the total cost of minting the coins, as I indicated a while ago, we would be dealing with gold at a present value of $900 million, and selling them for $1.5 billion.

Mr. HATHAWAY. The Treasury indicates to me that for a coin to be minted for $25, it could contain not more than a sixth of an ounce of gold; otherwise it would be very small, hardly the size of a dime, which is hardly an impressive coin for such an important occasion.

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

Mr. HATHAWAY. I yield.

Mr. McCLURE. I appreciate the Senator yielding. I think if the committee were aware, as I think they certainly were made aware, about the kinds of gold coins that have been turned out in the past in this country, they would be aware that there have been some very small gold coins turned out, not by the U.S. mint but by the State of California in particular, a coin smaller than my little fingernail, and yet it has a value in the market and has been held by people for many, many years.

I see no reason at all why such a coin has to be a certain size in order to be of value. If indeed the Senator is correct, and I do not question what he says about the size of a coin with a sixth of an ounce and two-thirds fine, if that is the Treasury's judgment, in that case the kind of coin that should be turned out is a $25 gold piece. What else has not shrunk around here as far as value is concerned? If we get the coin down to that size and it is worth the price on it, I am sure it would be a worthy addition to the commemoration of the Bicentennial of this country.

I have some other remarks to address generally to the bill with respect to what I think is a crying need to really suitably commemorate the Bicentennial. We are doing very little, and I think that to act as we are acting here, and provide that there be a limited edition of a very worthy coin for a very worthy purpose, at a profit to the Government, certainly ought to have the support of the Senate

Mr. HATHAWAY. Mr. President, I yield to the Senator from Texas.

Mr. TOWER. Mr. President, I associate myself with the Senator from Maine in opposing the amendment offered by the Senator from Oregon.

It should be noted that the minting of the gold coins which would be authorized here would require 10 million ounces of gold, even using the small amount of a sixth of an ounce of gold for every coin. This represents more gold than is used by all American industry in nearly 18 months. There is no justification for converting that amount of gold under present market conditions.

The total industrial demand for gold in the United States now totals in excess of 7 million ounces and is steadily rising. About 80 percent of this total must be supplied by imports of gold from abroad. At present prices, this has an adverse effect on our trade balance of over $600 million a year.

Industrial users have been urging limited sales by the Government, and they point out that this would at least partially offset current large gold imports. Under these conditions, it would make much more sense to make 10 million ounces of gold available to American industry than to mint 60 million coins. So I am hopeful that the amendment will be defeated. With the continuing adverse impact on our balance of trade, I think all we would be doing is producing a very small coin for the benefit of a few collectors, and I do not think that is necessary or justified under the circumstances.

I hope the amendment will be defeated.

Mr. DOMINICK. Mr. President, will the Senator from Oregon yield to me?

Mr. HATFIELD. I am happy to yield to the Senator from Colorado.

Mr. DOMINICK. Mr. President, I came in a little late on this and did not hear the original statement of the Senator from Oregon, but I have been fascinated in listening to the arguments since from the Senator from Texas and the Senator from Maine, both of whom I hope are good friends of mine.

If I may say so, realizing the position they are supposed to be following, both in the committee and also for the administration, the arguments they are making, in my opinion, are purely specious.

We do not have a situation where we are saying to the Treasury, "Mint them now." What we are saying in the bill itself, which they produced, is to mint them between July 4 of 1975—which is 2 years from now—and the following year, at which time hopefully the gold market will have stabilized to some degree. If it has not, we are playing poker with it anyhow, regardless of whether we mint gold coins or not.

So the question of the fact of whether the market is up or down at the moment does not seem to me to make a particle of difference. If we should mint gold coins during that time, and let us suppose the gold market stays at $125 an ounce, which I think is a little above what it is now, and we have a gold centennial coin made which is worth, probably, intrinsically, $15 or $25, as the Senator says, it is totally possible, with this measure, that if some of those gold coins were not circulated and were not sold, the Treasury itself could sell them overseas for twice their face value, so we could make some money and do something about the balance of payments.

It surely strikes me that all we are doing is saying, "Let us do something for the Bicentennial," which would mean that those people who would like to have a gold coin can have a gold coin and hang onto it, and those who do not want it do not have to buy it, and if the Treasury has more than it needs for domestic sales, it can sell them somewhere else, rather than here, and make some money on it.

What is the matter with that? It seems to me we have plenty of gold to do it, and I see no reason why we should not move forward. So I wholeheartedly support the amendment of the Senator from Oregon.

Mr. HATFIELD. Mr. President, I thank the Senator from Colorado, who has been a long-time leader in this whole area of gold ownership.

I would also respond to the Senator from Texas by saying we have in Fort Knox quite a gold supply, and much of that gold supply is melted down gold coins which were collected, and in a

sense you might say confiscated, from the American public. So consequently we do have a supply of gold sufficient to meet the needs of this amendment. I do not understand why the Senator from Texas would support the language in the committee bill, which is authorizing the minting of a gold coin, and then use the argument he used. We are asking that the language be given some meaning by adding the words "and directed." Either the language should not have been in the bill in the first place, and the arguments of the Senator from Texas are valid, or there should be some meaning given to the words by using the mandated language of my amendment. We know that without a mandate the Treasury will not issue a gold coin.

Either the committee was talking out of both sides of its mouth or it was not meaning what is in this bill when it indicated it was authorizing the minting of a gold coin. It seems to me that the committee should not have put section 3 into the bill in the first place with the present language, unless they felt it was just a gracious act on the part of some of the members for those of us who have been urging a gold coin.

Mr. TOWER. Mr. President, as I have been charged with talking out of both sides of my mouth, I think I had better clarify matters a little bit. I believe that that permissive language is fine. I believe that if at some point in time the Treasury decides it would be profitable, proper, or appropriate to coin a gold coin, it could do so. But to mandate them to do it now, with the present unsettled world monetary gold situation, would be an act of irresponsibility on the part of the Senate.

It has been suggested that we would make a lot of money out of it. Obviously, the Treasury does not buy that argument or it would be making gold coins now. Certainly the Treasury Department would not ask us not to allow them or not to direct them to do something that would result in expanding the Federal coffers. So I do not accept that argument.

The flexibility of the bill as it currently is, is as it should be, and if at some point in time the Treasury decides it would be profitable or appropriate to mint a gold coin, they could do so, but to direct them to do it against their wishes would seem to me to be unwise.

Mr. TAFT. Mr. President, I want to subscribe to the remarks of the Senator from Maine and the Senator from Texas and particularly to point out that I think we are buying more of a pig in a poke here if we take the Hatfield amendment at this point, as commented on by the Senator from Colorado, when he said that we are not directing them to do it now but in 1975.

Well, Mr. President, how can we predict, with the mandatory provision in here, what the situation will be in 1975 or 1976? It may be a very drastic situation at that time, perhaps worse—maybe better. Who knows? But why, at this time, go ahead and make such a direction? It is true that there is lead time involved here but, at the same time, I believe it would be a risky proposition to take this kind of mandatory stand now. That is exactly why the committee, when I offered a similar amendment on behalf of the Senator from Oregon, turned it down, I think, to a man.

Mr. HATHAWAY. Mr. President, I thank the Senator from Ohio for his comments.

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

The PRESIDING OFFICER (Mr. ABOUREZK). All time has been yielded back on the amendment.

The question is on agreeing to the amendment of the Senator from Oregon (Mr. HATFIELD).

Mr. HATFIELD. Mr. President, I have not yielded back my time. Did we not divide the time?

Mr. TOWER. I would be glad to give the Senator time on the bill.

The PRESIDING OFFICER. All time on the amendment has been used up.

Mr. TOWER. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged equally to both sides on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered; and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

The question is on agreeing to the amendment of the Senator from Oregon (Mr. HATFIELD).

The "ayes" appear to have it.

Mr. TOWER. Mr. President, I ask for a division.

On a division, the amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 316

Mr. DOMINICK. Mr. President, I call up my amendment No. 316 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

At the end of the bill as reported by the committee, add the following new section:

SEC. 7. (a) Sections 3 and 4 of the Gold Reserve Act of 1934 (31 U.S.C. 442 and 443) are repealed.

(b) No provision of law in effect on the date of enactment of this Act, and no rule, regulation, or order under authority of any such law, may be construed to prohibit any person from purchasing, holding, selling, or otherwise dealing in gold.

(c) Any sale of gold by the Secretary of the Treasury shall be at a price not lower than the average private market price for gold, for the same quantity in the month immediately preceding the date of such sale.

(d) The provisions of this section, pertaining to gold, shall take effect on January 1, 1975, or on the date prior thereto when the President finds and reports to the Congress that international monetary reform shall have proceeded to the point where elimination of regulations on private ownership of gold will not adversely affect the United States international monetary position.

Mr. DOMINICK. Mr. President, I want to thank the manager of the bill and also my good friend from West Virginia (Mr. ROBERT C. BYRD) for allowing this amendment to be presented at this time because probably, in the ordinary course of events, under a unanimous-consent agreement, it might not have been considered germane; but under the ruling of the Chair, we had a specific exception for this amendment.

What the amendment would do is similar to what Senator MCCLURE and I did on the devaluation bill; namely, to allow American citizens for the first time since 1933 to buy and own and sell gold.

At the present time, 70 nations allow their citizens to own gold. Among them are some of this country's most serious trade rivals—which include Japan, Taiwan, Canada, France, and so forth.

The United States remains on the outside with an anachronistic policy preventing its own citizens from owning gold. The time has come to do away with this antiquated policy, and Senator MCCLURE, Senator BUCKLEY, and I have, therefore, offered this amendment.

The purpose of the amendment is very simple. It is to restore to the citizens of this country the right to own gold on or prior to January 1, 1975. The amendment would restore the right by January 1, 1975, but also would allow the President to restore it sooner if he determined that world market conditions could permit it.

As Members of this body know, my interest in this issue covers a considerable period of time. Early in this year, I was pleased to vote for and cosponsor Senator MCCLURE'S amendment to the devaluation bill which was overwhelmingly passed by this body; but its target date by which time gold ownership would be legalized has not survived in conference.

Today, we have close to $11 billion in Treasury gold; so that fear of depleting the stocks utilized for converting dollars to gold is not really a valid objection to private ownership. Imports of gold last year exceeded 4 million ounces. At the present price level—which I gather is not $125 but is $123.25 an ounce, still substantially above the $35 an ounce we have had for 40 years—gold imports contribute to our balance-of-payments problem.

In 1972, estimated domestic production, for example, was 1.45 million ounces, off 3 percent from 1971. It has been estimated that if the price were to go up to $140 an ounce, 237 million ounces of gold could be privately mined in this country. If actual market forces were allowed to set the price of gold in the country, a price could be realized which would encourage new and increased production for fulfilling the gap between domestic supply and demand.

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

Mr. DOMINICK. I yield.

Mr. JOHNSTON. As the Senator knows, I have an amendment to the amendment at the desk. If he prefers, I will offer it at this time, or if he wishes to finish his statement I will offer it later. I will accommodate the Senator.

Mr. DOMINICK. If the Senator would not mind, I would like to continue a little

on the discussion, and then we can get to the amendment.

Since 1933, when President Roosevelt issued his series of executive orders, it has been illegal for every citizen of this country to own, buy, or sell gold unless licensed by the Treasury for specific artistic, commercial, or industrial purposes. This was based on the fact that we had gold behind the dollar. But we no longer have gold behind the dollar. The President, by similar executive order, has taken that away; so that even foreign countries transmitting dollars back to us no longer can exchange them for gold. I am eternally grateful that this happened, because if it had not, we would no longer have any gold in our Treasury.

We have a total overseas liability, in terms of dollars, of more than $50 billion, and we have somewhat less than $11 billion worth of gold reserved. That is not a very healthy margin in case we have a run on our gold supply. So the President took this action to prevent us from being in worse shape than we are in now.

Therefore, since it is no longer used for money, the only place where gold can be used is probably in the discussions on the International Monetary Fund. The next conference of the International Monetary Fund, as I recall, is to be in September. When we passed the bill a couple of months ago or a month ago, what was said was that we would put the date over to January 1, 1974, so that that conference could go by without interrupting the world problem of international monetary funds. In this amendment, we have extended it even further. We have extended it to January 1, 1975, unless the President wants to make it earlier than that.

The only other provision we have in the amendment which I think is important is that the Secretary of the Treasury can sell gold out of the reserve we have, but he cannot sell it at a price lower than the average monthly price—private market price for gold—for the same quantity in the month preceding the date of the sale. This is for the purpose of not letting the Treasury suddenly unleash $11 billion of gold on the private market at cut rates. This would make no point at all.

Mr. President, all the arguments that have been made by Treasury and others over a period of years—I have been in this matter for so long that it makes my head swim—are no longer viable as long as we are not using gold for any monetary purposes.

Furthermore, by permitting the Treasury to sell, we can substantially help our balance-of-payments problems, which are becoming increasingly serious, while we continue to find ourselves in a position where we are going to have to import more oil and gas. Of all the nations I know, the ones that are most eager to lay their hands on gold are those in the Middle East, because they do not trust paper currency in any way whatever. This would give us a chance, in that case, to negotiate with them. So it is another plus on our side in this matter.

I really cannot understand why we should not go forward with this proposal. Senator McCLURE's amendment was agreed to. It is hung up in conference. This amendment does not substantially change that, except to allow a longer period of time before gold would become eligible for sale.

But I think the really important thing, Mr. President, is a moral issue. It is a moral issue that has bothered me for years. Why should the citizens of France and Taiwan and Japan and Germany and England, and even many of the African countries and the Middle East countries, be allowed to buy, own, and sell gold, but our own citizens, in our own country, be prohibited from doing so? If I ever heard of arrant discrimination, this is it.

As I have said, this might have been a legitimate reason—although I really did not think so—as long as we had the monetary position of gold. Now that we no longer have a monetary position of gold, there is no excuse for it whatever, in my humble opinion.

Mr. BIBLE. Mr. President, will the Senator yield for an observation and a question?

Mr. DOMINICK. I am happy to yield.

Mr. BIBLE. I wish to associate myself with the remarks of the distinguished senior Senator from Colorado. I have joined him in this constant battle on the ownership of gold over many, many years. To date, we have been unsuccessful. It was agreed to a short time ago in the Senate, as I believe he noted, and I see that it is locked up in conference. It went to conference on May 30 or 31. I do not believe the conference has resolved this point. Is that correct?

Mr. DOMINICK. The Senator is correct, except that they have said that the absolute due date of January 1, 1974, has been taken away and is left more or less to the discretion of the President because of the so-called world monetary situation, which is why we extended it to January 1, 1975.

Mr. BIBLE. That is my question. Is there any indication since it has been extended to January 1, 1975, that there is greater likelihood of the conferees resolving the matter and sending the bill to the White House for its action?

Mr. DOMINICK. I never like to give away tactics, I say to my friend from Nevada, but I intend to put this provision on every single bill that comes through until we get some motion on the other side. We have given another year and a half to try to settle whatever the world monetary situation may be. To that extent we have gone along with the Treasury by at least a year.

Mr. BIBLE. Mr. President, I commend the distinguished Senator for offering the amendment. I am agreeable to putting the amendment on every bill that comes along, to try to find some accord where it can be enacted into law. The Senator is morally correct and I hope that this can be enacted into law. I associate myself with the statement of the Senator from Colorado and with his permission I would like to be added as a cosponsor of the amendment.

Mr. DOMINICK. I would be highly honored to have the Senator added as a cosponsor of the amendment. He has been a longtime leader in this field. We battled shoulder to shoulder in the silver and the gold problem and we have been doing it for years. Now that we have gotten the silver straightened out, I hope we will be able to resolve the gold problem.

Mr. TOWER. Mr. President, the Senator is aware that the amendment to the Par Value Act was carried and is in the bill, and that bill is in conference. There was a gold ownership provision in the House bill and that has been included in conference. Other matters are delaying that bill from being reported from the conference, connected with an impounding provision that the Senate and the House are unable to agree on, but I am sure the logjam will be broken. That provision is in the bill so it appears to me to be a bit redundant to offer it to this bill.

Mr. DOMINICK. I understand the comment of the Senator from Texas but as he said, the conference provision cut the January 1, 1974, date and said it is totally up to the discretion of the President. This is not in accord with what I understand we are trying to do in the Senate.

Mr. TOWER. No. If my recollection is correct, as I understand the bill in conference, the provision is as the Senator from Colorado has offered here to this bill, and that is that the terminal date, I believe rather than January 1, is December 31, 1974. But, of course, that is not important or significant. It does permit the President to act sooner if the international monetary situation permits, so it is identical to the measure offered by the Senator from Colorado.

Mr. DOMINICK. If that is true then we have another bill we can put it on, on which we have a better chance to get something from conference.

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

Mr. DOMINICK. I yield.

Mr. McCLURE. Mr. President, I commend the Senator from Colorado for attaching this to the bill because it will give Members of the Senate a chance to act again. The vote in the Senate was overwhelming. As I recall, it was 68 to 23 on my earlier amendment on the par value bill. If the conferees come out with the compromise suggested by backing the date with the earlier discretion on the part of the President, I would be grateful. I commend the Senator.

In connection with the statement by the Senator from Texas, I understood that the conferees decided to accept the House position, which was to leave it at the discretion of the President with no fixed date at all. So I am heartened by the statement of the Senator from Texas that the conferees did leave a date certain, even though it is the end of 1974 instead of the end of 1973.

But regardless of whether the conference produces that result in the bill, certainly if they do this does no harm. We will have done exactly on this bill what they will have done on the par value bill. It may be redundant, but it is not harmful. So in spite of that action on the par value bill, this is still an appropriate measure, and I again commend the Sen-

ator from Colorado for continuing the fight he has led for so long.

Mr. CURTIS. Mr. President, will the Senator from Colorado yield?

Mr. DOMINICK. I will yield in a moment. Before doing so, I desire to thank the Senator from Idaho (Mr. McCLURE) for his kind word and for his leadership on the previous bill. As he knows, I would have been in that fight except that I had an agreement with the Senator from Alabama and the Senator from Louisiana (Mr. JOHNSTON) that we hold hearings. The Senator from Louisiana has been very kind and has held hearings, and we now have a hearing record behind us. But that bill does not seem to be making much progress, so I am trying again on this bill.

I now yield to the Senator from Nebraska.

Mr. CURTIS. Mr. President, I commend the Senator from Colorado for offering the amendment. I would be pleased to join him as a cosponsor.

Mr. DOMINICK. I thank the Senator from Nebraska.

Mr. President, I ask unanimous consent that the Senator from Nebraska (Mr. CURTIS) and the Senator from Nevada (Mr. BIBLE) be added as cosponsors.

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

Mr. MANSFIELD. Mr. President, in view of the fact that the Senate has agreed unanimously to vote at 12:30 on Senate Resolution 71, I should like to suggest to Senators interested in the pending matter that they consider the possibility of laying it aside before its completion and then returning later to its consideration.

Mr. TAFT. Mr. President, will the Senator yield to me for 1 minute, to enable me to make a unanimous-consent request?

Mr. MANSFIELD. I yield.

Mr. TAFT. Mr. President, I have a substitute for the Dominick amendment at the desk. I intend to call it up later. It would provide that the President may, before January 1975, terminate the effectiveness of this provision should the President find that it adversely affects our international monetary situation.

I ask unanimous consent that it may be in order to order the yeas and nays on that amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DOMINICK. Mr. President, reserving the right to object, I should first like to ask unanimous consent for the yeas and nays on the Dominick amendment.

The yeas and nays were ordered.

Mr. TAFT. Mr. President, I now ask unanimous consent that it be in order to ask for the yeas and nays on the Taft amendment.

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

Mr. TAFT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, because of the agreement made yesterday that a yea-and-nay vote would be taken on calendar No. 255, Senate Resolution 71, I ask that S. 1141, which is now before the Senate, be temporarily laid aside until the conclusion of the vote on Senate Resolution 71. I ask unanimous consent that Senate Resolution 71 now be laid before the Senate.

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

GEOPHYSICAL MODIFICATION ACTIVITY AS A WEAPON OF WAR

The Senate proceeded to consider the resolution (S. Res. 71) expressing the sense of the Senate that the U.S. Government should seek the agreement of other governments to a proposed treaty prohibiting the use of any environmental or geophysical modification activity as a weapon of war, or the carrying out of any research or experimentation directed thereto, which had been reported from the Committee on Foreign Relations with amendments on page 2, line 3, after the word "governments", insert "including all Permanent Members of the Security Council of the United Nations"; in line 4, after the word "to", strike out "the following" and insert "a"; in line 5, after the word "treaty", insert "along the following general lines which will provide"; at the beginning of line 6, strike out "providing"; and, on page 3, line 10, after the word "war", insert a comma and "but shall not apply to any research, experimentation, or use for peaceful purposes".

Mr. PELL. Mr. President, the resolution before the Senate, Senate Resolution 71, is an effort to spare humanity from the devastation of a whole new spectrum of warfare—environmental warfare. The resolution urges that the United States take the lead in seeking an international agreement that will effectively lock the Pandora's box of environmental warfare before it is too late.

The prospective range of environmental warfare techniques is awesome, from simple rainmaking to possible earthquake stimulation, steering of ocean currents, or tidal wave stimulation. Aside from the direct destructive effects of such activities, there is the danger of unforeseeable repercussions from such tampering with natural forces.

Mr. President, the enormous power and capricious behavior of the environment has amazed and terrified man throughout the ages. Its vast and destructive powers have launched him on a relentless search for an effective method to harness its overwhelming forces. Once achieved, this ability to control and manipulate the environment will provide him with a means to wreak untold and indiscriminate damage upon his fellow human beings.

Although our present understanding and development of deliberate environmental change makes it difficult to imagine a world in which geophysical warfare is practiced, substantial progress within the environmental sciences is rapidly overcoming this gap between fact and fiction.

A dramatic example was the Defense Department project entitled Gromet II. This operation was undertaken to alleviate the severe drought conditions in the Philippine Islands during 1968 and 1969. After only 2 months of cloud seeding, it was estimated that the project had produced more than 12 million acre-feet of rainfall and increased the value of the sugar crop by approximately $43 million. This project was so successful that the Philippine Government conducted similar operations in 1970 and 1971, and has subsequently taken steps to acquire an independent capability to annually augment its rainfall.

This project is an excellent indication of the extent and proficiency of the military's ability to modify the environment. Consequently, over the past several years, scientists, international lawyers, and others have expressed serious concern about the growing possibilities for manipulating weather and other environmental components for military purposes. It is generally believed that the development and use of military modification techniques, without limitation, could have unknown and awesome environmental consequences.

These concerns are based on more than mere hypothetical possibilities. There have been a number of unofficial reports, which the Department of Defense has failed to deny, that weather modification techniques were, in fact, utilized in Southeast Asia as a weapon of warfare. In my own mind, there is no doubt that the United States did indeed conduct weather modification operations in Southeast Asia. And, I would be very much surprised if some of the other superpowers have not taken steps to develop their own offensive military weather modification capabilities.

As the Foreign Relations Committee report states:

> The use of rainmaking as a weapon of war can only lead to the development of vastly more dangerous environmental techniques whose consequences may be unknown and may cause irreparable damage to our global environment.

This is why I believe that the United States should move quickly to ban all environmental or geophysical modification techniques from the arsenals of war.

At the present time, the United States is void of any enunciated policy in this area. In the absence of such a policy, the path is left open to the planning, development, and prosecution of environmental warfare. Restraints should be exercised now before damaging precedents are set.

It was because of the existing void in policy that I introduced Senate Resolution 71 on February 22 of this year, for myself and Senators BAYH, CASE, CHURCH, CRANSTON, GRAVEL, HART, HOLLINGS, HUGHES, HUMPHREY, JAVITS, KENNEDY, McGOVERN, MONDALE, MUSKIE, NELSON, STEVENSON, TUNNEY, and WILLIAMS.

As chairman of the Subcommittee on Oceans and International Environment of the Senate Foreign Relations Committee, I conducted hearings on this subject in June of 1972. At that time,

the administration witnesses opposed this resolution on the basis that there is not enough information available about weather modification to warrant the actions proposed by this legislation. However, all the private witnesses, prominent in the fields of natural and political science, strongly supported the basic thrust of this resolution.

Since those hearings, there has been growing support within this country and throughout the world for an agreement on this subject.

On September 27, 1972, the National Advisory Committee on Oceans and Atmosphere—NACOA—in its first annual report recommended to the President and to the Congress that the U.S. Government dedicate "all weather modification efforts to peaceful purposes."

The North Atlantic Assembly at its 18th meeting in November 1972, recommended a treaty to ban all environmental or geophysical modification except for peaceful purposes.

And in late December 1972, the Review Panel on Weather and Climate Modification of the National Academy of Science's Committee on Atmospheric Sciences, made public a report recommending that the United States take international leadership through the United Nations to dedicate all weather modification efforts to peaceful purposes.

Consequently, I believe that the United States has a responsibility to provide leadership, and we in the Senate must provide the initiative.

There is ample precedent for this form of action. The United States has entered into agreements with other nations on mutual restraints with respect to biological warfare, nuclear bombs, and poison gas. We, as a nation, have declared certain areas such as outer space and the seabed as off limits for certain military operations. Certainly, weather and geophysical warfare can be placed into a similar category.

I, therefore, continue to urge the President publicly to dedicate all weather modification efforts to peaceful purposes and that the United States take the initiative in formulating a treaty imposing a broad ban on all forms of geophysical and environmental warfare. Such a treaty would help safeguard the life-sustaining properties of the atmosphere for the common benefit of all mankind and would encourage a greater sense of openness in the application of new technologies to environmental problems of global concern.

Mr. President, as of August 15, 1973, the military conflict in Southeast Asia will be behind us. We are now looking toward an era of increased international harmony and cooperation. Indeed, the President in his missions to Moscow and Peking concluded agreements for cultural exchanges and for cooperative efforts in medicine, space, and other endeavors. I believe an international effort to restrict environmental modification to peaceful and hopefully cooperative efforts would be another important step in building the structure of peace the President has envisioned.

The international climate is right for action to remove environmental modification once and for all from the realm of warfare and reserve it, once and for all, for peaceful purposes.

I urge my fellow Senators to take initiative in this area and to support this resolution.

Mr. MANSFIELD. Mr. President, I move that the committee amendments be agreed to.

The motion was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the resolution. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. MCGEE), and the Senator from Alabama (Mr. SPARKMAN) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "yea."

Mr. SCOTT of Pennsylvania. I announce that the Senator from Utah (Mr. BENNETT), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Maryland (Mr. MATHIAS) are necessarily absent.

The Senator from Michigan (Mr. GRIFFIN) is absent on official business.

The result was announced—yeas 82, nays 10, as follows:

[No. 275 Leg.]

YEAS—82

Abourezk	Ervin	Montoya
Aiken	Fong	Moss
Baker	Fulbright	Muskie
Bartlett	Gravel	Nelson
Bayh	Gurney	Nunn
Beall	Hart	Packwood
Bellmon	Hartke	Pastore
Bentsen	Haskell	Pearson
Bible	Hatfield	Pell
Biden	Hathaway	Percy
Brock	Helms	Proxmire
Brooke	Hollings	Randolph
Buckley	Hruska	Ribicoff
Burdick	Huddleston	Roth
Byrd, Harry F., Jr.	Hughes	Schweiker
Byrd, Robert C.	Humphrey	Scott, Pa.
Cannon	Inouye	Scott, Va.
Case	Jackson	Stafford
Chiles	Javits	Stevens
Church	Kennedy	Stevenson
Clark	Long	Symington
Cook	Mansfield	Talmadge
Cranston	McClellan	Tower
Dole	McClure	Tunney
Domenici	McGovern	Weicker
Eagleton	McIntyre	Williams
Eastland	Metcalf	Young
	Mondale	

NAYS—10

Allen	Fannin	Taft
Cotton	Hansen	Thurmond
Curtis	Johnston	
Dominick	Saxbe	

NOT VOTING—8

Bennett	Magnuson	Sparkman
Goldwater	Mathias	Stennis
Griffin	McGee	

So the resolution (S. Res. 71) was agreed to.

The preamble was agreed to.

The resolution, as amended, with its preamble, reads as follows:

Whereas there is vast scientific potential for human betterment through environmental and geophysical controls; and

Whereas there is great danger to the world ecological system if environmental and geophysical modification activities are not controlled or if used indiscriminately; and

Whereas the development of weapons-oriented environmental and geophysical modification activities will create a threat to peace and world order; and

Whereas the United States Government should seek agreement with other governments on the complete cessation of any research, experimentation, or use of any such activity as a weapon of war: Now, therefore, be it

Resolved, That it is the sense of the Senate that the United States Government should seek the agreement of other governments, including all Permanent Members of the Security Council of the United Nations, to a treaty along the following general lines which will provide for the complete cessation of any research, experimentation, and use of any environmental or geophysical modification activity as a weapon of war:

"The Parties to this Treaty,

"Recognizing the vast scientific potential for human betterment through environmental and geophysical controls,

"Aware of the great danger to the world ecological system of uncontrolled and indiscriminate use of environmental and geophysical modification activities,

"Recognizing that the development of weapons-oriented environmental and geophysical modification techniques will create a threat to peace and world order,

"Proclaiming as their principal aim the achievement of an agreement on the complete cessation of research, experimentation, and use of environmental and geophysical modification activities as weapons of war,

"Have agreed as follows:

"ARTICLE I

"(1) The States Parties to this Treaty undertake to prohibit and prevent, at any place, any environmental or geophysical modification activity as a weapon of war;

"(2) The prohibition in paragraph 1 of this article shall also apply to any research or experimentation directed to the development of any such activity as a weapon of war, but shall not apply to any research, experimentation, or use for peaceful purposes;

"(3) The States Parties to this Treaty undertake not to assist, encourage or induce any State to carry out activities referred to in paragraph 1 of this article and not to participate in any other way in such action.

"ARTICLE II

"In this Treaty, the term 'environmental or geophysical modification activity' includes any of the following activities:

"(1) any weather modification activity which has as a purpose, or has as one of its principal effects, a change in the atmospheric conditions over any part of the earth's surface, including, but not limited to, any activity designed to increase or decrease precipitation, increase or suppress, hail, lightning, or fog, and direct or divert storm systems;

"(2) any climate modification activity which has as a purpose, or has as one of its principal effects, a change in the long-term atmospheric conditions over any part of the earth's surface;

"(3) any earthquake modification activity which has as a purpose, or has as one of its principal effects, the release of the strain layers beneath the earth's crust;

"(4) any ocean modification activity which has as a purpose, or has as one of its principal effects, a change in the ocean currents or the creation of a seismic disturbance of the ocean (tidal wave).

"ARTICLE III

"Five years after the entry into force of this Treaty, a conference of Parties shall be held at Geneva, Switzerland, in order to review the operation of this Treaty with a view to assuring that the purposes of the pre-

amble and the provisions of the Treaty are being realized. Such review shall take into account any relevant technological developments in order to determine whether the definition in Article II should be amended.

"ARTICLE IV

"1. Any Party may propose an amendment to this Treaty. The text of any proposed amendment shall be submitted to the Depositary Governments which shall circulate it to all parties to this Treaty. Thereafter, if requested to do so by one-third or more of the Parties, the Depositary Governments shall convene a conference, to which they shall invite all the Parties, to consider such an amendment.

"2. Any amendment to this Treaty shall be approved by a majority of the votes of all the Parties to this Treaty. The amendment shall enter into force for all Parties upon the deposit of instruments of ratification by a majority of all the Parties.

"ARTICLE V

"1. This Treaty shall be of unlimited duration.

"2. 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 three months in advance.

"ARTICLE VI

"1. This Treaty shall be open to all States for signature. Any State which does not sign this Treaty before its entry into force in accordance with paragraph 3 of this Article may accede to it at any time.

"2. This Treaty shall be subject to ratification by signatory States. Instruments of ratification and instruments of accession shall be deposited with the Governments of the United States of America, ———, and ——— which are hereby designated the Depositary Governments.

"3. This Treaty shall enter into force after its ratification by the States, the Governments of which are designated Depositaries of the Treaty.

"4. For States whose instruments of ratification or accession are deposited subsequent to the entry into force of this Treaty, it shall enter into force on the date of the deposit of their instruments of ratification or accession.

"5. The Depositary Governments shall promptly inform all signatory and acceding States of the date of each signature, the date of deposit of each instrument of ratification of and accession to this Treaty, the date of its entry into force, and the date of receipt of any requests for conferences or other notices.

"6. This Treaty shall be registered by the Depositary Governments pursuant to Article 102 of the Charter of the United Nations."

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolution:

On July 1, 1973:

S. 1201. An act to amend the act of October 15, 1966 (80 Stat. 915), as amended, establishing a program for the preservation of additional historic properties throughout the Nation, and for other purposes;

S. 1386. An act to authorize appropriations for the saline water program for fiscal year 1974, and for other purposes; and

S. 1501. An act to amend the Water Resources Planning Act to provide for continuing authorization for appropriations.

On July 6, 1973:

S. 1808. An act to apportion funds for the National System of Interstate and Defense Highways and to authorize funds in accordance with title 23, United States Code, for fiscal year 1974, and for other purposes;

S. 1972. An act to further amend the United States Information and Educational Exchange Act of 1948;

S. 1994. An act to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; and

S.J. Res. 128. Joint resolution to provide for an extension of certain laws relating to the payment of interest on time and savings deposits.

REPORT OF THE ECONOMIC STABILIZATION PROGRAM—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. ABOUREZK) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Banking, Housing and Urban Affairs. The message is as follows:

To the Congress of the United States:

I am herewith submitting to the Congress the most recent Quarterly Report of the Economic Stabilization Program, covering the period January–March 1973.

This report indicates that during this quarter our economy was making strong, impressive gains. Our national output grew at an annual rate of $43 billion. Some 600,000 more men and women obtained jobs. Real per capita disposable income—what people have left to spend after paying for taxes and adjusting for inflation—continued to rise, reaching a record high.

During this same period, while America's rate of inflation was lower than other major industrial nations, it is also clear that the rate was far higher than it should have been. There was an unexpectedly rapid increase in prices during the quarter, primarily in agricultural products.

The acceleration of price increases during the quarter led, in part, to my actions on June 13 to impose a price freeze for a maximum of 60 days. This freeze will be followed by Phase IV, a system of controls which will be designed to curb our recent bout of inflation while also preserving the gains we have made in other sectors of our economy. My ultimate goal—a goal I believe we can and must meet—is to return this country to a strong and free market system.

RICHARD NIXON.

THE WHITE HOUSE, *July 11, 1973.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. ABOUREZK) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7528) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 8510) to authorize appropriations for activities of the National Science Foundation, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. TEAGUE of Texas, Mr. DAVIS of Georgia, Mr. SYMINGTON, Mr. HANNA, Mr. MOSHER, Mr. BELL, and Mr. WYDLER, were appointed managers on the part of the House at the conference.

BICENTENNIAL COINS

The Senate resumed the consideration of the bill (S. 1141) to provide a new coinage design and date emblematic of the Bicentennial of the American Revolution for dollars and half dollars.

The PRESIDING OFFICER (Mr. HOLLINGS). The question is on agreeing to the amendment of the Senator from Colorado.

The Senator from Maine is recognized.

Mr. HATHAWAY. Mr. President, I am going to vote against the amendment, not because I am not convinced by the Senator from Colorado of the merits of the amendment, but because I recall that when the matter was brought up previously the chairman of the Committee on Banking, Housing and Urban Affairs informed the Senator from Colorado that the committee would hold full and extensive hearings on this matter.

I personally have not had the benefit of hearing the Treasury Department witnesses testify with respect to their views on this matter. I certainly would like to have the benefit of those hearings before making a final judgment on the matter, although as I said at the outset of my remarks, I am very much impressed by the argument of the Senator from Colorado and others who support the amendment. Furthermore, as has been indicated by the Senator from Texas, this matter is already in conference and the chances of getting the amendment that the Senator from Colorado wants appear to be very good at this time.

My third argument is that the mint needs as much time as possible in order to get these coins out and get them into circulation for the bicentennial. They intend to hold a contest which will take several months for people throughout the country to submit a design that would be used on the reverse side of the dollar, half dollar, and the quarter. That would take a considerable amount of time.

If the amendment of the Senator from Colorado is in the bill, it is my understanding that that could bring about a veto on behalf of the administration. That would delay the passage of the bill. We might get into September or October before we finally succeed in getting the bill signed by the President. So we would be holding up the mint in its effort to get these coins out as soon as possible.

Mr. President, I will be glad to yield to the Senator from Colorado.

Mr. DOMINICK. Mr. President, I want to state for the record that the Senator from Louisiana, through the courtesy of the Senator from Alabama, did hold hearings. The hearings have been completed.

Second, I would say that the Senator from Louisiana has a bill which is somewhat similar to this, although I think he has one other provision in it.

Third, there has been no indication of a veto. The Treasury does not like this idea, and they do not like anything that has to do with the word "gold" and have not since 1933.

Mr. TOWER. Mr. President, will the Senator yield

Mr. HATHAWAY. Mr. President, I yield 4 minutes to the Senator from Texas.

Mr. TOWER. Mr. President, the present amendment is not one which I wish to oppose as a philosophical matter, but the pragmatics of tough negotiations in the international monetary and trade arenas make it the wiser course of action right now to postpone introducing this note of additional uncertainty into the monetary situation. The price of gold has raced to unwarranted heights in recent months, both spurred by, and serving to increase, an economically unjustified climate of fear about the status of the dollar. All of this speculation may not be economically justified, but once this type of monetary suspicion develops, it is difficult to correct, nonetheless. We do not need another devaluation. We do not need to add further instability to the gold-dollar relationship by opening up at this critical time the outflow of dollars for the purchase of gold. The upward spiral of the dollar price of gold, even if substantially matched by similar increases in foreign currency prices of gold, will only serve to shake the faith of dollar holders around the world and to help cause further unloading of dollars for foreign currencies.

Our committee has reviewed this subject closely over the past year and a half. I do not believe that there is anyone on the committee who opposes the removal of the statutory restriction on gold ownership. The only question is, What is the proper timing for this action? We are about to participate in another annual meeting of the International Monetary Fund this fall, where many of the troublesome areas of the present state of monetary affairs will be discussed and, hopefully, resolved. Our representatives do not want to have the potentially destabilizing action of a change in U.S. policy in regard to gold ownership thrown into the midst of this meeting. Once a normalized monetary system is restored that is based on a sound, self-adjusting mechanism that will deter periodic, massive speculation against the dollar and the fixed rate system, we can open up private gold ownership without any problem.

So I would argue to the Senator that, while the purpose of his amendment is a worthy one and one which I support in principle, the timing of the amendment will be troublesome to our representatives in trying to restore order in currency markets and in negotiating the future structure of the international monetary system. We should restrain congressional action in this sphere at present to perhaps a resolution of intent to remove the gold ownership restriction at such time as good order is restored to the monetary system, which is essentially the type of approach decided upon in the House-Senate conference on the devaluation bill which is yet to be reported.

I hope, then, that the Senate will reject the amendment of the Senator from Colorado, not because it is not a worthy amendment—it is—but because the timing at the moment is bad.

Mr. HATHAWAY. Mr. President, I yield back the remainder of my time on the amendment.

Mr. JOHNSTON. Mr. President, I call up an amendment to the amendment. I have my amendment at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 2, after line 1, of amendment No. 316 insert the following:

(e) The joint resolution of June 5, 1933 (31 U.S.C. 463) shall remain in full force and effect.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. Mr. President, I yield myself such time as I may require.

The amendment is quite simple. It prohibits the use of gold as public tender for debts, and prohibits the making of contracts with reference to the price of gold. This has been in the law since 1933.

The Senator from Colorado is correct that the Subcommittee on Production and Stabilization of the Committee on Banking, Housing and Urban Affairs has held extensive hearings on, I think, some six or seven bills suggesting various approaches to the problem of private ownership of gold.

After hearing all the testimony, we came up with a recommendation which was essentially similar to that of the Senator from Colorado, with one main difference, and that is that we have a provision prohibiting the making of contracts based on gold or prohibiting the use of gold as public or private tender.

The reason for that is very simple but very important. We should not have in this country two different kinds of money, two systems of money. And that would be the inevitable result if we allowed gold to be used as tender for debts or as the basis for contracts.

I recently bought a home. I might add, Mr. President, that they are more expensive here than I would like to see. Nevertheless, from the time I made my contract until the time I had to close my loan, if I had been dealing with reference to the price of gold, the price of that home would have gone up dramatically, because during that short time the price of gold had increased significantly.

Like most Americans, when I bought my home I based the price on my ability to pay, based on my salary. Our salaries here in Congress and the salaries of people across America do not rise with the price of gold. Consequently, if we allowed contracts to be made with reference to the price of gold and allowed payment in gold, we would have a dual monetary system. As Gresham's law tells us, the bad money will drive out the good, and soon we would not have much use any more for the dollar; we would have a gold system.

I would like to point out another factor, Mr. President, with reference to the private ownership of gold. Our committee recommended that private ownership be permitted, but we did so with some considerable fear and trepidation. There was strong testimony before our committee that the increased demand for gold caused by permitting private ownership would be of the magnitude of billions of dollars, virtually all of which would be supplied by foreign sources. Surely these foreign purchases would have a serious adverse effect on our balance of payments.

This amendment, which prohibits the use of gold as a standard for private debts, will substantially reduce demand for foreign gold and will reduce any fear that enactment of the bill would throw the balance of payments out of kilter by our having a tremendously increased demand for gold.

I would say even if you are against the bill, the proposed amendment makes the bill a considerably better bill. I also say to my friends who are for the private ownership of gold that they ought to support this amendment not only because of the factors I have just pointed out, but because it gives them an even better chance of passing the bill.

As the Senator from Colorado and the Senator from Idaho are aware, the amendment which was tacked on to the par value modification bill did go to conference, and in conference the bill was essentially gutted in that it left it up to the President, at his sole discretion, as to whether he would allow the private ownership of gold. Most believed that the President, at least in the present state of affairs, would not allow the private ownership of gold.

With this amendment, I think it gives us a real bargaining position to go back to conference and point out that the fears many have about the private ownership of gold would not come about, because of the protection this amendment affords.

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

Mr. JOHNSTON. Yes.

Mr. TOWER. I am sure the Senator is familiar with the history of the dual monetary system we had in this country for many years. As relative values changed, we had to readjust monetary values all the time, because when gold was overvalued silver was dormant, and

when silver was over-valued gold was dormant, and this was a burning political issue in the United States in many Presidential campaigns of the last century.

I think what the Senator has recommended is certainly sound. We cannot return to a dual monetary system, and the amendment of the Senator from Louisiana would assure that we do not. I would recommend to the administration that they veto this bill if the Dominick amendment is adopted without the amendment of the Senator from Louisiana, because I think it would be very disruptive of our monetary system should we do so.

Mr. JOHNSTON. I thank the Senator from Texas.

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

Mr. JOHNSTON. I yield to the Senator from Idaho.

Mr. McCLURE. I appreciate the Senator's yielding. I want to respond only to one comment that was made with respect to the fact that the proponents of gold ownership ought to accept this amendment, because it would give us a chance to get the bill passed.

I would point out to the Senator that it did pass this body by a vote of 68 to 23. I do not know that we have to enhance the chances beyond that.

I would also point out that it failed to pass in the House of Representatives on a tie vote. That does not mean we have to do much doctoring up to have a chance of Congress expressing its will.

The comment made by the Senator from Texas that he would recommend a veto of it certainly adds an element of truth to what the Senator from Louisiana said, that the signature of the President may depend upon this, but the will of Congress certainly seems to me to be somewhat different than that. But let me say, just in conclusion, that I fail to understand why it is, on the question of gold, that we create a problem that is entirely of our own making. We say that gold is no different than any other commodity on the one side, and then on the opposite side we say that we must treat it differently because it is not just another commodity. I hope that sometime our Treasury Department and the Banking Committees of both House and Senate will recognize the right of the individual citizen of this country to hold any commodity he wishes.

I suggested in testimony before the Senator's subcommittee—and I wish to thank him once again for holding the hearings, as he had assured us that he would—that if the people in my State wanted to make settlements in bags of potatoes or in Louisiana oil, they should have the right to do that.

Indeed, if they wanted to make a settlement in terms of gold, they should have the right to do that, too. If the Government's monetary affairs are so bad, and if the people of the country do not have faith in the dollar, they should be able to express that freely as free people. They should not be constrained by coercion from a government that says to them, in essence, "Our money is no good, therefore we dare not give you the option of making settlements in gold."

I just fail to understand how people who claim to be a free people must express themselves in legislation that would deny them a right which is freely available to other peoples around the world, but is not freely available to the people we claim are the most free in all the world. That is a logic that completely escapes me. I just do not see how it can be justified on any basis at any time. But certainly at a time when we have severed all connection officially between our currency and the gold backing it formerly had, where we can consistently now say, "Oh, gold is just a commodity but, oh no, you cannot own it; or, oh no, you cannot make contract settlements with it," that is a bit of freedom which has been taken away from the American people, and I do not see any justification for it.

Mr. JOHNSTON. Mr. President, let me say that I believe gold is different from an ordinary commodity. It is different because the American people regard it as being different.

What this amendment would do would be to take care of the dangers that were testified to before the committee regarding a dual monetary system. It does not prevent the private ownership of gold. It does not prevent trading in gold. It does not prevent the selling or the purchase of gold, but simply the making of contracts based on gold and the use of gold as money.

With reference to the chances of passing this bill, I would say only that the bill was rejected in the conference committee, and to a large degree, because of well-founded fears of a dual monetary system. This amendment might make it a better bill not only in terms of passage but also a better bill in terms of the possible fears and dangers that private ownership of gold might present.

Mr. DOMINICK. Mr. President, will the Senator from Louisiana yield?

Mr. JOHNSTON. I yield.

Mr. DOMINICK. I thank the Senator.

Mr. President, I ask unanimous consent that the names of the Senator from Alaska (Mr. STEVENS) and the Senator from Nevada (Mr. CANNON) be added as a cosponsor of my amendment.

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, I want to associate myself with what the distinguished Senator from Idaho (Mr. McCLURE) has just said. It may not be legal tender in terms of the law, but at the moment I think that any contract can be written whereby one has to pay in terms of wheat or potatoes or Louisiana oil, as the Senator from Idaho said, or for any other reason.

Therefore, on principle, I would be against the amendment of the Senator from Louisiana, but I am not going to fight it if it will help to get the bill passed.

Mr. JOHNSTON. I thank the Senator from Colorado for saying that he will not fight the amendment. I shall take that to be a backhanded endorsement and I hope I am taking it correctly.

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

Mr. HATHAWAY. Mr. President, I yield myself 2 minutes. I want to ask the Senator from Louisiana a question regarding the hearings which were held with respect to the private ownership of gold. Do I correctly understand that no bill was reported from the full committee?

Mr. JOHNSTON. That is correct. We discussed the bill in the full committee and——

Mr. HATHAWAY. The subcommittee.

Mr. JOHNSTON. The subcommittee, yes, and it was discussed in the full committee as well. In view of the fact that a conference was then pending on the McClure amendment, we simply asked our conferees to promote our bill in the conference. It was there rejected in favor of the House version which allowed the President to say yes or no—that is, to exercise complete discretion as to whether there would be private ownership of gold. So we did not formally recommend the bill in view of the fact that a conference was already pending on that issue.

Mr. HATHAWAY. I thank the Senator very much.

I might add, while I am standing here, that although I am not going to support the amendment as offered by the Senator from Colorado, I think that the amendment offered by the Senator from Louisiana definitely will improve that amendment.

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

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). All time on this amendment has now expired.

The question is on agreeing to the amendment of the Senator from Louisiana (Mr. JOHNSTON).

The amendment was agreed to.

Mr. TAFT. Mr. President, I call up my unprinted amendment to S. 1141 and offer it as a substitute for the Dominick amendment No. 316. I ask that my amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

As a substitute for the amendment of the Senator from Colorado, insert the following:

SEC. 7. (a) Section 3 and 4 of the Gold Reserve Act of 1934 (31 U.S.C. 442 and 443) are repealed.

(b) No provision of law in effect on the date of enactment of this Act, and no rule, regulation, or order under authority of any such law, may be construed to prohibit any person from purchasing, holding, selling, or otherwise dealing in gold.

(c) Any sale of gold by the Secretary of the Treasury shall be at a price not lower than the average private market price for gold, for the same quantity in the month immediately preceding the date of such sale.

(d) The provisions of this section, pertaining to gold, shall take effect on January 1, 1975, unless the President finds and reports to the Congress prior thereto that international monetary reform has not proceeded to the point where elimination of regulations on private ownership of gold may take effect without adversely affecting the United States international monetary position.

Mr. TAFT. Mr. President, I also ask unanimous consent, in view of the adoption of the amendment offered by the Senator from Louisiana (Mr. JOHNSTON) to the Dominick amendment, that my

substitute amendment may be added to the Johnston amendment.

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

Mr. TAFT. Mr. President, I feel that the Dominick amendment has certain dangers in it. It would eliminate any prohibitions on purchasing, holding, selling, or otherwise dealing in gold by American citizens on January 1, 1975, or such prior date as the President determines practicable because international monetary reform has proceeded to the point where this action can be taken without adversely affecting the U.S. international monetary position. My substitute amendment would instead require this action to take place on January 1, 1975, unless the President reports to Congress prior to that date that such action would adversely affect the U.S. international monetary position.

Mr. President, I would point out to the Senate that this is not the administration's position as reported by the House conferees, because my amendment is a compromise between the Dominick amendment and the position of the conferees in the House. It would require affirmative action by the President to set aside the effective date of the language which makes it possible to own or purchase gold.

On the other hand, the House position, as I understand it, would mean that unless the President acted affirmatively, the change in the status of gold would not take place.

By passing the McClure amendment to the devaluation bill, the Senate clearly expressed its desire to eliminate the prohibitions on dealing in gold by private citizens. I believe that if this is to be done, it should be done at a time which does not jeopardize our vital efforts to achieve fundamental international monetary reform and at a time when it is not likely to affect adversely the tenacious position of the United States in international monetary markets. My amendment would allow the will of the Senate to be exercised while insuring that these conditions are met.

Experts in the international monetary field share the concerns which my amendment is designed to alleviate. Dr. Burns, the Chairman of the Federal Reserve Board, had this to say about taking the proposed action at the wrong time—for example, now:

Mr. BURNS. We would run the risk of doing grave damage to these negotiations because there are some countries in the world which insist on a prominent place for gold in the international monetary system. I don't think we want to rock the boat right now.

There is another factor. If Americans were permitted to buy gold now freely, there is no way of telling what quantity would be purchased. That quantity would have to come from abroad. That would injure our balance of payments at a time when we would or should be bending our energies to improve the balance of payments.

Moreover, our motives, I think, would be questioned. Some foreign governments would feel that we do not care at all about the balance of payments, that what we are seeking is further depreciation of the dollar. That would multiply suspicions, rock exchange markets, and I don't see any good purpose to be served.

Now, if Americans want to hold gold, well, there will be a time for that, but I don't think that time has yet come. I honestly don't think that many Americans will be deprived of anything very precious if there is delay by the Congress in acting on this proposal.

* * * * *

Mr. BURNS. Well, it would certainly cause a great deal of excitement on foreign exchange markets. What we want now is tranquillity in those markets rather than turbulence.

Going further than that, the General Counsel of the Treasury also wrote to the Honorable JOHN SPARKMAN, chairman of the Committee on Banking, Housing and Urban Affairs, as follows, in part:

In this context, the premature lifting of restraints on the individual ownership of gold would inject a further speculative element into the present international monetary situation, and could delay progress toward basic reform. As the development toward reduced dependence on gold in the monetary system continues, and is incorporated in the structure of the new monetary system, it will be possible to give sympathic consideration to the elimination of restrictions on the private ownership of gold.

I, for one, hope that happens at some point. But I think that by putting a firm deadline, as has now been done and as the Dominick amendment would do, upon the achievement of this objective, we actually might well be defeating the achievement of it, because we would be delaying a resolution of the international monetary situation by countries that would be counting upon it and waiting to see exactly what the effect of that time bomb would be. By incorporating the language of the substitute, we express the will of the Senate that we should be moving in this direction, but we give the President the out and the bargaining power I think he is going to need in this interim period to discusss with other nations in what direction we should be going, so that in those dealings he will hold some cards in his hand. Yet we will still be moving toward the accomplishment the Senate wishes.

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

Mr. TAFT. I yield.

Mr. TOWER. Mr. President, I think the Senator from Ohio has offered a very constructive approach. It is a compromise. It does, however, mandate the President to let the legalization of the possession and ownership of gold go into effect unless he makes a determination that the international monetary situation is such that it would be unwise to do so. It is only prudent that we give the President this kind of flexibility at this time, when we can see the tremendous instability of the international money market. The dollar rallied slightly yesterday, but it has been hitting hills and valleys, and each time it seems to probe a new valley. In this context, the responsible thing for us to do is to follow the approach advocated by the Senator from Ohio.

Mr. DOMINICK. Mr. President, how much time does the opposition have, and am I in control of it, since it is a substitute for my amendment?

The PRESIDING OFFICER. The Senator from Colorado is in control of the time, and the Senator from Colorado has 15 minutes.

Mr. DOMINICK. I yield myself 5 minutes.

Mr. President, it is with reluctance that I rise to argue against my good friends, the Senator from Ohio and the Senator from Texas.

The Senator from Ohio, as usual, has a very appealing and blandishing argument, if I may say so. But I looked at the record. He voted to table the amendment of the Senator from Idaho, to begin with, and then he voted against the amendment when it was adopted the last time. So there is nothing unusual in the fact that he is holding to his guns and saying that he does not like our amendment, that he does not want Americans to own gold, and that he is going to leave it up to the President of the United States as to whether they should or should not own gold.

The fact is that the President of the United States could determine that now, but he has not. Therefore, it is up to Congress to exercise its own prerogative and not try to make a pariah out of the American citizen.

It seems to me that the argument of the Senator from Ohio would be perfectly valid in the event we had gold backing behind the dollar. But that has gone by the boards. We do not have it any more. The only possible time we ever use gold for anything is in the international monetary fund; and under the very distinguished Comptroller of a few years ago, we changed to so-called special drawing rights, which is fool's gold, as everybody knows. It is paper, and it says that you can collect gold if you can get it, and they have started doing it that way.

Whether we in this country do or do not own gold, the dollar has gone down and gold has gone up. We have not made any progress that way. So it does not make a particle of difference what we do in the international money situation, insofar as the dollar is concerned, as to who owns gold. I think it is time we stopped saying that people in Yugoslavia, Taiwan, Great Britain, France, and everywhere else can own, buy, and sell gold but an American citizen cannot. That is arrant discrimination. If we simply say that the President can determine—which is the effect of the amendment of the Senator from Ohio—whether or not the situation is going to be such that the American citizen can own gold, we are right back in the position we have been in for the last 40 years, and we have not gained 1 inch.

So I strongly oppose the amendment of the Senator from Ohio, simply because I do not think it accomplishes what the Senate wanted to accomplish when we last voted for the amendment of the Senator from Idaho.

Mr. President, I yield 5 minutes to the Senator from Idaho.

Mr. McCLURE. I thank the distinguished Senator from Colorado.

Mr. President, I rise, also, in opposition to the amendment of the Senator from Ohio.

I hear the argument that somehow this proposal is going to destroy the sta-

bility of our negotiating positions. I cannot understand how this amendment would have that effect, for two reasons.

First, the amendment we have suggested today, as I did before, with respect to the ownership of gold, cannot possibly affect the Government's gold position unless the Government wants it to. The Senator from Colorado embodied in this amendment the authority for the Government to sell gold from the Treasury if it desires to do so, but the amendment does not mandate it. The Treasury still has the discretion to withhold any sales and to keep that gold in the vaults at Fort Knox or to use it in international monetary negotiations if it desires. So this amendment, of itself, does not change the Government's gold position one iota. It simply removes the restriction, the present restriction, on the rights of our citizens.

Second, it has been argued repeatedly that we cannot rock the boat while we are involved in these sensitive negotiations in the IMF; that we are all concerned about what will happen at Nairobi in September; that we are all concerned that we make the right decisions that will yield international monetary stability, and that that will somehow firm up the international monetary situation at the present time and give greater stability to the dollar.

But what is most destructive now to the value of the dollar? The one thing that is most destructive right now is uncertainty. It is because other people do not know what to expect of the U.S. Government. They do not know what steps will be taken in the negotiations in Nairobi in September. They do not know what is going to happen in respect to the ownership of gold in the United States.

The best thing we can do here to aid the monetary negotiations is to inject some element of certainty into the part of the picture we are dealing with here today. Let us tell them what the groundrules are going to be. Let us inform them of our position, so that they can deal not from a position of flexibility, which is the very thing that is destroying stability today, but from a position of certainty. We can do that only by setting a fixed date, with the discretion in the President to advance that date if he wishes to do so. So I think instead of helping the situation, the amendment offered by the Senator from Ohio will only make it worse. It will prolong the uncertainty; it will make instability that much worse instead of better.

I think the Senate would be well-advised in this instance, as it did before, to give a date so our negotiators can go there, and knowing our position there, others can rely on that position.

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

Mr. TAFT. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. TAFT. Mr. President, I think the position of the Senator is interesting. On the one hand he apparently argues that the change would have no effect on the international monetary situation and at the same time, by the terms of his own amendment, he said that the President can alter the date according to the anticipated effect on the international monetary situation.

It seems to me this is a round-robin situation. I do not think there is any doubt that the proposal can have a definite effect on the international monetary situation, and the fact that we have set a firm date will lead other nations dealing with us to wait and see what happens. Congress can always change the date, but if there would be a change, Americans would be able to buy gold after that time; everyone would be certain that they would be able to do so.

Because the amendment of the Senator from Louisiana has been adopted, we have corrected the problem to some extent—but it seems to me there remain some problems. Under those circumstances, it can be said that we are tying the hands of our own negotiators. On the other hand, if our trading partners do know the President can postpone the date of effectiveness if necessary you are giving him a trading factor for the international negotiations. That would give him another card in his hand, which would be desirable.

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

Mr. TAFT. I yield.

Mr. McCLURE. As the Senator knows, when I offered my amendment to the par value bill I had no date. It would be effective on passage. To me that was the preferable course of action. I would hold to that if it were possible to do so. It was only at the suggestion of members of the Senator's committee that we fixed a later date. It was not my idea; it was the Senator's.

Mr. TAFT. We had testimony from people such as Dr. Burns that it would have a destabilizing effect on the world monetary situation, which is why we did it; and why we should give the President the authority to make the change when he thinks it can be safety made.

Mr. DOMINICK. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator is recognized.

Mr. DOMINICK. Mr. President, at the present time we have Americans who do have supplies of gold. I do not know this for a fact, but I have been informed from what are called reliable sources. This is true despite the laws of this country. It has been done largely as a hedge against francs, marks, or a hedge against the devaluation of the dollar. They have bars of gold stuck away somewhere. The people in Afghanistan can do this legally. They can buy gold whenever they want. Why should we make our own citizens second-class citizens and say, "No, you cannot do that. You are one of the citizens of the free world who is not allowed to own gold."

That seems to me to be wrong and it does not seem to me to be right to once again to transfer the power we have over the currency of the United States into the executive department so they can say whether or not an American citizen is going to continue to be a second-class citizen.

I yield back the remainder of my time.

Mr. TAFT. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT) and the Senator from Kentucky (Mr. HUDDLESTON) are necessarily absent.

I further announce that the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. McGEE), and the Senator from Alabama (Mr. SPARKMAN) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "nay."

Mr. SCOTT of Pennsylvania. I announce that the Senator from Utah (Mr. BENNETT), and the Senator from Arizona (Mr. GOLDWATER) are necessarily absent.

The Senator from Michigan (Mr. GRIFFIN) is absent on official business.

The Senator from Kentucky (Mr. COOK) is detained on official business.

The result was announced—yeas 42, nays 48, as follows:

[No. 276 Leg.]

YEAS—42

Aiken	Fong	Pastore
Allen	Gravel	Pearson
Baker	Gurney	Pell
Beall	Hart	Proxmire
Bellmon	Hathaway	Randolph
Biden	Hollings	Ribicoff
Brock	Humphrey	Roth
Brooke	Inouye	Saxbe
Byrd, Robert C.	Kennedy	Stafford
Case	Long	Stevenson
Chiles	Mathias	Taft
Cotton	McIntyre	Thurmond
Dole	Mondale	Tower
Eastland	Muskie	Williams

NAYS—48

Abourezk	Ervin	Montoya
Bartlett	Fannin	Moss
Bayh	Hansen	Nelson
Bentsen	Hartke	Nunn
Bible	Haskell	Packwood
Buckley	Hatfield	Percy
Burdick	Helms	Schweiker
Byrd, Harry F., Jr.	Hruska	Scott, Pa.
	Hughes	Scott, Va.
Cannon	Jackson	Stevens
Church	Javits	Symington
Clark	Johnston	Talmadge
Cranston	Mansfield	Tunney
Curtis	McClellan	Weicker
Domenici	McClure	Young
Dominick	McGovern	
Eagleton	Metcalf	

NOT VOTING—10

Bennett	Griffin	Sparkman
Cook	Huddleston	Stennis
Fulbright	Magnuson	
Goldwater	McGee	

So Mr. TAFT's amendment to Mr. DOMINICK's amendment was rejected.

Mr. DOMINICK. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BARTLETT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. HAR-

RY F. BYRD, JR). The question is on agreeing to the amendment of the Senator from Colorado. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT) and the Senator from Kentucky (Mr. HUDDLESTON) are necessarily absent.

I further announce that the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. MCGEE), and the Senator from Alabama (Mr. SPARKMAN) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "yea."

Mr. SCOTT of Pennsylvania. I announce that the Senator from Utah (Mr. BENNETT) and the Senator from Arizona (Mr. GOLDWATER) are necessarily absent.

The Senator from Michigan (Mr. GRIFFIN) is absent on official business.

The Senator from Kentucky (Mr. COOK) is detained on official business.

The result was announced—yeas 69, nays 21, as follows:

[No. 277 Leg.]

YEAS—69

Abourezk	Eagleton	McGovern
Aiken	Eastland	Metcalf
Baker	Ervin	Mondale
Bartlett	Fannin	Montoya
Bellmon	Fong	Moss
Bentsen	Gravel	Nelson
Bible	Gurney	Nunn
Brock	Hansen	Packwood
Brooke	Hartke	Pearson
Buckley	Haskell	Percy
Burdick	Hatfield	Randolph
Byrd, Harry F., Jr.	Helms	Schweiker
	Hollings	Scott, Pa.
Byrd, Robert C.	Hruska	Scott, Va.
Cannon	Hughes	Stafford
Chiles	Humphrey	Stevens
Church	Inouye	Symington
Clark	Jackson	Talmadge
Cotton	Javits	Thurmond
Cranston	Johnston	Tunney
Curtis	Kennedy	Weicker
Dole	Mansfield	Young
Domenici	McClellan	
Dominick	McClure	

NAYS—21

Allen	Long	Ribicoff
Bayh	Mathias	Roth
Beall	McIntyre	Saxbe
Biden	Muskie	Stevenson
Case	Pastore	Taft
Hart	Pell	Tower
Hathaway	Proxmire	Williams

NOT VOTING—10

Bennett	Griffin	Sparkman
Cook	Huddleston	Stennis
Fulbright	Magnuson	
Goldwater	McGee	

So Mr. DOMINICK's amendment was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, I call up an amendment which I have at the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

After the enacting clause, on page 2, beginning on line 5 strike everything from the word "That" up to and including the word "Revolution" on line 9 and insert in lieu thereof the following: "That both sides of all dollar, half dollar, and quarter dollar coins minted for issuance between July 4, 1975, and January 1, 1977, shall bear designs determined by the Secretary to be emblematic of the Bicentennial of the American Revolution."

Mr. McCLURE. Mr. President, I shall not take long to discuss this amendment. It is a very simple one, and does just two things.

The PRESIDING OFFICER. Will the Senator delay until the Senate comes to order? Senators will be seated.

The Senator from Idaho may proceed.

Mr. McCLURE. I thank the Chair.

Mr. President, I think we should ask ourselves, "Why do we have a Bicentennial Commission? And why do we have a plan in progress for celebrating the event throughout the land? And why now, today, are we authorizing changes in our coins to reflect that celebration?"

The answer is obvious. We have something worth commemorating. When we celebrate the past, as we will be doing in the Bicentennial year of 1976, we will be singing the praise of others. Two hundred years is not a particularly long time in the life of mankind; perhaps that is what makes our achievements seem so significant. For many different reasons Americans take pride in recalling the achievements of the two centuries during which this country moved from minor colonial status to that of leadership of the free world. There are probably as many different reasons for this pride as there are citizens. Some would cite our successful fight against various diseases. Others would note that we have managed to spread a greater abundance among people than ever before in histroy. Others might add that we have done this and at the same time spread our intellectual horizons and even our physical presence beyond the orbit of the Moon. The list is too long to even begin. Undoubtedly, 1976 will be a significant year for many reasons. But 1776 was significant for one overriding event—the courage of a handful of dedicated patriots whose vision and daring enabled more people to be more free than any other group of individuals in the history of the world. Surely there are very few things more worthy of commemoration.

The success of the American Republic has been the impetus for countless other nations to rid themselves of tyranny and pursue their own destinies. And whether you measure a country's success in terms of abundance or its power, or its respect or the achievements of its citizens, it is America that has led the way in all of them.

This is indeed something worth remembering, and it deserves to be remembered in proper fashion. Our coinage provides us with one medium in which to depict the celebration of our 200th birthday.

Coinage is durable and beautiful, easily stored and easily displayed. It is an heirloom that can be passed from one generation to another. It is hard to imagine a more convenient or suitable expression of the greatness of our country's heritage.

I congratulate the committee for making some vast improvements on the original bill. But I must admit I am perplexed about it.

Why, I keep asking myself, is the design change for the bicentennial period to be made on only the reverse side of the dollar, the half, and the quarter? It cannot be because of a fear that collectors will hoard them. After all, changing only one word on a coin would make them valuable from the collector's standpoint. It cannot be because of a fear for a shortage of coins. The Treasury admits it has the capacity to mint a sufficient number to satisfy the appetites of both the souvenir collector and the marketplace. It cannot be out of a fear that this would somehow desecrate the memory of Presidents Washington, Kennedy, and Eisenhower. Surely all three men would have gladly given up for a few months their presence on the coins which honor them in order to celebrate America's 200th birthday.

I just do not understand why we are willing to settle for half a loaf when with a minimum of extra effort and very little extra cost, we can do the job right. I have therefore submitted an amendment which will call for a commemorative design on both sides of the dollar, half dollar, and quarter dollar coins instead of just one side.

Howard Flieger, writing in U.S. News & World Report stated it well when he said that for many of the men and women and children who live away from the major population centers, there will not be many ways in which they can join in the celebration. For them, memories of the bicentennial will be expressed by a poster, a postage stamp, or some medals. But common, ordinary, everyday coinage will express to all Americans over and over again the greatness that lies in the American past. Through our coins, more than in any other fashion, we will be celebrating what is good about our country.

Let us gear up for something that is truly enduring for the occasion.

I ask unanimous consent that Mr. Flieger's article be printed in the RECORD at this point.

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

HIP! HIP! HOO . . .

(By Howard Flieger)

It's probably safe to mark this down:

As a national extravaganza, the 200th anniversary in 1976 of the birth of America is going to be a monumental flop.

Practically nothing has been accomplished by the 50-member American Revolution Bicentennial Commission, in business more than three years.

At its first meeting this year—not held until May 15—it killed the only nationwide proposal it had come up with: a plan to have Washington help the 50 States establish Bicentennial Parks on their own.

The end of that proposition took the Federal Government out of the birthday plans for all practical purposes. Said Judith L. Kooker, one of the eight public commissioners who voted for it. "We gave up the one program initiated by this body."

Still being chewed over in Congress is a

proposal by the White House to revamp the Commission under a "czar" who could crank up the Bicentennial and get things moving. But nobody seems to think that suggestion, even if modified, will be acted upon until late this year—which doesn't leave much time to organize a dramatic national salute.

In fact, many think it already is too late. As an all-American birthday party 1976 is more than likely to wind up with a poster, a commemorative postage stamp and some medals for sale to the public.

What happened? Why, with all the time in the world, hasn't America been able to gear up something spectacular—or at least enduring—for the occasion?

Inertia probably is to blame as much as any one thing. Also, there has never been any sort of agreement on exactly what form the dedication of this significant date should take.

It is obvious now that a 50-member Commission is no way to run a railroad or a coordinated, nationwide celebration.

David J. Mahoney, chairman of the Bicentennial Commission, told Congress earlier this year that "it is impossible for a 50-member, part-time body which can meet at best bimonthly or quarterly to conduct a multimillion dollar undertaking which requires continual operational direction."

Originally, some federal planners thought a proper Bicentennial would cost several billion dollars. More recently, the estimates were cut to about one billion. Now most officials are talking about several hundred million.

Well, you don't get much on a nationwide scale for that kind of money.

So, what do you get?

About the only bright spots at this juncture are in the States. Several are hard at it. One of the most active is Texas, where 28 cities are working on major programs—including the rebuilding of the riverfront in San Antonio and the commissioning of an opera.

Florida is another State with substantial plans that are moving forward.

The idea of a Bicentennial World's Fair in Philadelphia—the cradle of American independence—went by the boards long ago. The city still hopes to do something. There are indications the Federal Government will put up as much as 100 million dollars if anything meaningful is proposed. But there is no agreement anywhere on what the celebration in Philadelphia should encompass.

So, unless there is a quick and decisive turnaround, it looks as though Washington, D.C., will, by default, be the focal point of national activities—whatever they are. They could include some new museums, sprucing up historic Pennsylvania Avenue and so on.

But for millions of men, women and children, proud of their American heritage, there is not going to be much that is visible or lasting to mark July 4, 1976—the 200th birthday of the oldest modern republic on earth.

Mr. McCLURE. Mr. President, to make it very short and get on with the business which the Senate must get on with, I urge us to make this a more meaningful gesture for the limited period of the commemoration, to establish coinage which is genuinely a bicentennial coinage. That is the purpose of the amendment, to change both sides instead of one side of the coins for the limited period of the Bicentennial celebration.

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

Mr. McCLURE. I am happy to yield to the Senator from Rhode Island.

Mr. PASTORE. Is there anything in this amendment which would necessitate the use of all silver?

Mr. McCLURE. No; I would say to the Senator that it does not.

Mr. President, I ask unanimous consent that the name of my colleague (Mr. CHURCH) be added as a sponsor of the amendment.

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

Mr. JAVITS. Mr. President, I would like to ask a couple of questions of the manager of the bill, if he will be good enough to oblige me.

I notice that the reports states that the proceeds of the sales of these coins shall be covered into the Treasury. It then goes on to say, on page 2:

However, it is the intent of the committee that the amount received from such sales can be directed to the Bicentennial Commission for its use in carrying out activities related to the Nation's 200th anniversary celebration.

My question is this: Is there any authorization in the bill that that be done, or would that have to be done either by separate law or by separate appropriation?

Mr. HATHAWAY. There is no authorization in the bill. It would have to be by separate legislation.

Mr. JAVITS. By law or by appropriation?

Mr. HATHAWAY. That is correct.

Mr. JAVITS. The reason I asked the question is that I also have a bill before the Committee on Banking, Housing and Urban Affairs dealing with a memorial to President Eisenhower, relating to coinage issued in his name, really, by way of a memorial for him. I just wanted to make sure that we were not making final disposition of the proceeds here before we would get a chance to act on it, and I understand that the answer is in the affirmative.

Mr. HATHAWAY. That is correct.

Mr. JAVITS. My other question is this: I and others have been making a big point of the fact that we ought to supply the commercial need for gold in this country out of the gold stock. That involves the matter of some $600 million to $700 million a year in foreign exchange, and would only result in reducing our gold stock, if sales were at market, by perhaps a quarter of that amount, as we carry the stock at $35 an ounce. I wondered whether that matter had any consideration by the committee in this connection.

Mr. HATHAWAY. No. To the best of my recollection, this matter was not considered by the committee.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that——

Mr. JAVITS. Mr. President, I still have the floor.

Mr. MANSFIELD. The time be extended not to exceed 5 minutes.

Mr. JAVITS. I thank my colleague from Montana very much.

Mr. HATHAWAY. I will be glad to yield time to the Senator from New York from my time.

The PRESIDING OFFICER (Mr. HELMS). The Chair would inquire of the Senator from Montana whether it is the intention to delay the laying down of the regular order.

Mr. MANSFIELD. Yes, indeed.

Mr. JAVITS. Mr. President, I thank the majority leader very much. I shall be through in just 1 minute.

I wonder if we could have any expression from the manager of the bill and the ranking minority member as to whether it would be possible to get hearings before the Banking Committee on this question. I would not wish to put it up to the Senate without the background of the Department's opinion, and so forth, and I do think it is a critical question in foreign exchange and in respect to how we utilize our gold stock, which the Dominick amendment, in a sense, opens up. It opens up this question. Could we have any feeling as to whether we can get a hearing within the approximate future on this issue?

Mr. HATHAWAY. For my part, I would recommend that to the chairman of the full committee when he returns.

Mr. TOWER. Mr. President, I would also join in recommending that to the chairman, who will be returning next week. My guess is that he would be favorably disposed to it.

Mr. JAVITS. I thank my colleague. And I thank the majority leader for his courtesy.

Mr. HATHAWAY. Mr. President, how much time is allotted in opposition to the amendment?

The PRESIDING OFFICER. Fifteen minutes, 3 minutes of which have been used.

Mr. HATHAWAY. Mr. President, I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator from Maine is recognized for 4 minutes.

Mr. HATHAWAY. Mr. President, one argument I would make against the amendment which has been offered by the Senator from Idaho is more sentimental than anything else. It will cost a little bit more to change the face as well as the reverse side of the coin. It will also take more time—but probably not too much.

The main argument I would make is that I would not like to see the face on the dollar of President Eisenhower removed from the face of that coin, admittedly only for the 18-month period; neither would I like to see the face of President John Kennedy removed from the half-dollar, or from the quarter the face of George Washington, or the motto on all three coins, "In God We Trust."

All three of those pictures, and the motto, have been significant throughout American history and I believe that those faces should remain on the coins even at—and especially during—the celebration of our Bicentennial. I believe that we will have enough of a symbolic display when we celebrate our Bicentennial by having an appropriate design on the back of the quarter, the half-dollar, and the dollar.

Mr. TOWER. Mr. President, I want to express my wholehearted concurrence with the Senator from Maine. His idea is good that we should maintain the faces of these great American Presidents on our money. Therefore, I would not like to see the amendment of the Senator from Idaho (Mr. McCLURE) passed. There might be some difficulty

also in distinguishing between the face and the reverse side, which could present some problems to a great many people, especially around the football season when a flip of the coin decides who will kick and who will receive. In addition, there is the time factor, and the cost factor involved; and I believe therefore, that the amendment should be rejected.

Mr. McCLURE. Mr. President, let me respond by saying that both President Eisenhower and President Kennedy would have agreed with me that the bicentennial is worthy of a celebration and that the emotional attachment we have for these two great past Presidents should in no way detract from our willingness to make a meaningful commemoration of our Bicentennial. That is the reason for my amendment.

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

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

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Idaho (Mr. McCLURE).

The amendment was rejected.

SEVERAL SENATORS. Third reading—third reading.

The PRESIDING OFFICER (Mr. HELMS). Under the previous order, the Chair now lays before the Senate the unfinished business, S. 1081, which the clerk will state.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order be vitiated until the present pending business is disposed of.

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

The bill is open to further amendment. If there are no further amendments to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute as amended was agreed to.

Mr. TOWER. Mr. President, I yield back my time.

Mr. HATHAWAY. Mr. President, I yield back my time.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

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

S. 1141

An act to provide a new coinage design and date emblematic of the Bicentennial of the American Revolution for dollars, half dollars, and quarter dollars, to authorize the issuance of special gold and silver coins commemorating the Bicentennial of the American Revolution, 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 reverse side of all dollar, half dollar, and quarter dollar coins minted for issuance on or after July 4, 1975, and until such time as the Secretary of the Treasury may determine shall bear a design determined by the Secretary to be emblematic of the Bicentennial of the American Revolution.

SEC. 2. All dollar, half dollar, and quarter dollar coins minted for issuance between July 4, 1975, and January 1, 1977, shall bear "1776–1976" in lieu of the date of coinage; and all dollar, half dollar, and quarter dollar coins minted thereafter until such time as the Secretary of the Treasury may determine shall bear a date emblematic of the Bicentennial in addition to the date of coinage.

SEC. 3. Notwithstanding any other provision of law, rule, regulation, or order, the Secretary of the Treasury is authorized and directed to coin and issue or cause to be sold, between July 4, 1975, and January 1, 1977, special gold coins commemorating the Bicentennial of the American Revolution of such design, in such denomination, in such quantities (not exceeding sixty million pieces), and containing such other metals, as he determines to be appropriate. Notwithstanding and other provision of law, coins minted under this section may be sold to and held by the public, and the Secretary of the Treasury is authorized, by regulation, to limit the number of gold pieces which any one person may purchase.

SEC. 4. Notwithstanding any other provision of law with respect to the design of coins, the Secretary shall mint for issuance between July 4, 1975, and January 1, 1977, at least sixty million silver-clad alloy coins authorized under section 101(a) of the Coinage Act of 1965, commemorating the Bicentennial of the American Revolution, of such design, in such denomination, and containing such quantities of such other metals as he determines appropriate. The Secretary of the Treasury is authorized, by regulation, to limit the number of silver coins minted under this section which any one person may purchase. Coins minted under this section shall be treated as pieces subject to the one hundred and fifty million piece limitation contained in section 101(d) of the Coinage Act of 1965, and shall be subject to such limitation.

SEC. 5. Until the Secretary of the Treasury determines that the mints of the United States are adequate for the production of ample supplies of coins and medals, any facility of the Bureau of the Mint may be used for the manufacture of medals and coins.

SEC. 6. In connection with the operations of the Bureau of the Mint, the Secretary of the Treasury is authorized to manufacture and distribute numismatic items. Proceeds from the sale of numismatic items shall be reimbursed to the current appropriation for the cost of manufacturing and handling of such items.

SEC. 7. (a) Sections 3 and 4 of the Gold Reserve Act of 1934 (31 U.S.C. 442 and 443) are repealed.

(b) No provision of law in effect on the date of enactment of this Act, and no rule, regulation, or order under authority of any such law, may be construed to prohibit any person from purchasing, holding, selling, or otherwise dealing in gold.

(c) Any sale of gold by the Secretary of the Treasury shall be at a price not lower than the average private market price for gold, for the same quantity in the month immediately preceding the date of such sale.

(d) The provisions of this section, pertaining to gold, shall take effect on January 1, 1975, or on the date prior thereto when the President finds and reports to the Congress that international monetary reform shall have proceeded to the point where elimination of regulations on private ownership of gold will not adversely affect the United States international monetary position.

(e) The joint resolution of June 5, 1933 (31 U.S.C. 463), shall remain in full force and effect.

Mr. TOWER. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. HATHAWAY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The title was amended so as to read: "A bill to provide a new coinage design and date emblematic of the Bicentennial of the American Revolution for dollars, half dollars, and quarter dollars, to authorize the issuance of special gold and silver coins commemorating the Bicentennial of the American Revolution, and for other purposes.".

FEDERAL LANDS RIGHT-OF-WAY ACT OF 1973

The PRESIDING OFFICER (Mr. HELMS). Under the previous order, the Chair now lays before the Senate the unfinished business, S. 1081, which the clerk will state.

The assistant legislative clerk read as follows:

S. 1081, to authorize the Secretary of the Interior to grant rights-of-way across Federal lands where the use of such rights-of-way is in the public interest and the applicant for the right-of-way demonstrates the financial and technical capability to use the right-of-way in a manner which will protect the environment.

The Senate resumed the consideration of the bill.

Mr. JACKSON. Mr. President, I yield to the Senator from Rhode Island (Mr. PASTORE).

Mr. PASTORE. Mr. President, I send to the desk an amendment and ask for its immediate consideration. This amendment is cosponsored by Senators JACKSON and TAFT.

The PRESIDING OFFICER. The Chair would inform the Senator from Rhode Island that it will take unanimous consent to offer the amendment because there is a previous order for the Senator from Washington (Mr. JACKSON) to be recognized to offer Amendment No. 314.

Mr. PASTORE. Mr. President, I ask unanimous consent to so do.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be stated.

The assistant legislative clerk read as follows:

S. 1081

At the end of the bill insert the following new title:

TITLE IV—EQUITABLE ALLOCATION OF CRUDE OIL AND PETROLEUM PRODUCTS BETWEEN REGIONS OF THE COUNTRY AND THE SEVERAL STATES

SEC. 401. (a) The President is authorized and directed to monitor the availability of crude oil and petroleum products to satisfy the fuel requirement of all regions of the country and of all of the several States. If the President determines that any region or any State is experiencing a shortage of crude oil or petroleum products while at the same time other regions or States are enjoying a surplus, the President is authorized and directed to take any action necessary to insure an equitable allocation of available crude oil and petroleum products among all regions and all of the several States.

(b) In implementing subsection (a) the President shall consider all current and prospective sources of crude oil and petroleum product supply, including but not limited to production from Alaska, the Outer Continental Shelf, the contiguous States, synthetic fuels, opportunities for fuel substitution and conservation, as well as imports of

crude oil or petroleum product from foreign sources.

(c) Whenever the President determines pursuant to subsection (a) that an imbalance in the availability of crude oil or petroleum products exists between regions of the country or between any of the States, he is authorized to take any action necessary to insure an equitable allocation of available crude oil and petroleum products. Such action may include, but is not limited to, direct oil and petroleum products. Such action may include, but is not limited to, direct mandatory allocations of available crude oil and petroleum product supplies; adding additional capacity to existing pipelines; requiring that the flow of existing pipelines be reversed; and directing tankers on the high seas to specified ports of entry.

(d) The President shall furnish the Congress with a report every three months on the availability of sufficient fuel supplies to meet the requirements of all regions and all summary of any actions that the President has taken under this section, recommendations for any legislation which may be needed to achieve the purposes of this section, and a statement of actions taken by the Executive Branch to increase the supply of and to reduce the demand for crude oil and petroleum products. This statement on supply and demand shall include actions taken and projected plans concerning energy research and development, adequacy of refinery capacity and transportation systems, the development of synthetic fuel plants, leasing on the Federal lands including the Outer Continental Shelf, the establishment of strategic reserves, and agreements with other nations on the security and expansion of fuel supply.

(e) The President is authorized to promulgate such rules and regulations as he deems necessary to carry out the purposes of this section.

(f) The President may delegate all or any portion of the authority granted under this Act to the head of any Federal agency he deems appropriate.

(g) There are hereby authorized to be appropriated such sums as are necessary to carry out the purposes of this section.

The PRESIDING OFFICER. The Chair would inquire of the Senator from Rhode Island whether this is the amendment on which there is a time limitation of 20 minutes?

Mr. PASTORE. The Chair is correct.

Mr. President, the explanation for the amendment is very simple. We discussed this in quite some detail yesterday afternoon with the manager of the bill.

What the amendment would do would be to guarantee to the country that the President of the United Sates would have the authority to see that there is an equal and equitable distribution available of the supplies of oil, no matter where they came from, particularly in connection with the Alaska pipeline.

Mr. JACKSON. Mr. President, the able Senator from Rhode Island yesterday, and now again today, has stated very clearly the purpose of the amendment. It is what the committee intended when we reported the bill. His amendment nails down in statutory terms the specific objective that the oil that will come from Alaska via the pipeline will, in effect, be available indirectly to all of the United States on the basis of an equitable apportionment.

Yesterday, the Senator from Rhode Island made the point that he wanted assurances that his State and all other States would be treated fairly and equitably in the allocation of available crude oil and petroleum products. I fully agree with the Senator's position on this matter. We are one nation and if, as a nation, we have to suffer from a fuel shortage the shortage should be shared on an equitable basis. The fact that some States have oil production and others, such as those in the Northeast, have none is no reason for allowing a surplus in some States and a shortage in others. By the same token, some coastal States serve as ports of entry for imported oil. This simple fact of transportation logistics should not, however, result in a situation where coastal States have a surplus and inland States experience shortages.

I am a cosponsor and I congratulate the Senator from Rhode Island for offering the amendment, as well as the Senator from Ohio (Mr. TAFT) who is also a cosponsor.

Mr. TAFT. Mr. President, will the Senator from Washington yield me 2 minutes?

Mr. JACKSON. I am happy to yield 2 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 2 minutes.

Mr. TAFT. I want to commend the distinguished Senator from Rhode Island and the distinguished Senator from Washington, because, as I understand it, the way the supply of oil in the United States works today, it really is one pool or one "bucket" as some say.

While it is true that oil comes in from various sources outside the United States unnecessary transportation of oil to particular markets is eliminated. There is a trading between various people per barrel of oil on the west coast and per barrel of oil on the east coast.

I am happy to cosponsor this amendment, because I come from a crude-short area, and this seems to be a very vital part, and always has been, of the question of the Alaska pipeline.

The argument has been made that those in the Middle West should be against the Alaska pipeline because all the oil would go to the west coast. It is true that physically the oil produced in Alaska may well end up—most of it—on the west coast; but, in effect, that will be traded off for oil coming from other sources.

Mr. JACKSON. I thank the Senator from Ohio.

Mr. PASTORE. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. BURDICK. Mr. President, will the Senator from Rhode Island add my name as a cosponsor of the amendment?

Mr. PASTORE. Mr. President, I ask unanimous consent that the names of the Senator from North Dakota (Mr. BURDICK) and the Senator from Georgia (Mr. NUNN) be added as cosponsors of the amendment.

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

Who yields time?

Mr. JACKSON. I yield to the Senator from Alaska (Mr. STEVENS).

Mr. STEVENS. Mr. President, I am not going to offer an amendment to add natural gas to this amendment. I think the amendment seeks equality in terms of distribution of petroleum products, and that is a necessary goal. It is a national goal. But I also believe that we have to keep in perspective the great gas deposits of the Mackenzie River Delta and of the Prudhoe Bay field and of the rest of Alaska.

Before we are through, I think we are going to be talking about more natural gas than we are talking about oil, so far as the exports from Alaska are concerned. I am sure the time will come when we will express ourselves with regard to the national goal as it concerns natural gas, but right now I believe I understand the intent of the amendment. It seeks to provide a fair and equitable distribution of petroleum products. So I will let it go at this time.

I do hope that everyone keeps in mind that the natural distribution system that is best to take the natural gas from Alaska, the Mackenzie River Delta, into the Midwest and the East and to take the oil from Alaska into the West. That is practically a balance in Btu content, and I will present those figures in later statements.

It seems to me that when we look to a national distribution of petroleum on an equitable basis, we also have to look to a national distribution on an equitable basis of natural gas deposits in the country.

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

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

Mr. JACKSON. I yield to the Senator from Minnesota.

Mr. MONDALE. Mr. President, I ask unanimous consent that Mr. Colloff be given the privilege of the floor during the consideration of this measure.

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

Mr. JACKSON. Mr. President, I have no further comments, but I ask unanimous consent that there be a quorum call and that it not come out of the limitation of time.

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

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. JACKSON. I yield to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that George Shanks, of my staff, be permitted the privilege of the floor during the consideration of the pending measure.

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

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

Mr. PASTORE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Rhode

Island. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT) and the Senator from Kentucky (Mr. HUDDLESTON) are necessarily absent.

I further announce that the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. MCGEE), and the Senator from Alabama (Mr. SPARKMAN) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "yea."

Mr. SCOTT of Pennsylvania. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

The Senator from Michigan (Mr. GRIFFIN) is absent on official business.

The Senator from Kentucky (Mr. COOK) is detained on official business.

The result was announced—yeas 91, nays 0, as follows:

[No. 278 Leg.]

YEAS—91

Abourezk	Eastland	Montoya
Aiken	Ervin	Moss
Allen	Fannin	Muskie
Baker	Fong	Nelson
Bartlett	Gravel	Nunn
Bayh	Gurney	Packwood
Beall	Hansen	Pastore
Bellmon	Hart	Pearson
Bennett	Hartke	Pell
Bentsen	Haskell	Percy
Bible	Hatfield	Proxmire
Biden	Hathaway	Randolph
Brock	Helms	Ribicoff
Brooke	Hollings	Roth
Buckley	Hruska	Saxbe
Burdick	Hughes	Schweiker
Byrd, Harry F., Jr.	Humphrey	Scott, Pa.
	Inouye	Scott, Va.
Byrd, Robert C.	Jackson	Stafford
Cannon	Javits	Stevens
Case	Johnston	Stevenson
Chiles	Kennedy	Symington
Church	Long	Taft
Clark	Mansfield	Talmadge
Cotton	Mathias	Thurmond
Cranston	McClellan	Tower
Curtis	McClure	Tunney
Dole	McGovern	Weicker
Domenici	McIntyre	Williams
Dominick	Metcalf	Young
Eagleton	Mondale	

NAYS—0

NOT VOTING—9

Cook	Griffin	McGee
Fulbright	Huddleston	Sparkman
Goldwater	Magnuson	Stennis

So Mr. PASTORE'S amendment was agreed to.

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

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRAVEL. Mr. President, in a letter dated July 5, 1973, to Members of Congress, the Secretary of the Interior, the Honorable Rogers C. B. Morton, has again emphasized the urgency for construction of the trans-Alaska pipeline in view of our critical energy shortage and our dollar outflow. The Secretary points up recent developments on the international scene and the still lack of a even near feasible alternative to the trans-Alaska pipeline.

Secretary Morton's remarks are of great significance to the crucial legislation before us and I ask unanimous consent to have his letter printed in the RECORD.

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

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 5, 1973.

Hon. MIKE GRAVEL,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GRAVEL: I understand that early in the week of July 9 the Senate will take up the Right-of-Way bill recently reported by the Committee on Interior and Insular Affairs, S. 1081. I also understand that Senator Mondale and others will offer an amendment to prevent issuance of a permit for the Trans-Alaska pipeline until the Congress enacts legislation specifically authorizing a pipeline from Northern Alaska. The amendment envisions that Congress will not act until the Secretary of State conducts negotiations with the government of Canada to determine the feasibility of a Trans-Canada pipeline and the National Academy of Sciences conducts an eleven-month study of this subject.

This legislation can materially affect our energy supply picture, the strength of our dollar, our foreign relations and the strength of our bargaining position, vis-a-vis the oil producing countries in the Middle East. Recent events in Libya, and the expressed willingness of some Middle East countries to utilize their oil exports for political purposes, require all of us to give this matter our most careful attention. I want to explain why I support S. 1081 and oppose any amendment that will delay the Alaska pipeline.

It is clear, and no one disputes, that following the recent Court of Appeals decision in the Pipeline Case, new legislation is required before I can authorize construction of any new, large oil or gas pipeline across any public land in the United States. Large pipelines simply cannot be built within a right-of-way no greater than 25 feet on both sides of the pipe.

While I have not favored every provision of S. 1081, I am convinced that it is constructive legislation that will give me the necessary authority to permit construction of large pipelines that are vital to our economy.

Under S. 1081, I could promptly authorize construction of the Trans-Alaska pipeline; and I have expressed my intention to do so for three basic reasons: (1) our national interest requires the earliest possible delivery of North Slope oil to the "Lower 48," (2) the only feasible alternative delivery system is a pipeline across Canada, and it would involve at least a 3–5 year delay in delivery of oil to the lower 48; and (3) a Trans-Alaska pipeline and tanker delivery system can be built and operated under safeguards that will protect the environment and wildlife of Alaska and the Pacific Ocean.

I, and Administration spokesmen from the Departments of State and Treasury, have explained these points and others in detail during numerous appearances before committees of both Houses and in my letter of April 4, 1973, to every member of Congress. It is not my purpose now to repeat the detailed points I have made. Rather, I want to address specifically the three major arguments being made by those who favor amendment of S. 1081 to deny me authority to issue a permit for the Alaska pipeline and require an eleven-month study by the National Academy of Sciences. Those arguments are (1) that our Environmental Impact Statement did not adequately treat the Canadian alternative, (2) that neither I nor anyone else in the executive branch has seriously assessed the practical and political prospects for a Canada pipeline; and (3) that after an eleven-month study by the National Academy of Sciences the Congress will be able to promptly approve either an Alaskan or Canadian pipeline with no overall delay in the delivery of oil to the lower 48 States.

The impact statement on the Trans-Alaska pipeline contains approximately 150 pages of discussion of possible Trans-Canada pipeline routes. This extensive and detailed treatment is the result of inter-disciplinary studies and official and unofficial exchanges with Canadians that extended over a period of at least a year and a half. I personally have given a great deal of careful attention to the environmental problems presented by the Alaska pipeline, with its marine leg, and those that would be encountered in Canada.

I sincerely believe that the environmental costs and risks of a Canada pipeline would be as great as those of an Alaska line, and that the Alaska system will be safely built and operated under the stipulations I will impose in our permit.

Even more importantly, I want to assure you that the feasibility and prospects of building a line through Canada have received my most careful attention and the attention of all concerned members of the Administration. I have discussed these matters with the President and with Secretary Rogers. We are all convinced that we should not delay the Alaska pipeline to consider further the feasibility of a Canada pipeline. For more than three years the Canadian Government has taken the position that it is not prepared to negotiate with the United States Government on the matter of pipelines from the Arctic. By letter of June 22, 1973, to Senator Jackson, The State Department reported the Administration's assessment as follows:

"... the Departments of State and Interior are convinced that there is no Canadian alternative to the proposed Alaskan pipeline at this time. Even if the Canadian Government should move expeditiously to approve such a pipeline, which is unlikely, an Alaskan pipeline could be in operation at least 3–5 years, and perhaps 7–10 years earlier than a Canadian pipeline.

"We do not believe that recent Canadian actions limiting exports to the United States of petroleum and petroleum products have a direct bearing on future Canadian consideration of applications for the construction of Arctic pipelines. However, they do emphasize Canadian determination to follow policies which will husband Canadian resources to the maximum extent deemed necessary to meet Canadian needs projected well into the future. This attitude and recent remarks by Canadian officials give no cause to change our view that the Canadian Government has no strong current interest in the construction of a Mackenzie Valley oil pipeline . . ."

Between May 1969 and March 1972, an inter-agency task force devoted many thousand man-hours, including 8 days of public hearings, to studies that finally produced a 6 volume Environmental Impact Statement and a 3 volume Economic and Security Analysis of the proposed Alaska pipeline and its alternatives. The work was done by experts with many years of relevant experience. The product is objective and comprehensive. It has been available for public scrutiny and debate since March 1972. I am convinced that an eleven-month effort by the Academy will not add materially to the information or analyses bearing on the United States Government's decision to grant permission for an Alaska pipeline or to deny such permission and pursue a Canadian alternative. I suspect that even if Congress should later

approve the Alaska line the delay involved will extend well beyond a year because the Academy's study will require more than eleven months and the companies will have to re-mobilize for construction.

I am as concerned as the members of Congress to provide our Midwest and East Coast with adequate supplies of energy in the years ahead. The President shares this concern. But we are convinced that our increasing demand for petroleum presents serious national issues that transcend regional interests, and that it is in the Nation's interest to increase our domestic resource base as soon as possible. We hope and expect that Canada will agree to contruction of a gas line from the Arctic to our Midwest in the reasonably near future. We anticipate that additional discoveries of oil in Alaska and Northern Canada will justify a second oil line shortly thereafter. And we hope that by the time such a line is required, we will have been able to negotiate terms for its construction through Canada.

Delay of the Alaska pipeline will reduce the total supply of oil available to our economy during the period of delay, thereby increasing all the costs and risks associated with increased dependence on Middle East oil. It is not in the Nation's interest to deny ourselves oil that can safely be delivered by an Alaska pipeline while we further pursue the possibility of building the first pipeline from the Arctic through Canada.

I hope these views will be helpful to you in your consideration of S. 1081.

Sincerely yours,

ROGERS C. B. MORTON,
Secretary of the Interior.

Mr. JACKSON. Mr. President, I wish to call up my amendment No. 315, to declare the movement of North Slope oil and gas a matter of great public urgency. Before I make my statement I would like to yield 2 minutes to the Senator from Idaho (Mr. MCCLURE), who wishes to make a statement in connection with the amendment just adopted.

Mr. MCCLURE. I thank the Senator for yielding this time to me.

Mr. President, I do think it is important to address ourselves to the allocation of petroleum supplies. I think the evidence is mounting that petroleum supplies to the east coast and metropolitan areas are being increased at the expense of the rural areas of our country, where crops are in need of care. I think there is evidence, particularly in my State, that gasoline supplies are suffering, that farmers are going without gasoline at a time when they must plant crops and produce food. Therefore, I supported the amendment just adopted.

However, I feel there are problems with the amendment in its language and in the thrust which allows and directs the President to allocate supplies of petroleum away from owners of those supplies without any finding of national urgency, as was done in the measure which we passed some time ago. I voted for the amendment in the expectation that these problems will be addressed in the conference or in the other body and because I think it is necessary to move expeditiously.

Mr. JACKSON. I thank the distinguished Senator from Idaho. I concur that there is some language in the amendment that may have to be adjusted in conference, without changing the substance. I think that the Senator refers to the provision under subsection (c), in which it is provided that the President may arrange for additional capacity to existing pipelines. That provision is to be read in the context of subsection (d) which requires the President to furnish a report to the Congress every 3 months. This report would "contain a summary of any actions that the President has taken under this section, recommendations for any legislation which may be needed to achieve the purposes of this section, and a statement of actions taken by the executive branch to increase the supply of and to reduce the demand for crude oil and petroleum products."

He would have to come to Congress for legislation. Does that answer the Senator?

Mr. MCCLURE. Yes, the Senator is correct; that is a part of the reason for my statement. There is an additional reason, however. I think we should recognize that whenever the President redirects a supply which may have been contracted for or owned by one person to another person, he is interfering with a contractual or property right, and there has to be some overriding national interest, or it will be declared unconstitutional. I think there must be such a finding or that it must be written into the legislation, or we are going inevitably to have many lawsuits in court, which I think we can avoid, and which I think it is in the national interest to do.

The PRESIDING OFFICER. The amendment offered by the Senator from Washington (Mr. JACKSON) will be read.

The assistant legislative clerk read the amendment (No. 315) as follows:

On page 32, at the beginning of title II, add a new section:

SEC. 200. (a) The Congress hereby finds—

(1) that the Nation faces a serious energy crisis, created in part by declining domestic production of crude oil and natural gas;

(2) that approximately twenty-four billion barrels of crude oil in place and twenty-six trillion cubic feet of natural gas reserves have been proved on the North Slope of Alaska, and that the probable reserves of that region are many times greater;

(3) that the rapidly growing volume of oil imports poses an increasingly serious threat to the national economy, to the value of the dollar, and to national security;

(4) that the exceptionally low sulfur quality of the crude oil already proved on the North Sope of Alaska can be an important asset in protecting and enhancing the Nation's environment;

(5) that the delivery of North Slope crude oil and natural gas already discovered, and the effort to discover and develop additional reserves, have been postponed by administrative delay, political controversy, and protracted litigation; and

(6) that said postponement has had, and will if prolonged, continue to have an adverse effect upon the national economy, the value of the dollar and national security.

(b) The Congress therefore declares that the following are matters of great national urgency:

(1) the early delivery of North Slope crude oil and natural gas to markets in the United States;

(2) an early resolution of administrative, political, and legal obstacles to completion and operation of an environmentally sound transportation system for delivery of North Slope crude oil and natural gas; and

(3) the most rapid action and disposition, consistent with law, by the United States courts of any litigation regarding or affecting authorization of construction and operation of pipelines for North Slope crude oil and natural gas.

Mr. JACKSON. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

Mr. JACKSON. Mr. President, the purpose of this amendment is to tell the Federal courts that Congress wishes to see all the legal controversy over the trans-Alaska pipeline resolved directly and rapidly. I believe that this is the most straightforward method of accelerating approval of a pipeline right-of-way—any pipeline right-of-way. It is the approach which is most likely to succeed.

It is now more than 5 years since the Prudhoe Bay discovery well was announced. After 5 years, construction is still not underway on a transportation system for that oil. Some of that delay was necessary—to settle the Alaskan Native land claims, and to make sure that the pipeline system was engineered soundly and would protect the environment.

There is no controversy in this body today about the need to move North Slope oil and gas as soon as a transportation facility can be built. It will be a scandal if this facility is blocked for months or years because of unnecessary delays in the courts.

The controlling obstacle to moving North Slope oil and gas today is the right-of-way width restriction in the Mineral Leasing Act. S. 1081, if adopted, would eliminate that bottleneck. But alone, it will not move North Slope oil.

After Congress acts on this matter, the pipeline case will be back in court. That is a dead certainty. There is no way that Congress can make the pipeline permit nonlitigable. Let no one be deceived on this point.

If this body were to adopt Mr. MONDALE's proposal, and subsequently to authorize a pipeline through Canada, one of the oil companies has promised a court battle to the very end against that decision.

We might adopt language directing the Secretary of the Interior to grant a right-of-way "notwithstanding any other provision of law." We can declare that the decision is not subject to legal review. Maybe Congress can waive section 102 of the National Environmental Policy Act with such a provision.

But do not assume that the courts will refuse to entertain a complaint based upon the Administrative Procedures Act, the antitrust laws, or laws protecting health and safety, or a complaint that a right-of-way grant overrides legitimate private rights.

Do not suppose that such a provision will settle the complex litigation between the pipeline owners and the State of Alaska.

We may lessen some plaintiff's chance of ultimate success, but we will not eliminate litigation.

I am not in favor of overriding the National Environmental Policy Act in order to build the pipeline. Nor am I in favor of overriding the Administrative Procedures Act, the antitrust laws, the laws

protecting health and safety, or the rights of the States or private persons. I do not believe that these actions would be good policy or good law.

As the author of the National Environmental Policy Act, I am not in favor of starting the precedent of legislative exemptions. The compulsion on each Member of Congress to ask and expect such a waiver on his own favorite projects will be too great. If there is at some time in the future a disastrous pipeline break or a disastrous tanker accident, I do not want to be in the position of having voted to cut off any further deliberation over the environmental consequences of this oil transportation system.

Another reason I am not in favor of overriding NEPA or "all other law" is that I am not convinced that these moves will in fact reduce the opportunities for litigation. By changing the rules now they may well invent new causes of action or legal ambiguities.

I believe that the outstanding legal issues can be resolved most rapidly if the courts will move expeditiously within the framework of existing law, as they have not done to date. The surest way to do this is for Congress to tell the courts that it regards these issues as of the highest priority.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the complete text of the amendment, so that the courts will get a clear message from the U.S. Senate on this policy statement.

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

On page 32, at the beginning of title II, add a new section:

SEC. 200. (a) The Congress hereby finds—

(1) that the Nation faces a serious energy crisis, created in part by declining domestic production of crude oil and natural gas;

(2) that approximately twenty-four billion barrels of crude oil in place and twenty-six trillion cubic feet of natural gas reserves have been proved on the North Slope of Alaska, and that the probable reserves of that region are many times greater;

(3) that the rapidly growing volume of oil imports poses an increasingly serious threat to the national economy, to the value of the dollar, and to national security;

(4) that the exceptionally low sulfur quality of the crude oil already proved on the North Slope of Alaska can be an important asset in protecting and enhancing the Nation's environment;

(5) that the delivery of North Slope crude oil and natural gas already discovered, and the effort to discover and develop additional reserves, have been postponed by administrative delay, political controversy, and protracted litigation; and

(6) that said postponement has had, and will if prolonged, continue to have an adverse effect upon the national economy, the value of the dollar and national security.

(b) The Congress therefore declares that the following are matters of great national urgency;

(1) the early delivery of North Slope crude oil and natural gas to markets in the United States;

(2) an early resolution of administrative, political, and legal obstacles to completion and operation of an environmentally sound transportation system for delivery of North Slope crude oil and natural gas; and

(3) the most rapid action and disposition, consistent with law, by the United States courts of any litigation regarding or affecting authorization of construction and operation of pipelines for North Slope crude oil and natural gas.

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

Mr. JACKSON. Mr. President, I yield to the Senator from Arizona.

Mr. FANNIN. Mr. President, I support the amendment of the distinguished Senator from Washington, and I am pleased to be a cosponsor.

Mr. President, in order to stress the urgency of moving North Slope oil soon, I give as an illustration of what has happened throughout this country the fact that we are in the middle of an energy crisis and we are finding resistance to a bill that would increase energy supplies.

Mr. President, a June 6 Washington Post article refers to an AAA survey of the Nation's gas stations in which large numbers were closed or only partly in service because of a lack of gasoline and we hear opposition expressed to a bill which will increase gasoline supplies.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

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

SEVEN PERCENT OF STATIONS FOUND TO ALLOCATE GASOLINE

A survey of more than 1,400 gasoline stations along major U.S. travel routes showed 7 per cent of them allocating amounts a customer can purchase in a single stop, the American Automobile Association said yesday.

The survey showed 1 per cent of the stations closed and 24 per cent limiting their hours of operation.

The AAA said the survey was the first of a planned weekly series designed to gauge more accurately the supply of fuel to consumers. It said it found that 75 per cent of the 1,439 independent and major-company stations checked were operating under normal conditions.

The stations counted were polled on the basis of a nationally prepared questionnaire by AAA clubs in the District of Columbia and all states except Alaska, Arizona, Alabama and Missouri.

The spokesman said that the Southeast and Northwest regions had the tightest fuel supplies, with only 60 per cent in the Southeast calling their operations normal and 63 per cent in the Northwest reporting normal operations.

Mr. FANNIN. Mr. President, we are discussing paying Russia $4.5 billion for its energy instead of building a transatlantic pipeline.

A May 22, 1973, Wall Street Journal article tells how El Paso Gas and Occidental Petroleum have agreed to pay the Russians $4.5 billion for Soviet energy. By the time it reaches American consumers' burner tips it will be more expensive than Alaskan gas piped down to the lower 48 States. The sooner we build the trans-Alaska pipeline the sooner oil can be sent south through it and gas can be sent through other systems to be built.

Mr. President, I ask unanimous consent this article be printed in the RECORD.

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

RUSSIAN GAS VENTURE COST PUT AT $4.5 BILLION BY EL PASO, OCCIDENTAL

NEW YORK.—El Paso Natural Gas Co. and Occidental Petroleum Corp. estimated that the facilities needed to move natural gas to the U.S. from Russia under their proposed joint venture would cost $4.5 billion.

An official of El Paso said in Houston that this would include a 2,000-mile pipeline from eastern Siberia to a port near Vladivostok, liquefaction facilities to turn the gas into LNG (liquefied natural gas) and 18 to 20 tankers.

In New York, Dr. Armand Hammer, chairman of Occidental, said in an interview that, based on costs of other LNG projects, the gas would cost an additional $12.5 billion over the life of the planned 25-year project.

El Paso and Occidental have been negotiating with the Soviet Union for some months over their proposal to transport one billion cubic feet of gas a day to the U.S. from Russia's vast Siberian gas deposits. Officials of the two companies said they will resume negotiations in Russia early next month.

El Paso and Occidental announced last October that they had agreed to explore jointly the possibility of purchasing large quantities of natural gas from the Soviet Union. Previously, a consortium consisting of Texas Eastern Transmission Corp., Tenneco Inc. and Brown & Root Inc., a division of Halliburton Co., had begun holding talks with the Russians on possible importation of Soviet gas, as LNG, into the U.S.

Dr. Hammer also has been discussing joint development of the Siberian gas reserves with Japanese interests. Both he and an official of El Paso said yesterday that if the Japanese interests join in the project it would boost the amount of gas to be brought out of Russia by the El Paso-Occidental venture to two billion cubic feet a day or possibly more.

The El Paso and Occidental officials said, however, that before signing the agreement the Russians are insisting on most-favored nation treatment by the U.S. "If Congress acts (on most-favored nation treatment for Russia) before the end of this year, we expect that in the early part of next year we would be completed and ready to start transchasing Soviet gas, Dr. Hammer said, adding: "We're in very serious negotiations."

Dr. Hammer said he believes the facilities would be completed and ready to start transporting the gas within three years after an agreement is reached with the Soviet Union.

Mr. FANNIN. Mr. President, Libyan nationalizations set the stage for other Arabs to use oil for political purposes. We must, therefore, develop our domestic resources including Alaskan oil. This July 1973 Petroleum Press Service article details how Libya has nationalized U.S. companies. Mr. President, I ask unanimous consent that this article be printed in the RECORD.

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

HIGH STAKES IN LIBYA

Libya is again the odd man out—this time in the paticipation stakes, with the nationalization of Bunker Hunt thrown in to increase the pressure on the big producers here. The industry has thus far managed to stick together in resisting the government's demands for 100 per cent participation—but appears no closer to a settlement that would be acceptable to Libya without setting off a "me too" chain reaction throughout the Arab oil world.

It will be recalled that BP's half-share in the big Serir field was nationalized in December 1971, in retaliation for Britain's failure to prevent Iran from occupying three

small islands in the Persian Gulf. Bunker Hunt, BP's partner in Serir and the original concession holder, was allowed to continue lifting something approximating its half-share of production from the field—which has been running at little more than half its previous 430,000 b/d level—but has been in the firing line continuously due to the company's refusal to market BP's nationalized oil.

PARTICIPATION DEMANDS DOUBLED

Then last autumn AGIP was finally allowed to start up its first Libyan oilfield in exchange for agreeing to 50 per cent government participation. Within days Libya made a similar demand of Bunker Hunt, in addition to a retroactive claim for half the company's profits on its crude sales since the 1971 nationalization of BP. Negotiations went in interimttently, but—aside from verbal threats and occasional brief suspensions of Hunt's oil exports—Libya did nothing dramatic for some time, and actually named its arbitrator for the dispute several months ago in response to Hunt's request.

This was the first time in its history that Libya agreed to arbitration of an oil dispute (as provided for under the country's oil laws), and it appeared that the government had decided to ignore the small fry while it concentrate on much bigger fish. First Oasis and then Amoseas and Occidental were singled out for negotiations, with Tripoli's previous demand for 50 per cent participation raised to 100 percent at the end of April.

LIBYA STEPS UP THE PRESSURE

The three groups (which include the four large independents operating here, plus three majors) together produce 1.4 million barrels a day of oil, well over half the country's total output at present; agreement by any one of them could be expected to be forced on all the other large producers. The government's demands were much stiffer than those accepted recently in the Persian Gulf and Nigeria, and were tantamount to nationalization: compensation based on net book value only, with the "right" to buy oil at market prices. Understandably, the companies refused. Their counter-offers were summarily rejected; the government stopped all exports for a token 24-hour period on 15th May, and participation talks continued.

Bunker Hunt was back in the news late in May when the government permanently stopped its tanker loadings. The company was informed that its rights to produce and export would be denied as of 1st June, and the nationalization of its assets was announced by Colonel Gaddafi on 11th June. In a speech delivered to a mass rally on the third anniversary of US evacuation of the former Wheelus airbase, the Libyan leader accused Hunt of "lacking the legal basis" for oil operations here, and added that the US "deserves a good hard slap on its insolent face in the Arab area".

Thus, Libya has now registered its protests against the foreign policy of both Britain and the USA, and has picked off the easy target of independent Bunker Hunt, which now has no oil production outside North America. The 12-article nationalization decree, officially issued last month as Law No 42/1973, provides for the setting up of a committee to estimate compensation. This was also done in the case of BP and the marketing companies expropriated earlier, but none has yet received a penny.

OIL FROM AFRICA'S BIGGEST FIELD

Because of Hunt's somewhat exposed position since late 1971—it has had no agreement with Libya's Arabian Gulf Exploration, the company formed to operate Serir following BP's expulsion—the takeover was not wholly unexpected. As a result, the government now controls Africa's largest oilfield, proven Serir reserves being variously estimated at 11–14 billion barrels. It has, however, increased the difficult of marketing this easily identified waxy crude.

LIBYA: CRUDE OIL PRODUCTION

[Thousand barrels per day]

	1970	1971	1972	1973 [1] January May	1973 [1] May
Oasis [1]	946	824	799	845	845
Occidental [2]	659	586	424	333	349
Esso [3]	692	447	354	348	295
AGEC/Hunt [4]	413	420	188	233	253
Amoseas [5]	323	262	234	220	212
Mobil/Gelsenberg	253	186	163	151	150
AGIP/NOC [6]			24	139	137
Aquitaine group [7]	20	17	16	13	12
Amoco	8	15	9	7	7
NOC [8]	4	4	3	3	3
Total	3,318	2,761	2,215	2,293	2,264

[1] Includes unofficial estimates.
[2] Continental, Marathon, Amerada/Shell.
[3] Esso Standard, Esso Sirte (with Libyan American and Grace).
[4] BP/Bunker Hunt until December 1971; then Arabian Gulf Exploration Co. (subsidiary of National Oil Corp.) operating BP's nationalized share in Serir field, with Hunt.
[5] California Standard/Texaco.
[6] Production started in October 1972.
[7] With Hispanoil, Murphy, Elf.
[8] National Oil Corp., operating Phillips' relinquished Umm Farud field since October 1970.

Production from the now wholly nationalized field continues to move to Eastern Europe under several contracts concluded earlier by the National Oil Corporation (believed to total some 110,000 b/d), but Hunt is now supporting BP's actions in embargoing any shipments to the non-communist world. To date BP has taken action against 13 cargoes, and will presumably do the same against future shipments under contracts reportedly concluded recently with Brazil's Petrobrás and several small U.S. independents. Claims have been issued against 10 shipments by NOC, valued at $7,066,000, to Greek refiner John Latsis, and three cargoes for Montedison's Sincat in Sicily. The floodgates appeared to be opening when BP lost the first stage of its initial test case against Sincat in March, but long-drawn out legal proceedings should deter any substantial flow of the "blacked" Serir crude: the first court hearing in Athens is scheduled for 20th September, and BP's appeal against the Sicilian judge's ruling is due to be heard in Catania early in October. The decision of Swedish Judge Lagergren, appointed by the International Court to arbitrate BP's claim against the nationalization itself, is expected in the autumn.

A CURTAIN-RAISER

But all this activity qualifies as little more than a curtain-raiser to the main drama in Tripoli, where the outcome of the participation negotiations could have a critical effect on the oil industry's arrangements elsewhere. Whether there has been any significant progress toward an agreed settlement is difficult to say, although it is generally believed that the government's real target now is "only" an immediate 51 per cent stake, rather than the 100 per cent claim first put to leading producer Oasis on 30th April.

The industry is again faced with the delicate task of seeking a formula that will satisfy Libya's determination to outdo its OPEC partners without upsetting the carefully balanced participation agreements already concluded in the Persian Gulf. Negotiations were in recess as we went to press, and both sides were apparently hammering out proposals for the next round. It seems futile to speculate whether the unpredictable regime in Tripoli will carry out its threats of more widespread nationalizations, although the resultant upheaval would hardly help Colonel Gaddafi to bring off his much-cherished union with the UAR as scheduled in September—for which the only attraction in Egyptian eyes must be Libya's uncommitted oil reserves.

MEASURE OF INSURANCE

For the industry, the loss of some 2.3 million b/d of very light, low-sulphur Mediterranean oil would be a blow, particularly in view of the current tight crude position worldwide. But the recent settlement in Nigeria combined with heavy advance chartering of tanker capacity by the majors provides some measure of insurance if the worst should happen. In the meantime, the industry's internal arrangements to provide alternative crude supplies to any victimized company should strengthen the hands of the negotiators. It seems obvious that if ever there is to be a time or a place to halt the dizzy spiral of "giveaways" that has rocked the oil industry for the past two years, it is now in Tripoli.

Mr. FANNIN. Mr. President, the National Iranian Oil Co. has gained control over a western oil consortium in that country. The Shah, under this new agreement, has added to his complete ownership, complete control. This is to ensure continuous flow of crude oil to the markets.

Once again, these two articles, one from the New York Times and the other from the Wall Street Journal, both appearing on May 25, 1973, demonstrate the need to place emphasis upon our domestic oil resources, including the Alaskan pipeline, and stop our reliance upon international oil.

Mr. President, I ask unanimous consent to have these articles printed in the RECORD.

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

IRAN SIGNS PACT WITH WESTERN OIL UNITS

Iran and the Western oil companies signed yesterday a basic agreement giving the Iranian Government "full and real control" over the petroleum industry within its borders.

The agreement, specific details of which are still to be worked out, give the National Iranian Oil Company control over all the operations and facilities of the consortium of Western companies that have been operating in Iran in one form or another since 1901.

It is the most far-reaching agreement ever amicably worked out between the government of an oil producing country and the international oil industry.

Industry analysts, however, do not expect it to upset agreements reached earlier this year between the companies and Saudi Arabia and other Persian Gulf Countries giving the producing Governments a 25 per cent "participation" in existing concessions.

HAS NOMINAL CONTROL

Iran has had nominal control of her oil resources since 1954 when the Shah signed the agreement with a consortium of Western companies giving the National Iranian Oil Company title to all fields, deposits and facilities but gave the companies unrestricted rights to use them.

The 1954 agreement was in the form of a peace treaty between Iran and Western interests following Premier Mohammed Mossadeh's nationalization of the Iranian Oil industry in 1951. After the nationalization, the Western companies cut Iran off from the consumer markets replacing the Iranian oil with oil chiefly from Kuwait and Saudi Arabia.

The consortium members include the British Petroleum Company with 40 per cent, Royal Dutch Shell with 14 per cent, the Gulf Oil Corporation, the Mobil Oil Corporation, the Exxon Corporation, Texaco, Inc., and the Standard Oil Company of California all with 7 per cent; Cie Franciase Des Petroles 6 per cent and the Iricon Group of Companies, 5 per cent.

Under the new agreement which runs for 20 years the consortium will act as technical adviser, operator and off takers of Iranian oil. In many practical ways the status of the consortium will be little changed.

The agreement however, reduces the area in which the consortium will have right to buy the oil by 70 per cent of the previous concession. The new area nonetheless contains all present producing fields.

OIL CONSORTIUM YIELDS CONTROL OF IRAN OPERATION

A Western oil consortium gave up control of its operations in Iran under a 20-year pact signed in Tehran.

But members of the consortium will hold an exclusive right to the bulk of crude oil coming from Iran, which is the world's fourth-largest petroleum producer.

The consortium also will continue to provide operating services and technical assistance, under Iranian control, in its so-called "agreement" area of south Iran. The consortium's operating territory of some 30,000 square miles will shrink by 30%, however, and Iran will withhold a part of the oil produced within the area for its own internal needs and for export.

Members of the consortium and their interests are British Petroleum Co., 40%; the Royal Dutch-Shell Group, 14%; Exxon Corp., Gulf Oil Corp., Mobil Oil Corp., Texaco Inc. and Standard Oil Co. of California, 7% each; Cie Francaise des Petroles, 6%, and the Iricon group, 5%. The Iricon group is made up of American Independent Oil Co., Atlantic Richfield Co., Charter Oil Co., Continental Oil Co., Getty Oil Co. and Standard Oil Co. (Ohio).

PREVIOUS SETUP

About 92% of Iran's oil, or about five million barrels a day, is produced in the consortium's defined areas. The Western companies have been producing and refining the oil, and marketing much of it, under contract to the state-owned National Iranian Oil Co. Ownership of the oil hasn't been in question since it was nationalized in 1951.

An agreement in 1954 provided for a 25-year term under this operating arrangement. But last January the Shah of Iran ordered the companies to turn over "full and real control" to Iran or else leave the country before their old agreement expired in 1979.

The new pact—in effect, an agreement in principle—is in the form of a purchase-sales contract which gives members of the consortium a continuing right to crude produced within their area. The size of the area is being reduced under terms of the old agreement, which called for certain relinquishments by the companies. The new pact doesn't have any such provisions.

Under the new agreement, Iran will assume primary responsibility for operating and financing the activities formerly run by the consortium. "It's mainly a change in emphasis," a spokesman for one of the oil companies said in New York. He added: "While the Shah previously had 100% ownership of the oil, he will also have 100% control."

FINANCIAL CONSEQUENCES

Financial effects of the new agreement "generally will be comparable with those Iran would have received" if it had gone the route of "participation" chosen by Persian Gulf states, a spokesman for the consortium, Iran Oil Participants Ltd., said in London. The Gulf states, under terms of an agreement signed with Western companies last January, acquired an initial 25% equity interest in the petroleum production of the oil concerns operating within their borders. By 1982, the Gulf states' shares will rise to 51%.

In Tehran, according to the Associated Press, the Shah's oil consultant also said the agreement is designed to make sure Iran receives economic benefits similar to those which will acrue to the other Persian Gulf producing countries. Additionally, the consultant said, the agreement will provide long-term stability and "insure the continuous flow of crude oil to the markets supplied by the oil companies."

Quantities of Iranian oil to be exported by National Iranian Oil Co. weren't disclosed. But industry sources suggested that exports might be on the order of 50,000 barrels or 100,000 barrels a day at the start and that they likely will increase gradually.

Production of Iranian oil also is due to begin increasing. The oil companies already have put into effect plans to increase output to eight million barrels daily by 1976, as ordered by the Shah.

The new pact still must be put into legal language and then approved by Iran's parliament. Drafting of the final documents for ratification by the Iranian parliament could require some weeks, sources said in London and Tehran.

Mr. FANNIN. Mr. President, Arab oil is eyed as a way to bring pressure upon the United States.

The New York Times on June 13, 1973, brought to the public's attention the possibility of Arab countries using their oil production as a means to bring pressure upon the United States. This is a very real threat and we must face up to the fact that we may not always rely on foreign oil production to supply our Nation with its needed fuels.

We therefore must concentrate our efforts on domestic supplies. We need the Alaskan pipeline.

Mr. President, I ask unanimous consent to have this article printed in the RECORD.

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

ARAB SAYS OIL RESTRAINT IS A WAY TO PRESSURE UNITED STATES

BEIRUT, LEBANON, June 12.—An Arab oil expert says Arab oil-producing countries could bring the United States to the brink of a severe energy crisis within one year by merely holding production to its present levels.

Nadim Pachachi, former secretary general of the 11-nation organization of Petroleum Exporting Countries, said in a speech here last night that a total oil embargo would be unnecessary.

"All the Arab producers need do is merely to refuse to increase production," he told an audience of Lebanese and Americans at the alumni club of the American University of Beirut.

Dr. Pachachi said the world demand for oil—excluding the Soviet Union, China, Eastern Europe and Canada but including United States imports—was expected to increase by an average of four million barrels a day during 1973, 1974 and 1975.

The Iranian oil industry was nationalized last March 21, but the terms were acceptable to the Western members of the consortium operating in Iran. They negotiated rights to obtain substantial quantities of crude oil over the next 20 years in payment. That settlement did no damage to the basic accord with the Persian Gulf states.

NO SHOWDOWN NOW

There were some experts who said they did not expect a major confrontation between Libya and the oil companies at this time, even though they conceded that the situation would remain tense. These experts attributed last night's action to special circumstances. As the partner of British Petroleum in Libya's Serir oil field, Bunker Hunt had angered Libyan authorities by rejecting demands to market B.P.'s oil after that company's Libyan assets were nationalized in 1971.

On May 24 Libyan authorities stopped Bunker Hunt from producing any more oil. This move was considered a prelude to expropriation. Bunker Hunt has been backed by the major oil companies and assured of their financial support if its operations were shut down.

Other companies operating in Libya are taking a tough position because they fear leapfrogging demands if the Libyans extract new concessions. These companies have strong means of resisting expropriation. For instance, they can embargo the oil of any producing country that refuses to pay adequately for expropriated assets. This would make it almost impossible for the oil to be sold in a Western consuming country.

COMMENT BY SHEIK

In this connection, Sheik Ahmed Zaki Yamani, Oil Minister of Saudi Arabia, has discussed Iraq's experience last year after she had nationalized the Kirkuk field. Iraq's oil exports were not embargoed.

"The production from this field is about 1.2 million barrels daily, or about one-sixth the production of Saudi Arabia," Sheik Yamani said. "Iraq has not been able to market more than a third of this output despite the assistance which the French Government extended to it in this regard.

"Furthermore, Iraq's income per barrel at present is less than it was under the concession agreement."

Iraq reached an agreement with the Western oil companies last March.

Mr. FANNIN. Mr. President, the New York Times on June 4, reported the Kuwaiti Government desirous of nationalizing its oil companies, 50 percent of which is now owned by two oil companies. This follows a successful similar attempt by the Iranian Government in March.

Mr. President, we need to concentrate our efforts on domestic availability of fuels. We need the Alaskan pipeline.

I ask unanimous consent to have this article printed in the RECORD.

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

KUWAIT SEEKING NEW PACT ON OIL—100 PERCENT OWNERSHIP OF FOREIGN UNITS SAID TO BE GOAL

KUWAIT, June 13.—The Kuwaiti Government announced today that it was seeking a

new participation agreement with foreign oil companies operating in Kuwait.

The Government was reported to be interested in 100 per cent ownership of the oil companies similar to the arrangement recently worked out between the Government of Iran and the companies operating there.

The announcement that Kuwait wanted a new oil agreement followed a meeting between Robert Dorsey, the chairman of the Gulf Oil Corporation and the Kuwait Crown Prince and Premier, Sheik Jaber al Ahmed al Jaber.

The Government said Mr. Dorsey had been summoned to Kuwait to be briefed on the new situation.

Gulf Oil and the British Petroleum Company each own 50 per cent of the Kuwait Oil Company, which under a concession agreement is now producing about three million barrels of oil a day, or about 90 per cent of Kuwait's output.

Under an agreement reached last year between the oil companies and Saudi Arabia, Abu Dhabi, Qatar and Kuwait, a new participation agreement was to go into effect as of Jan. 1, 1973, in which the governments would be able to take over 25 per cent of the ownership of the foreign oil companies. This was eventually to be increased to a 51 per cent share by 1981.

The agreement has not yet been ratified by the Kuwait National Assembly because of political opposition.

The Kuwaiti Minister of Oil and Finance, Abdul Rahman al Atiki, said that "with the changes these days we think we can enter into cordial discussions with the oil companies to reach a new agreement to suit the needs of the country."

He said new talks with the Kuwait Oil Company executives would start soon and the matter would be settled "within a matter of weeks." There was no immediate comment from the company.

The Kuwait Government, which previously had prohibited production increases by the Kuwait Oil Company, thus limiting the company to three million barrels a day, said today that production increases now would be allowed if the company found new oil fields.

The spokesman said that Mr. Dorsey had discussed with officials of the Kuwait Government the participation agreement that was signed earlier this year but has yet to be ratified by Parliament. That agreement gave Kuwait an immediate 25 per cent interest in the oil produced in that country and provided that participation would rise to 51 per cent by 1982.

STATUS OF OTHER CONCERNS

Mr. Dorsey said the discussions had been "positive, fruitful and cordial" and said they would lead to additional meetings and a possible simplification of the participation agreement and would insure long-range stability.

"However," he added, "at no time was there a discussion or any suggestion of 100 per cent ownership on the part of the Government of Kuwait."

A spokesman for western oil companies said here yesterday that none of the other countries in the Persian Gulf Area Participation Pact besides Kuwait was seeking new talks on the agreement. The pact was reached last year between the oil companies and Saudi Arabia, Abu Dhabi, Qatar and Kuwait.

Only the Gulf Oil Corporation and British Petroleum are directly affected by Kuwait's announcement that it was interested in seeking 100 per cent ownership of oil companies in that country. However, other oil companies are concerned about their participation agreements with the other countries.

HUNT'S PLAN OF ACTION

DALLAS, June 13 (Reuters).—Nelson Bunker Hunt, the American oil man whose interests in Libya have been nationalized, has a "legal" plan of action to counteract his problems.

Ed Guinn, chief legal counsel for Mr. Hunt and the Hunt International Petroleum Co., said today he and colleagues were putting together a countermove.

"When they bring that oil out, we could attach the ships that transport it in just about any free port in the world," Mr. Guinn said.

Mr. Guinn, who is one of the best-known oil attorneys in the United States, said there would be no sense in going to the United States Government for help.

Mr. FANNIN. Mr. President, the Organization of Petroleum Exporting Countries—OPEC—and Western oil firms are being forced to tighten their grips on the prices of crude oil. The Wall Street Journal of June 4 of this year reports that this increase, a total of 11.9 percent, is due to the rising cost of oil production. Therefore, we would do well to develop our own resources further.

We need to build the Alaska pipeline now.

Mr. President, I ask unanimous consent to have this article printed in the RECORD.

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

OPEC, OIL FIRMS SET 11.9 PERCENT BOOST IN POSTED PRICES: ACTUAL INCREASE SINCE JANUARY 1 IS 19 CENTS, BUT 9-CENT RISE WAS EFFECTED APRIL 1—SHIFT CAUSED BY DEVALUATION

Western oil companies settled their post-dollar-devaluation dispute with the Organization of Petroleum Exporting Countries by agreeing to increase posted prices of petroleum a total of slightly more than 30 cents a barrel.

This doesn't mean that the cost of much of the world's oil is rising by that much. Rather, it means that the cost of producing oil in many of the OPEC countries will immediately go up by close to 10 cents a barrel after having already climbed nine cents a barrel as a result of the February dollar devaluation.

This is because taxes and royalties paid to the producing governments are based on the so-called posted prices. Thus, some 62% of the increase in posted prices, or a total of around 18 cents a barrel, will go to the governments in added taxes and royalties. The oil companies undoubtedly will seek to pass on the added costs to consumers.

By one unofficial estimate, the increased payments will boost oil revenue to Saudi Arabia $220 million. Kuwait will be paid an additional $88 million a year.

The new posted prices, retroactive to Friday, are effective in Persian Gulf states and in Libya and Nigeria. Some of the other countries that make up the 11-member OPEC, such as Venezuela and Indonesia, aren't directly affected because they have separate systems of compensation for loss of revenue from dollar devaluations.

MAJOR EFFECT IN EUROPE, JAPAN

The major consumers of the oil directly affected by this weekend's accord are Europe and Japan. The U.S. isn't immediately concerned as most of its imported crude at the moment comes from Venezuela and Canada. But any changes in crude prices is certain to have a ripple effect in other areas, and U.S. consumers may yet feel the pinch.

Japanese refineries were already up in arms about the higher price prospects for them. "The oil exporting countries have acquired a tighter grip on the matter of deciding crude oil prices," one refining official in Tokyo declared.

Representatives of the Western oil companies and OPEC signed the new accord over the weekend at Geneva. It modified their so-called "Geneva Agreement" of January 1972 and established an effective increase of 11.9% in posted prices.

The 11.9% increase is calculated on posted prices in effect Jan. 1. Incorporated in the new percentage increase is a prior boost of 6%, around 15 cents a barrel, that automatically was triggered April 1 under the old Geneva formula.

IMMEDIATE BOOST ABOUT 15 CENTS

Thus, the immediate impact is a further increase in posted prices of between 15 cents and 16 cents a barrel. For example, the posted price of Arab light, a typical Mideast crude oil, was $2.59 a barrel of 42 gallons last Jan. 1. On April 1 under the old Geneva formula, it went to $2.74 a barrel. Under the new agreement, the posted price of Arab light goes to $2.90 a barrel, a net increase of 31 cents since the start of the year.

The total of the overall percentage increase is higher than had originally been asked by OPEC. The producing governments, in three rounds of talks prior to the latest Geneva negotiations, had demanded a total increase of 11.1% to make up for the dollar's devalution in February.

It is understood, however, that the apparently higher amount reflects later cuts in the dollar's international value. "There has been a progressive fluctuation in currency values since the negotiations began," one source said. "The new formula is responsive to that," he stated.

Although the oil companies were able to keep the structure of the old Geneva formula, as they had hoped, they agreed to major modifications. Under the old formula, posted prices were changed according to the dollar values of the currencies of West Germany, France, Italy, Belgium, the Netherlands, Luxembourg, Sweden, Britain and Japan. Under the new formula, currencies of two additional countries are included: those of Canada and Australia.

Also, the posted prices under the new Geneva formula will be measured monthly, instead of quarterly, as had previously been the case.

Mr. FANNIN. Mr. President, by voting for this amendment and supporting it, I do not want to prejudice my vote for the Stevens-Gravel amendment.

Section 200(b)(3) urges prompt court action on any litigation involving the pipeline. It is my hope that agreement to the Stevens-Gravel amendment will preclude any further court action.

However, I feel that it is very highly important to go ahead with the Jackson amendment and I support it, reserving my right to support the Stevens-Gravel amendment.

Mr. JACKSON. Mr. President, I yield such time to the Senator from Alaska as he may require.

Mr. STEVENS. Mr. President, I am grateful to both the chairman and ranking member of the committee for their continued support of the Alaska pipeline concept.

I do want to comment on the amendment. I am a cosponsor of the amendment. I do not feel that it is inconsistent with the amendment that my colleague from Alaska and I will offer today. We will submit a modification of amendment No. 226 that would permit immediate construction of the trans-Alaskan pipeline. This is a substitute for the amendment as presently printed.

This revised amendment is similar to sections 201–204 of H.R. 9130, introduced

on Friday, June 29, by Congressman JOHN MELCHER, chairman of the House Public Lands Subcommittee, and 20 cosponsors—nearly half the membership of the House Interior Committee.

This amendment will add a new title III—the "Trans-Alaska Pipeline Authorization Act." Section 302 makes a series of congressional findings on the necessity for the early delivery of North Slope oil and the necessity for the trans-Alaska pipeline—the quickest method to get the oil to the rest of the United States. It specifically states that additional pipelines may be needed through Canada later, and S. 1081 already incorporates a provision calling for immediate negotiations for and study of a trans-Canadian route. This is title II in the present bill.

In section 302(d) of the modification, Congress finds that the actions of the Secretary of the Interior and all other Federal agencies and officers that have been taken up until now on behalf of the executive branch with respect to the pipeline shall be regarded as satisfactory compliance with the National Environmental Policy Act of 1969 and all other applicable laws.

Under section 303(a) Congress grants and directs and authorizes the Secretary of the Interior to issue without further action under NEPA or any other law all necessary rights-of-way, leases, permits, approvals and other authorizations necessary for the construction, operation, and maintenance of a trans-Alaska pipeline system, a State of Alaska highway and no more than three State of Alaska airports. There is clear precedent for this type of a congressional grant. This is established in R.S. section 2477, 43 U.S.C. 932.

Subsection (b) states that the route shall follow the route generally described in present applications, but that the Secretary may approve amendments to these applications if he deems it appropriate.

Subsection (c) indicates that after performing these ministerial functions, the Secretary shall make such actions subject to the terms and conditions of the stipulations contained in volume I of the final environmental impact statement, prepared by him to prevent or mitigate any adverse environmental impact.

Subsection (d) states that no right-of-way, permit, or other formal authorization or other action taken by a Federal agency with respect to the construction of the pipeline, no Federal land order or other Federal authorization with respect to construction of the highway, nor any lease or permit granted by the Secretary for these airports shall be subject to judicial review.

Section 304 states that the right-of-ways and permits for the roads and airports may provide that these shall be public roads and airports.

Section 205 specifically states that this title shall grant no immunity from the Federal antitrust laws.

I urge my colleagues to consider this amendment carefully as a necessary solution to our energy crisis—one that we must resolve in favor of the trans-Alaska pipeline if we are to obtain the oil we need now.

Mr. President, I would particularly like to call the attention of the Senate to the decision by the Supreme Court on the Three Sisters Bridge case. In that case the Supreme Court denied certiorari on an appeal from the Court of Appeals.

Chief Justice Burger concurred in the action of the Supreme Court, and in so doing, he stated the clear position of the Supreme Court in terms of the power of the Congress to prohibit judicial review of the directives of Congress. That is what our amendment seeks to do. We do not seek to avoid NEPA, because we feel that it has been complied with in this instance.

I understand that my good friend, the Senator from Washington, disagrees with that.

However, we feel that of all cases, the Alaskan pipeline has perhaps been studied more than any other project in recent history. It has been changed to comply with the requirements of the National Environmental Protection Act.

Consequently, we seek to have Congress follow the direction set forth by the Supreme Court—in the Three Sisters Bridge case and clearly prohibit judicial review of the congressional action. As a result, the Alaskan pipeline could proceed immediately.

Mr. President, I ask unanimous consent that the concurring opinion of Chief Justice Burger be printed in the RECORD at this point.

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

Mr. CHIEF JUSTICE BURGER, concurring.

I concur in the denial of certiorari in this case, but mainly out of considerations of timing. Questions of great importance to the Washington, D.C., area are presented by the petition, not the least of which is whether the Court of Appeals has, for a second time, unjustifiably frustrated the efforts of the Executive Branch to comply with the will of Congress as rather clearly expressed in § 23 of the Federal-Aid Highway Act of 1968, 82 Stat. 827.* If we were to grant the writ, however, it would be almost a year before we could render a decision in the case. It seems preferable, therefore, that we stay our hand. In these circumstances Congress may, of course, take any further legislative action it deems necessary to make unmistakably clear its intentions with respect to the project, even to the point of limiting or prohibiting judicial review of its directives in this respect.

Mr. STEVENS. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD an article from the American Bar Association Journal which is an interpretive review of the comments made by Chief Justice Burger in his concurring opinion in the Three Sisters Bridge case.

Mr. President, this is a very interesting discussion of the direction the court is taking with regard to the power of Congress to limit and prohibit judicial review of the directives of Congress.

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

THREE LITTLE WORDS AND WHAT THEY DIDN'T SEEM TO MEAN

(By Frank R. Strong)

A considerable stir has been occasioned by Chief Justice Burger's modifications of his concurrence in the Three Sisters Bridge case—*Volpe* v. *D.C. Federation of Civic Associations*—in which on March 27, 1972, the Supreme Court denied a petition for a writ of certiorari to the United States Court of Appeals for the District of Columbia Circuit. As reported unofficially, 92 S.Ct. 1290–91, the Chief Justice's concurrence read:

"I concur in the denial of certiorari in this case, but solely out of considerations of timing. Questions of great importance to the Washington area are presented by the petition, not the least of which is whether the Court of Appeals has, for a second time, unjustifiably frustrated the efforts of the Executive Branch to comply with the will of Congress as rather clearly expressed in § 23 of the Federal-Aid Highway Act of 1968, 82 Stat. 827. If we were to grant the writ, however, it would be almost a year before we could render a decision in the case. It seems preferable, therefore, that we stay our hand. In these circumstances Congress may, of course, take any further legislative action it deems necessary to make unmistakably clear its intentions with respect to the Three Sisters Bridge project, even to the point of limiting or prohibiting judicial review of its directives."

The day following the Court's action Sen. James B. Allen of Alabama asserted on the floor of the Senate that the statement of the chief justice "can be taken as a straw in the wind—an indication of the attitude of the U.S. Supreme Court on the question of congressional power to limit the exercise of discretionary powers by U.S. district court judges." An opponent of school busing by judicial decree, the senator declared that the chief justice had tipped the Court's hand on the constitutionality of the Nixon Administration's antibusing bills (H.R. 13916 and S. 3388) introduced only a week before.

This development served to heighten the already major concern of those opposed to

---

* Certain of the provisions of § 23 of the Federal-Aid Highway Act of 1968 were apparently enacted in response to the decision in *D.C. Federation of Civic Assns., Inc.* v. *Airis*, 129 U.S. App. D.C. 125, 391 F. 2d 478, in which it was held that the planning and construction of this project had to be carried out in strict compliance with the procedural requirements of Title 7 of the D.C. Code. Section 23(a) of the Act provides that "[n]otwithstanding any other provision of law, or any court decision . . . to the contrary, the Secretary of Transportation and the government of the District of Columbia *shall . . . construct*" certain specified "routes on the Interstate System within the District of Columbia." (Emphasis added.) In § 23(b), Congress singled out four particular projects, including this one, for special treatment by providing that work on those projects was to commence "[n]ot later than 30 days after the date of enactment of this section." In an earlier phase of the litigation involved in the instant petition, the Court of Appeals rejected the petitioners' contention that § 23 rendered inapplicable the pre-construction planning and public hearing requirements set out in various sections of Title 23 of the United States Code. *D.C. Federation of Civic Assns., Inc.* v. *Volpe*, 140 U.S. App. D.C. 162, 434 F. 2d 436. On remand following that decision, the District Court found that the petitioners had complied with all applicable provisions of Title 23 except those of § 128 relating to public hearings and those of § 100 relating to safety standards and other requirements. The Court of Appeals, in the decision that we are now being asked to review, reversed in part, holding that the petitioners had failed to comply with a number of additional preconstruction provisions of Title 23.

the administration's bills. Rep. Frank Thompson, Jr., of New Jersey, a strong opponent of antibusing legislation, took the floor of the House on May 15 to observe, "One of the most important aspects of this issue is the relation of busing to the constitutional rights of American citizens and the question of the power of Congress to limit the jurisdiction of the federal courts in the area of busing." He stated that he and Prof. Daniel H. Pollitt of the University of North Carolina School of Law "had attempted to examine this problem in an objective and scholarly way in a law review article." Despite the fact the article had been accepted for later publication, he placed the article in full in the *Congressional Record* of that date "for the consideration of my colleagues in the hope that it will clarify some of the issues and promote constructive debate on this subject."

That study, "Congressional Control of Judicial Remedies: President Nixon's Moratorium on 'Busing Orders,'" now available in 50 *North Carolina Law Review* 809 (1972), concludes that "a series of decisions by the various courts of appeals under the Portal-to-Portal Act recognize that Congress may not exercise its control over the 'inferior' federal courts in a manner that denies those courts the power to vindicate rights guaranteed by the Constitution."

Without here debating the extent of congressional power to delimit the jurisdiction of federal courts,[1] there is no question but that the antibusing bills precipitate the issue stated by Representative Thompson and Professor Pollitt in terms of judicial power to interpret and enforce constitutional limitations.

Chief Justice Burger in the meantime had modified his concurrence. In the official report of the denial of certiorari (405 U.S. 1030–31), the words "in this respect" were added to the final, contentious sentence, so that it read:

". . . In these circumstances Congress may, of course, take any further legislative action it deems necessary to make unmistakably clear its intentions with respect to the project, even to the point of limiting or prohibiting judicial review of its directives in this respect."

The chief justice also appended a footnote to the citation three sentences earlier to the section of the Federal-Aid Highway Act of 1968 centrally involved in *Volpe*. The footnote summarizes the litigation that culminated in the petition for a writ of certiorari.

A news item originating in the *Chicago Sun-Times* of September 17, which described this action of the chief justice as "an unannounced and highly unusual move," asserted that the original version of the concurrence "had been interpreted as support for the Nixon administration proposals to strip the federal courts of the right to order busing in school desegregation cases." This was said to have been true of "Partisans on both sides of the busing controversy," citing Senator Allen and Yale professor of law Fred Rodell. The alteration, according to this account, appeared "designed to erase the impression that Burger was supporting Congress' right to take the courts' powers of judicial review away in such cases." Capping this alarum was the headline: "Burger Rewords Opinion Affecting Power on Busing."

The seeming conflict in regard to congressional power is resolved as soon as a distinction is made between two species of judicial review that involve major differences in the relationship between Congress and the federal judiciary. The issue in antibusing legislation concerns the power of Congress to restrict remedies deemed by federal courts to be essential to the full implementation of the seminal Supreme Court decisions in the *School Desegregation Cases*, 387 U.S. 483 (1954) and 349 U.S. 294 (1955) The issue is thus one of constitutional dimensions; it concerns the authority of the federal courts to exercise constitutional review free of interference from the Congress *Volpe*, on the other hand, was concerned with judicial interpretation of congressional legislation. Involved was the important, yet nonconstitutional, question of congressional policy with respect to a matter undeniably within its constitutional authority. This issue was literally one of judicial review of what Congress intended, undertaken at the instance of private interests opposed to the interpretation of a federal statute under which the executive branch was attempting to act.

Interpretation of statutes is a familiar facet of the historic function of courts as an independent branch of government. The judicial quest is for legislative intent, not for consistency or inconsistency between statute and Constitution. Unlike judicial review of constitutionality, under which the judgment is final subject to judicial overruling or formal constitutional amendment, judicial review of legislative intent does not preclude the enacting body from rejecting the judicial judgment through clarifying legislation. The locus of finality differs in the two situations. With the former, it is in the judiciary; with the latter, it is in the Congress.

For clarity's sake, that type of judicial action concerned with constitutionality should be renamed constitutional review, for that is what it is. The phrase "judicial review" should be retained for the other species because it so accurately describes that kind of judicial action in which the judiciary reviews legislative declarations of policy and executive implementations to determine liability to government sanction.[2]

THREE SISTERS BRIDGE HAS LONG SAGA

"The Three Sisters Bridge has stirred controversy since the 1950's," the Washington Post stated on March 28, 1972, "when it was formally proposed as a supplement to the Theodore Roosevelt Bridge, which was built to bring Rte. 66 into Washington. Three Sisters became so controversial that Presidents Kennedy and Johnson both intervened personally to bring settlements." But the controversy would not settle at this level, with the result that resort to the courts commenced in 1967 in what is known as the Airis litigation.

In the federal district court for the District of Columbia, to quote that court's description of the parties and issues involved, "a large number of plaintiffs of different kinds and types, joined together to restrain District of Columbia highway authorities and federal highway authorities from proceeding with the construction of four projects with federal highway aid." One of these four projects was the construction across the Potomac River of the Three Sisters Bridge, a structure planned as a segment of the interstate highway system. The array of plaintiffs opposed to construction was known as the D.C. Federation of Civil Associations. Relief was denied by Federal District Judge Holtzoff (275 F.Supp. 533).

On appeal, however, the district court was reversed *per curiam* by a court of appeals bench composed of Chief Judge Bazelon and Judges Tamm and Wright (391 F. 2d 478). The basis of the reversal was the failure of responsible District of Columbia highway officials to adhere to the procedural requirements of Title 7 of the District of Columbia Code, "designed to protect property rights by insuring that the highway plans are evolved democratically rather than arbitrarily. The public hearing required by § 7–115 offers the public an opportunity to participate in the administrative decision and forces the administrators to spell out the reasons for their decision—a check and balance basic to our entire system of government." It was explained that "we are reversing the District Court decision because, without authorization of Congress, the District appellees have disregarded the relevant statutes in planning and constructing the four freeway projects in suit here."

Within the same year, 1968, and in response to this judicial action, Congress enacted the Federal-Aid Highway Act. Section 23(a) called on the Secretary of Transportation and the District of Columbia to "construct all routes on the Interstate System within the District of Columbia" as earlier specified, and continued: "Such construction shall be undertaken as soon as possible after the date of enactment of this Act, except as otherwise provided in this section and shall be carried out in accordance with all applicable provisions of Title 23 of the United States Code." The action was to be taken "Notwithstanding any other provision of law, or any court decision or administrative action to the contrary. . . ." Section 23(b) was even more directive: "Not later than 30 days after the date of enactment of this section the government of the District of Columbia shall commence work on the following projects: (1) Three Sisters Bridge, I–266 (Section B1 to B2). . . ." Title 23 also imposes various planning and public hearing requirements akin to those in Title 7 of the District of Columbia Code.

NEW LITIGATION RAISES NEW QUESTIONS

Enter now Secretary Volpe, who with District of Columbia officials is made defendant in an injunction suit brought by the D.C. Federation of Civic Associations in a further effort to stop construction of the bridge despite the 1968 act. It is early 1970, with the issue again one of statutory construction but now even more technical than that presented in *Airis*. The plaintiffs contend that construction cannot proceed until there has been compliance with the planning and public hearing provision, this time of 23 U.S.C. because the 1968 act in Section 23(a) speaks of "accordance with all applicable provisions of Title 23 of the United States Code." The defendants, on the other hand, assert that that language has reference only to "the provisions of Title 23 which deal with actual construction. . . ." District Judge Sirica, on cross motions for summary judgment, concludes that "the interpretation of Section 23 of the 1968 Highway Act proposed by the defendants is the most reasonable" and enters judgment accordingly (308 F.Supp. 423).

Again the court of appeals reverses, this time by divided vote (434 F. 2d 436). Judge Skelly Wright is of the view that "If we were to accept appellees' interpretation we would be confronted with difficulties, possibly of constitutional magnitude." These he considers at some length but then passes on to statutory interpretation as an independent ground for reversal. "Considering the statute as it was written we do not read Section 23 as foreclosing the orderly procedures prescribed by Title 23." It is on this ground that Chief Judge Bazelon concurs with Judge Wright to constitute the majority for reversal. "I agree that the planning provisions of Title 23 apply to the Three Sisters Bridge Project, and that the case must be remanded to determine whether there has been com-

[1] Conventional views on the scope of congressional power to control the appellate jurisdiction of the Supreme Court are examined and a different interpretation offered in Strong. *Rx for a Nagging Constitutional Headache*, 8 SAN DIEGO L. REV. 246 (1971).

[2] The distinction between judicial review and constitutional review is developed in Strong, *Judicial Review: A Tri-Dimensional Concept of Administrative-Constitutional Law*, 69 W. VA. L. REV. 111 and 249 (1967). It is the basis for the analysis offered in the article cited in footnote 1. There is an increasing recognition of the dual functions of the Supreme Court and other American courts. See Kauper, *The Supreme Court: Hybrid Organ of State*, 21 S.W.L.J. 573 (1967).

pliance. Because that conclusion is compelled in my view by an analysis of the statutory language and the legislative history, I find it unnecessary to reach the constitutional questions." In a long dissent Judge MacKinnon reads Section 23 to opposite effect, thus agreeing with the interpretation given it by Judge Sirica.

On remand it fell to Judge Sirica to make the required determination as to whether the District of Columbia and federal officials had met the requirements of Title 23. His detailed analysis was reported (316 F. Supp. 754) in an opinion dated August 3, 1970. Summing up nearly forty pages, he concluded:

"Having held the evidentiary hearing called for by the Court of Appeals, the Court finds that in planning and commencing construction of the Three Sisters Bridge, the defendants have not complied with 23 U.S.C. § 128 and the Department of Transportation Policy and Procedure Memorandum 20–8 promulgated pursuant thereto, and 23 U.S.C. § 109. Therefore the construction work on the project must be enjoined until there has been compliance, with these sections of the statute and the Policy and Procedure Memorandum. The Court finds that there has been compliance with the other provisions of Title 23 of the United States Code which have been raised in this action."

This time the injunction literally stopped work on the bridge, for now it was in the preliminary stages of construction.

But once again the court of appeals called for remand by a majority vote, the panel this time consisting of Chief Judge Bazelon and Judges Fahy and MacKinnon. The opinion of the court is unreported, but the full text is given in the report dated December 1, 1971, of the Joint Committee on Congressional Operations Identifying Court Proceedings and Actions of Vital Interest to the Congress.

The difficulty now in the court of appeals was not only with Judge Sirica's conclusions of compliance with other relevant provisions of Title 23 but also with his preliminary evaluation as to whether Mr. Volpe, the secretary of transportation, had yielded to political pressure "applied by certain members of Congress in order to secure approval of the bridge project."

Judge Sirica had noted that "the proposed freeway system for the District of Columbia has spawned a fierce and emotional political controversy, with strong feeling on the part of both anti-freeway and pro-freeway factions" and that the secretary "was aware of this pressure." He had seemingly concluded, however, that there was not sufficient support for the contention that the pressure had influenced Mr. Volpe's deliberations and decision favorable to the construction of the bridge. But Chief Judge Bazelon was convinced that the district court "clearly and unambiguously found as a fact that the pressure exerted by Representative Natcher and others did have an impact on Secretary Volpe's decision to approve the bridge." While Judge Fahy was not so certain of this, he agreed that "the decision would be invalid if based in whole or in part on the pressures emanating from Representative Natcher."

Consequently, the court concluded: "We therefore hold, that on remand the Secretary must make new determinations based strictly on the merits and completely without regard to any considerations not made relevant by Congress in the applicable statutes." Judge MacKinnon again dissented.

By this time another president of the United States intervened in the long and bitter dispute. "Mr. Nixon," the *Washington Post* later reported, "personally ordered the Justice Department to seek Supreme Court review of the Three Sisters issue. He issued a statement November 18 saying he was convinced that the federal and District of Columbia governments had fully complied with highway laws in proceeding with the bridge, and that the U.S. court of appeals was wrong in finding October 12 that they had not."

Certiorari was sought in the Supreme Court on January 17, 1972, and denied on March 27, with Chief Justice Burger concurring with the language quoted earlier. This action has thrown the matter back in the lap of Secretary Volpe for fuller compliance with Title 23 "strictly on the merits" and without bowing to political pressures in making his determinations.

Can one fault the chief justice for declaring, "In these circumstances Congress may, of course, take any further legislative action it deems necessary to make unmistakably clear its intentions with respect to the project, even to the point of limiting or prohibiting judicial review of its directives in this respect."? An effort was made in Congress to act on the chief justice's assertion of legislative freedom. On September 21, the House Public Works Committee reported out H.R. 16,656, Section 139 of which provided:

"No court shall have power or authority to issue any order or take any action which will in any way impede, delay, or halt the construction of the . . . Three Sisters Bridge. Nor shall any approval, authorization, finding, determination, or similar action taken or omitted by the Secretary, the head of any other Federal agency, the government of the District of Columbia, or any other agency of Government in carrying out the mandate of this Act be reviewable in any court."

H.R. 16,656 was passed by the House by a heavy margin on October 5 following rejection of an amendment that would have stricken this provision, but the bill made little headway in the Senate before adjournment.

Chief Justice Burger's cautious addition of the addendum "in this report" to his concurrence in *Volpe* would have been unnecessary were there an understanding of the distinguishing features of judicial review and constitutional review. Properly understood, the Burger concurrence, whether in its original or amended form, has nothing to do with any question of congressional power to restrict the federal courts in exercising constitutional review. To be specific, it discloses nothing as to the Supreme Court's likely judgment on the constitutionality of the antibusing bills proposed in the Ninety-second Congress, should they be revived in the new Ninety-third Congress and enacted.

Mr. STEVENS. Mr. President, I support the amendment. I think it is not inconsistent with our important objectives. Although the Senator from Washington does not agree with this point, we seek to have cases that come before the courts handled expeditiously. We will check at a later date on the pipeline permit to ascertain if this prohibits judicial review of the action of the Congress determine if Congress agrees with us that the National Environmental Protection Act has been complied with in regard to the Alaskan pipeline.

Mr. JACKSON. Mr. President, I thank the Senator from Alaska. I now yield to the Senator from Arizona.

Mr. FANNIN. Mr. President, I ask unanimous consent that Nolan McKean, a staff member of the Senator from Wyoming (Mr. HANSEN), be permitted the privilege of the floor during the discussion and voting on this bill.

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

Mr. HASKELL. Mr. President, I ask unanimous consent that Betsy Moler, my legislative assistant, may have access to the floor during the consideration of S. 1081.

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

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

Mr. FANNIN. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. HELMS). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Washington (Mr. JACKSON). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), is necessarily absent.

I further announce that the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. MCGEE), and the Senator from Alabama (Mr. SPARKMAN), are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "yea."

Mr. SCOTT of Pennsylvania. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

The Senator from Michigan (Mr. GRIFFIN) is absent on official business.

The Senator from New Mexico (Mr. DOMENICI) is detained on official business.

The result was announced—yeas 86, nays 6, as follows:

[No. 279 Leg.]

YEAS—86

Aiken	Eastland	Moss
Allen	Ervin	Muskie
Baker	Fannin	Nelson
Bartlett	Fong	Nunn
Bayh	Gravel	Packwood
Beall	Gurney	Pastore
Bellmon	Hansen	Pearson
Bennett	Hart	Pell
Bentsen	Hartke	Percy
Bible	Haskell	Proxmire
Brock	Hatfield	Randolph
Brooke	Helms	Ribicoff
Buckley	Hollings	Roth
Burdick	Hruska	Saxbe
Byrd, Harry F., Jr.	Huddleston	Schweiker
Byrd, Robert C.	Humphrey	Scott, Pa.
Cannon	Inouye	Scott, Va.
Case	Jackson	Stafford
Chiles	Javits	Stevens
Church	Johnston	Stevenson
Clark	Kennedy	Symington
Cook	Long	Taft
Cotton	Mansfield	Talmadge
Cranston	Mathias	Thurmond
Curtis	McClellan	Tower
Dole	McClure	Tunney
Dominick	McGovern	Weicker
Eagleton	Mondale	Williams
	Montoya	Young

NAYS—6

Abourezk	Hathaway	McIntyre
Biden	Hughes	Metcalf

NOT VOTING—8

Domenici	Griffin	Sparkman
Fulbright	Magnuson	Stennis
Goldwater	McGee	

So Mr. JACKSON's amendment was agreed to.

Mr. GRAVEL. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. JACKSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRAVEL. Mr. President, the Christian Science Monitor recently printed a letter from the Honorable Rogers C. B. Morton, Secretary of the Interior, entitled "On Alaskan Oil, Chile, and Guns."

Secretary Morton has very concisely outlined the urgency for the trans-Alaska pipeline construction to get underway and what increased domestic oil production will mean to this Nation in terms of increased petroleum products and a decrease in our balance-of-payments deficit.

The Secretary states that—

By 1980 we will be importing about 11.6 million barrels per day, if we are still without North Slope Alaska oil, at a dollar outflow of about $16 billion per year.

The question here for the Congress to decide is: Can this Nation afford such a dollar outflow, and if so, for how long?

I cannot envision any responsible official delaying further in a positive action that would help alleviate these problems. I appeal to my colleagues to act quickly, and decisively.

Mr. President, I ask unanimous consent to have Secretary Morton's letter inserted in the RECORD.

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

ON ALASKAN OIL, CHILE, AND GUNS

I believe it is important for the American people to fully understand the congressional debate that is occurring on the question whether a pipeline should be built through Alaska or Canada to bring Alaskan oil to United States markets.

The United States was formerly a leading oil exporter. . . . By 1980 we will be importing about 11.6 million barrels per day, if we are still without North Slope Alaska oil, at a dollar outflow of about $16 billion a year. . . .

The largest oil discovery ever made on this continent was made five years ago on the North Slope of Alaska. Its proven reserves are conservatively estimated at about 10 billion barrels. Yet the oil remains in the ground for lack of a way to bring it to market in the "lower 48" states. In 1969 a group of oil companies sought a permit to build a pipeline to carry North Slope oil 789 miles southward to an ice-free port on Alaska's south coast, where it would be loaded aboard tankers and carried to West Coast U.S. ports. An exhaustive technical, economic, and environmental study resulted in a six-volume environmental impact statement and a three-volume economic and national security study that convinced me it is in our national interest that this pipeline be built as soon as possible. . . .

But lawsuits challenging my authority to issue the necessary permits and attacking the adequacy of the environmental studies have blocked pipeline construction. The latest court rulings have made it clear that no new major pipeline can be built anywhere in the United States, including Alaska, until Congress removes the narrow width limitations placed in the Mineral Leasing Act in 1920. Congress now is considering necessary changes. There have been some proposals that any new legislation prohibit construction of the Trans-Alaska pipeline until a study can be conducted of a Trans-Canada oil line to the Midwest.

I have carefully considered the possibility of a Trans-Canada oil pipeline, and I am firmly convinced that it is not in our interest to pursue this alternative further at this time.

First, neither route is clearly superior environmentally. The Trans-Alaska route crosses zones of earthquake probability, and its marine tanker leg involves some risk of oil spills at sea. But these risks are avoidable and I will impose stipulations on the permit that will control them. A Canada route, on the other hand, would cause more unavoidable environmental damage by crossing three or more times as much terrain and would involve serious risks from a much larger number of river crossings, which endanger pipelines during flood stage.

Second, a Trans-Alaska-tanker delivery route means more jobs for Americans, as organized labor has recognized. . . .

Third, consider our balance of payments problem. Canada is a friendly nation, but big dollar outflows to Canada or any other country inevitably affect the strength of our economy and, thus, our efforts to control inflation. . . . Half the line's capacity could be used to move Canadian oil to Canadian markets, not to the U.S., and we would receive only half the relief from increasing oil imports that we would receive from a Trans-Alaska line.

Fourth, the time factor has crucial implications. The more we depend on foreign oil, the more our diplomats and strategists must take this dependency into their calculations to meet our national commitments. Alaskan oil will be no cure-all, but it can supply 10 to 12 percent of our needs by 1985.

A Trans-Alaska line has already undergone rigorous environmental studies, planning and engineering. It can be built within three years after Congress and the courts complete action. A Trans-Canada oil line is still no more than a general concept. . . .

Finally, there is the Midwest vs. West Coast argument. Alaskan oil delivered to the Midwest would not lower oil prices there and would not free that region of its dependence on foreign oil. Both the Midwest and West Coast import a major share of their oil already. Pressing for sectional advantage may be a temptation—but it is potentially ruinous because it leads to open-ended delays. And such delays could weaken our economy, undercut our world position, increase our vulnerability to foreign pressures, and deprive Americans of needed employment.

Mr. GRAVEL. Mr. President, recently Mr. William Randolph Hearst, Jr., editor in chief of the Hearst newspaper, wrote an article entiled "The Wolf Is Here."

Indeed, the wolf is here. And here he will stay until responsible action is taken to drive him away.

I am, of course, talking about the critical national energy shortage and the balance-of-payments deficit—problems that are hounding us and threaten the very fabric of our economy. Mr. Hearst thinks it is unconscionable to further delay construction of the trans-Alaska pipeline. I cannot agree more, and as the energy shortage worsens we are going to have a vocal American public demanding that Government take a decisive role in attempting to alleviate the crisis. During this week the Senate will have the opportunity to make that effort to help alleviate our untenable situation. I sincerely hope that we will act responsibly and authorize construction to begin on the trans-Alaska pipeline without further delay.

Because Mr. Hearst so eloquently covers the critical problems facing the Nation, I ask unanimous consent to have his column printed in the RECORD.

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

THE WOLF IS HERE

(By William Randolph Hearst, Jr.)

NEW YORK.—Three long years ago—on June 25, 1970, to be exact—this column was devoted to a call for urgent action on a matter whose importance was described as involving nothing less than "the well-being of the entire United States."

Those words, which struck some of my readers as exageration were written in a report sent from Fairbanks, Alaska. It told how a group of conservation extremists and government indecision were blocking the 800-mile pipeline needed to tap the ocean of oil discovered in 1968 under Prudhoe Bay, off Alaska's ice-bound North Slope.

If the pipeline had been built as originally planned, two million gallons of American oil now would be flowing our fuel-hungry way today—every day—through the ice-free port of Valdez in southern Alaska.

Instead, significantly, the United States today is already being compelled to import far more than that amount from other countries—or about 32 per cent of our total supply—at increasingly great and dangerous detriment to our already sick balance of payments position.

Words fail me in describing the monumental stupidity of not pushing ahead with the original plans. Yet what is far worse is the fact that even to date not a single inch of the vitally-needed trans-Alaskan pipeline has been built. And for the same reasons.

Readers who three years ago thought it necessive to declare that the nation's well-being was involved in the Alaskan oil impasse are invited to reconsider. They can best start by thinking of our now ominous general shortage of power—half of which comes from oil—and of the gasoline shortage which already is closing stations, raising prices and threatening drivers with nationwide gas rationing.

Our whole national life-style is being menaced by America's lack of adequate domestic oil supplies. Yet we continue to keep in an Alaskan deep freeze what has been called "one of the largest petroleum accumulations known to the world today"—at least is and possibly 40 billion gallons of precious oil, plus over 25 trillion cubic feet of natural gas.

Other nations regard the situation as all but incredible, and so do I. Only I add stupid, inexcusable and downright tragic.

Thanks to the group of well-meaning but short-sighted and stubborn environmentalists, and thanks to government indecision and red tape, it now will be at least another three years before we can even start pumping out our vast treasure.

Even if the project got an official green light tomorrow, that's the length of lost time it would take to build the necessary pipeline.

Again for the umpteenth time was a visit made to my office this week by two of Alaska's most distinguished citizens—Lieutenant Governor M. A. (Red) Boucher and U.S. Senator Ted Stevens, who came to talk about it with some of our editors and columnist Bob Considine.

Bob and I had first met Red Boucher in 1967 when he was mayor of Fairbanks, managing the local ball club from the dugout.

We saw him again three years ago when Bob, Joe Kingsbury-Smith and I stopped off to inspect the progress on the North Slope and, incidentally, to take in a baseball game played from 11 p.m. to 1 a.m. without the benefit of arc lights on the longest day of the year. It was Red who loaned us a plane

so that we could see at firsthand the activities and development on the North Slope and get back the same long day.

The glow of renewing a warm relationship soon turned to the heat of impassioned concern as my two callers expounded at length on the basic theme of their visit—now important it is for the American public to realize and start adjusting to the unaccustomed belt-tightening they face in the years immediately ahead.

Here's how Red summed it up:

"If people only knew the tremendous reversal of attitudes and behavior that they and this nation will be forced to undergo starting right now, they never would have permitted the folly of our Alaskan pipeline delay.

"Today's energy crisis, with its power blackouts and all the rest, is only a foretaste of what is coming and has been coming ever since the late 1960s. That's when America suddenly ceased being self-sufficient in energy.

"It seems almost impossible for our people to grasp what this means. They think of their country as a land of boundless riches, which it never was, and think they can go right on living the good life of creature comforts made possible by their cars, air conditioners, adjustable heat, and all those gizmos from waffle irons to automatic tooth brushes.

"What made us a powerful super-state, with the highest living standard in the world, was the cheap domestic energy supply we have been squandering. Energy and the oil which gives most of it is the very life blood of our civilization. Now we are no longer self-sufficient and the price will be going up and up from now on.

"It is not exaggerating to say that the energy problem already has become the most difficult one now confronting our nation, and not only domestically but internationally as well. For the first time in our history the wolf is at our own door, and he won't go away."

The energy crisis is too complicated a subject to be explored here. As a sample, however, it is expected that the nation's gas and oil needs will be doubled by 1985. Even before that, by 1980, experts expect that 50 per cent of such supplies will have to be bought from foreign sources.

Stewart L. Udall, former secretary of the interior, notes that many economists believe that only a few years from now we will be spending up to $30 billion a year for the imports—a situation which "will lead to disastrous devaluation of the dollar."

This, of course, translates into widespread unemployment and a radical lowering of general living conditions at home. Internationally it will compel all sorts of diplomatic readjustments as we compete with others for basic needs.

The most obvious example of the latter is our all but vital need to assure continued supplies from Arab countries which resent our support for Israel. By 1980, it is estimated, we will be relying on such countries for 35 per cent of our oil—oil which would be denied us as it was briefly during the six-day Arab-Israel war of 1967.

Any way you look at it all, there is nothing but trouble ahead for us so far as our energy needs are concerned.

The bleak picture painted by Lt. Gov. Boucher and Sen. Stevens should give you a pretty good idea why further delay in building the trans-Alaskan pipeline is unconscionable. The oil it can provide us by no means will solve our problems, but getting at it is the most expedient step we can and must take.

At the moment, the pipeline is being delayed while Congress considers a bill to permit an essential broadening of right-of-way limits set by an outmoded 1920 law. Discussion of the measure is expected within two weeks. Favorable action is foreseen despite some midwestern lawmakers who would like a proposed alternate pipeline through Canada to their region.

Passage of the right-of-way bill, unfortunately, will end only the latest in the interminable series of hurdles placed in the way of the oil companies in their struggle to build the trans-Alaskan route.

As next step, the matter will go back to the federal courts where the conservationists are challenging an environmental statement of the oil companies. The challengers can be relied on to drag the proceedings out as long as possible by demanding further study of the proposed trans-Canadian pipeline.

This is a beauty of a red herring. Even if the alternate line were found to be practical, it would take four or five years to settle native land claims alone—not to mention years more to construct it.

The trans-Alaskan line has been researched every which way. Its potential danger to wildlife or the environment would be absolutely negligible. And we simply cannot afford to wait 10 years or so for oil we need right now.

What can you do about it? If you feel as I do, at the very least you can write to your favorite lawmaker in Washington and tell him.

Mr. GRAVEL. Mr. President, there are many facets to the present energy shortage.

When a gasoline shortage prevents a family from taking a long-planned and well-deserved vacation, we might call the postponement an inconvenience. When the gasoline shortage threatens employees reaching their jobs, then the result takes a different turn. However, how do we describe the results of fuel shortages affecting agricultural production?

Strange as it may seem to many of us, few draft animals are used in the production of food for market. The agricultural industry is a highly mechanized one—from milking machines, picking cotton, poultry production, threshing wheat, mowing and baling hay, drying feed, operating irrigation systems, to the simple operation of plowing, and planting of grains. All such operations require energy consumption of some type and it is mainly consumption of petroleum products. Gone are the days when a pound of wagon grease got a farmer through the season.

Food and the cost of production of foods are at an all-time high. A decrease in production of food can only compound this frightening situation.

While the trans-Alaska pipeline would not resolve all our energy needs, 2 million barrels of crude oil per day from the North Slope of Alaska would go a long way toward getting people to work and the agricultural machinery running.

The National Agricultural Institute in its June bulletin covers the problem of energy shortage in an article entitled: "A Farmer Views the Fuel Shortage."

I ask unanimous consent to have the article printed in the RECORD and ask my colleagues to please read it.

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

A FARMER VIEWS THE FUEL SHORTAGE

Richard Munk is a farmer and rancher in north central Nebraska who just put in a new center pivotal irrigation system that will run—if all goes according to plan—non-stop from mid-June to the first of September. As the hot growing months roll by, his new system will slowly circle a newly-leveled quarter section once every two and one-half days soaking the land with a half-inch to an inch of water—enough to produce 800 tons of alfalfa; enough for over 100 cows. That is the plan . . . *except for one not-so-small hitch.*

The pivotal irrigation system runs on diesel fuel, and Munk's 500-gallon storage tank has dipped to less than half full. Under normal conditions he will need 1,000 gallons to make it through June, but his dealer, 18 miles west in Bassett, is also running short. The available supply is being allocated, and the dealer has told Munk he may be able to deliver only 630 gallons of fuel to him during June. Even though both the dealer and Munk are scheduled to receive more fuel soon, the question is: Will it be enough to produce a good crop?

Demand for fuel to run the big systems like Munk's (they drink about 4,500 gallons of diesel fuel a season) will jump sharply by mid-June. That's when the pumps normally are switched on around the clock, and stay on until September. But because of the shortage Nebraska corn and alfalfa growers fear that they are in for a long, hot summer, and that production may drop at the very time when world-wide demand is at an all-time high.

"The dealers are having trouble getting the fuel—we know that," Munk said. "And they are allocating it to us at 100 percent of what we used last year. That may sound like more than enough, but it isn't. Last year was a real unusual year."

Last year the Sandhills area of Nebraska—where Munk farms—got a drenching 14 inches of rain in July. Normally rainfall in July is two to three inches, so fuel used for irrigation was down sharply in 1972. Munk's point is that 100 percent of last year's supply—assuming normal, or much *less,* rainfall this summer—may mean burned up alfalfa and shriveled up corn.

To make matters worse, the shortage comes at a time when the Sandhills is in the midst of a major change in cropping patterns. Farmers throughout the area are leveling off quarter sections (160 acres), installing pivotal irrigation systems and planting corn and alfalfa. In short, the Sandhills farmers and ranchers are transforming rangeland into cropland. Just this Spring Sandhills Implement Co. in Bassett sold 78 pivotal irrigation systems in six counties alone. To the farmers and ranchers who bought those 78 systems a severe shortage of fuel will mean severe financial problems.

"Most of the folks are going into debt to make these changes." Munk points out. "At least 50 percent of them are borrowing to buy the land. And that's just for openers. I suppose I've got over $50,000 wrapped up in this new quarter section—and that's without land costs."

He ticks off item-by-item his main costs to put in the new quarter section—figures that clearly illustrate the heavy investment required for modern-day farming and ranching:

Pivotal system	$35,000
Land leveling and preparation	4,000
Fertilizer	5,000
Alfalfa seed	2,000
Harvesting	3,200

Since he plans to feed the alfalfa grown on this quarter section himself, Munk has also purchased a windrower at the cost of $6,600 and 40 additional cows at a cost of $15,000.

"I put in this quarter section so I wouldn't have to rent land," he notes. "The competition for it is too high, and we just want to make the best out of what we have."

Rangeland for summer pasture is now renting for $5 per acre, and livestock men

are paying as much as $1,000 per quarter section for corn stalks—enough acreage to carry about 200 cows for about two months with supplemental feeding.

Munk, who just turned 30, is a Viet Nam veteran. He farms with his father-in-law, and altogether their operation covers about 2,600 acres. He feels very strongly that farmers and ranchers "should have first priority" on available fuel, and hopes people in the cities and suburbs will understand, accept and support his position.

"You don't start up a diesel tractor for pleasure, or take one out for a spin. There's no waste in our use of fuel, and there's nothing more basic than what we produce."

"They say if the average person cut down one gallon a week on what they use, then we wouldn't have a shortage. Maybe we're all going to have to work together to clear up this situation."

With so much at stake, it might be worth a try.

Mr. GRAVEL. Mr. President, in assessing our current energy shortage against our realization that we are increasingly dependent upon oil imports, there are some who have complacently believed that our largest supplier of oil, Saudi Arabia, would continue to meet our needs. There has been little thought that Saudi Arabia, too, might join the Middle Eastern rumblings proposing the use of oil as a political weapon against the United States for its support of Israel.

Two articles appearing in The Washington Post, one on July 6 and one on July 11, merit our concern that there is no guarantee that imports at the rate needed will continue to come from Saudi Arabia. A Saudi Arabian leader, described as "pro-American", was quoted as saying:

The United States cannot take us for granted any longer. Cooperation has to work both ways.

Further quote is even more enlightening:

All the Arabs know that it is in the hand of this government alone to get the West to behave.

All this is indicative that the Government of Saudi Arabia is also pondering whether to continue supplying oil to the United States, and in the quantities needed.

I ask unanimous consent to have the two articles printed in the RECORD.

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

FAISAL WARNS UNITED STATES ON ISRAEL

(By Jim Hoagland)

TAIF, July 4. (Delayed)—King Faisal said today that Saudi Arabia will find it "difficult" to continue close cooperation with the United States if American support for Israel remains at its present level.

The ruler of the world's largest oil-exporting country delivered his first public warning that the traditionally strong American ties to Saudi Arabia "depend on the United States having a more even-handed and just policy" in the Middle East. He made the remarks to two American correspondents in a brief audience in his official summer palace in Taif, 40 miles southeast of Mecca.

The king's remarks appeared intended to bolster specific suggestions made recently by his petroleum minister, Zaki Yamani, and his foreign minister, Umar Saqqaf, that Saudi Arabia may be compelled to freeze its oil production because of rising Arab resentment over American support for Israel.

Faisal's statements, while generalized, are certain to have much more impact on American officials, who are counting on sharply increased Saudi oil exports to ease the mounting "energy crisis."

Faisal is one of the Arab world's most prowestern leaders and as recently as last summer publicly said that he was against linking oil and politics. Moreover, he is a cautious man who deliberates with great care over his pronouncements and who follows through on them resolutely once they are made.

"The United States stands behind Israel, but gains nothing from its support of Israel, which is a burden," the king said as he sat in the reception hall of his palace office here in this small town in the Hejaz Mountains. Wearing traditional robes, he spoke Arabic which was translated by his official interpreter.

"The real interest of the United States in this region is to cooperate with the Arabs," the king said in a high-pitched voice that reflected emotion.

"We would like to continue our friendly ties with the United States," he said. But, he continued, American policy seems to be directed against the Arabs and cooperation would be difficult unless the United States corrected this.

According to some government estimates the United States will have to import one out of every five barrels of oil it consumes in the 1980s from Saudi Arabia, which has the potential to produce 20 million barrels a day by the end of this decade.

But Saudi officials here stress that the country's current production of 8 million barrels a day is more than sufficient for its projected revenue needs and that production of anything above that will only be done to help the West meet growing energy needs.

A strong debate over freezing production at present levels is being conducted inside the Supreme Petroleum Council appointed by King Faisal two months ago to devise an oil policy. Saudi Arabia is under growing Arab pressure to use oil to influence U.S. policy in the Middle-East.

Yamani, who sounded the first warning of a possible Saudi change in his meetings with American officials in Washington in April, is reported by reliable sources to be "standing virtually alone" in pressing for continued escalation of production.

Hisham Nazir, the president of Saudi Arabia's planning organization and also a * * * to Yamani's statement in closed in an interview that the national economic plan for 1975 to 1980 is being drawn up on the current assumption of a 10 per cent annual increase in petroleum production.

This would represent something of a compromise in the debate. Other high ranking Saudi officials said that it would still fall short of what the United States and Western Europe are likely to need over that period.

Competent Saudi officials say that they are concerned that there has been no * * * Washington or to Saqqaf's even more outspoken warnings at two press conferences in Latin America last month.

The king may have been reflecting his concern in his remarks today which were a more moderate public version of the strong plea he made in Geneva a few weeks ago to the heads of four American companies that operate here, according to reliable sources.

American embassy officials here are determinedly noncommittal on the growing evidence of a sudden Saudi shift. Other diplomatic sources depict the official American view now as holding that the Saudis are "making an entreaty rather than a threat."

SAUDIS PONDER WHETHER TO PRODUCE THE OIL UNITED STATES NEEDS

(By Jim Hoagland)

DHAHRAN, SAUDI ARABIA.—The midnight sky glows in fierce red hues here at the edge of the world's largest oil field, where American companies are racing to escalate production needed to fill spiraling global energy demands.

The dancing, hissing natural gas flares that burn in the horizon ripple in the desert wind.

Across the Arabian Peninsula 1,000 miles away, Saudi Arabian merchants sweep into American banks in Jeddah each morning with huge stacks of 100 rial notes, each equal to $25. A tidal wave of money is rushing into the country as more oil pours out.

In this modest, green-tile-roofed summer palace in the mountain town of Taif, King Faisal receives visitors with an elegant politeness, standing as they enter and shaking hands with them.

Rapidly and perhaps somewhat reluctantly becoming one of the most powerful leaders in the Arab world, Faisal quickly shows that he is spending much of his time brooding about the twin flows of oil and money and their impact on the entire Middle East.

Suddenly, Saudia Arabia has shifted from being seen as the West's main hope for solving the energy crisis to being another unpredictable factor in the volatile world of oil and politics.

"The United States cannot take us for granted any longer," a Saudi leader, who was educated in the United States and describes himself as pro-American, said strongly. "Cooperation has to work both ways."

The four large American petroleum companies that jointly operate here are pushing ahead with a crash expansion program around Dhahran that could thrust Saudi Arabia beyond the United States and the Soviet Union as the world's largest petroleum producer in four years.

Increasingly, however, company officials wonder if they will be allowed to use the new facilities they are frenetically installing at the rate of $500 million a year. Specific warnings by the Saudi petroleum and foreign ministers and a more general declaration to this correspondent by King Faisal last week have made it clear that Saudi Arabia is seriously considering blocking future oil production increases because of what is seen here as all-out American support for Israel.

A Saudi decision to freeze production at current levels could create chaos in an energy-hungry world, and competent Saudi officials predict that the psychological impact of such an announcement would drive already rising oil prices upward even more sharply overnight.

The open discussion of such a possibility by the Saudis already mounts to a major policy setback for the Nixon administration in the Middle East.

An unstated but priority aim of the administration has been to keep America's growing need for Arab oil and its support for Israel separated, or, as a member of the Washington foreign policy community put it recently, "on two separate tracks." The pronouncements of Saudi leaders are the first serious merging of the two tracks.

They also signify Saudi Arabia's new awareness of its growing power. Amassing foreign currency reserves at a rate of $100 million a month faster than it can spend them, this nation of about 5 million people is abandoning its traditional isolationism and is cautiously emerging as a major force in international, Arab world and Persian Gulf politics.

"All the Arabs know that it is in the hands of this government alone to 'get the West to behave' as they tell us again and again," a key Saudi policymaker said.

The other major factor in the new Saudi willingness to tie oil to politics is the growing realization here that this desert kingdom's still developing economy cannot absorb the enormous revenues that increased production and higher oil prices are bringing. Given its conservative investment policies and the present uncertainty of international monetary conditions, top Saudi officials feel that production above the 8 million barrels a day figure of May is wasteful for them.

The Saudis have passed this message to Washington through a number of channels. They have not made it clear exactly what they want in the way of a change in American Middle East policy.

But a series of conversations with Cabinet-level officials over the past week did indicate that the Saudis feel they need some public sign of American willingness to consider the Arab cause more seriously, especially in areas like voting in the United Nations Security Council.

"We are not asking for the destruction of Israel," said a Saudi minister. "We want a reasonable policy to bring a settlement."

Other Saudi leaders stress that their government has been "disappointed and embarrassed" by the Nixon administration's failure to move on the diplomatic front while stepping up new military aid to Israel, despite what Saudis insist were clear promises of a shift in the Middle East after President Nixon's reelection last year.

The underlying suggestion is that the Saudis went out on a limb by counseling restraint on other Arab countries, especially Egypt, on the basis of an expected American shift that has not materialized.

Previously undisclosed production statistics for this year underscore the West's increasing dependence on Saudi Arabia, which has oil reserves estimated by the Saudi government at 156 billion barrels, 22 per cent of the non-Communist world's total proved oil reserves.

In May, production by Aramco, the operating company for Exxon, Standard Oil of California, Texaco and Mobil, soared above 8 million barrels a day. If oil industry estimates of Soviet production are accurate, Saudi Arabia has quietly surpassed the Soviet Union as the world's second largest producer by a small margin.

Sand storms in the Persian Gulf hindered ship loading in June and production slipped back to 7.2 million barrels a day for the month, even with the oil port closed 49 per cent of the time. This was the original target figure for average production by Aramco in 1973. Since production usually rises more sharply in the second half of the year, it will easily be exceeded—if Saudi Arabia permits the increases. In the first week of July, Aramco says its production was running at 8.6 million barrels a day. U.S. production is less than 10 million barrels daily.

In six months, Saudi Arabia has increased its total crude oil production by 40 per cent. Aramco's estimated capital budgets of $500 million for 1974 and 1975 indicate that the company plans at least a 20 per cent increase in production in each of those years, meaning that, by the end of 1975, the company sees a worldwide market for Saudi production of 12 million barrels daily.

This month, 500,000 barrels of Saudi oil will be imported into North America. Industry sources predict that the United States will need to import five times that figure by 1975 to keep pace with growing energy demands.

At current production, Saudi Arabia will earn more than $4 billion in oil revenue this year, a 30 per cent increase from last year. At least $1 billion will be added to Saudi Arabia's present foreign exchange holdings of $3 billion.

The rush of new oil revenue into Saudi Arabia has stunned even Saudi financial managers, who until a few months ago were predicting that their sparsely populated country, which has few telephones and long-distance highways, and insufficient numbers of schools, would be able to spend enough of the revenue to make oil production increases worthwhile.

Faisal, who sees a long-term danger to the intensely conservative Saudi society from too much easy money, has resisted large-scale social welfare programs and bureaucracies such as those that have helped other gulf states soak up their oil money.

The national development budget has spurted from virtually zero four years ago to $3 billion in the last fiscal year. But only 62 per cent of the development funds could actually be spent last year.

"We don't have enough contractors to do what we can budget, and what we want to do," Hisham Nazir, president of the government's Planning Organization, said. "There aren't enough contractors in the world."

Nazir's organization is drawing up a new five year economic plan to begin in 1976. It will call for $40 billion to $50 billion total expenditures. The budget figures assume that Saudi oil production will increase only by 10 per cent annually in the future.

"Saudi Arabia must draw a firm policy on oil production," said Nazir, one of five key officials named by Faisal to the newly formed Supreme Petroleum Council. "The policy will have to put an end to waste" brought about by over-production, which adds to Saudi internal inflation and the piling up of devaluing dollars.

"We have to strike a balance between competing factors that include our development requirements, prolonging our national oil reserves over the longest period, the absorptive capacity of our economy, the accumulation of monetary reserves that decline in value while prices for oil rise, and world energy requirements."

A Saudi Cabinet minister explained: "We have found that the maximum revenue we can usefully absorb is brought in by production of 7 million barrels a day. Anything we produce over that harms our own interests, by keeping prices down and by disturbing our economic balance.

"We are prepared to go out of our way and produce more. But we have to have a reason."

The Petroleum Council which clearly mixes foreign and oil policy interest, will recommend Saudi Arabia's first national petroleum policy to Faisal. The debate over freezing production at current levels is expected to go on for some months, while the Saudis look for signs of a change in Washington.

Saudi officials stress that in their view they are not talking about "using oil as a weapon," as more militant Arab states have demanded. There are no suggestions here of a complete oil cutoff to Western countries similar to the one that was briefly tried in 1967.

But if Arab-Israeli fighting should resume, these same officials make clear, Saudi oil would be immediately cut off. "If there is a battle, we are in it," said one authoritative source. "People had better understand that now."

One suggestion that will reportedly surface in the Petroleum Council involves freezing production at this year's original target figure, 7.2 million barrels a day, for the rest of this year and 1974. This would have an especially sharp impact on the oil companies, who would see the return on their massive new investment delayed.

The Saudi Finance Ministry, which faces difficult decisions on the accumulating revenue increases, is reliably reported to be pushing hard for a production freeze. So is the Foreign Ministry, which must bear the brunt of Arab criticism of Saudi Arabia's traditionally close ties to the United States.

Saudi Arabia's new activism in Arab affairs was underscored last week when the kingdom granted the Arab Socialist Baath government in Syria a $24 million development loan.

Top aides credit Faisal, 67, with having dissuaded Egypt's President Anwar Sadat from launching a military strike into the Israeli-occupied Sinai Peninsula in early June, and a top envoy was to be dispatched to Cairo this week to assure Sadat of continued Saudi financial support if Egypt stays out of the proposed merger that Libya's firebrand young leader, Col. Muammar Qaddafi, is pushing.

Saudi officials are diplomatically vague when asked what first step the United States could take to evidence a change toward the "evenhanded" policy Faisal called for last week.

"The puzzle is what is it that our American friends want," said Foreign Minister Omar Saqqaf. "Why is the help always for Israel? There are more than 2.5 million Palestinian people either in refuge (abroad) or under occupation. . . .

"If people think this question is going to be as it is now forever, they are wrong," he added. "We are friends with the United States. We want to be friends. But there is always a limit."

Mr. JACKSON. Mr. President, I ask unanimous consent that the distinguished Senator from New Hampshire (Mr. McINTYRE) may now offer his amendment.

Mr. McINTYRE. Mr. President, first I yield to the Senator from Alaska (Mr. GRAVEL).

AMENDMENT NO. 226 AS MODIFIED

Mr. GRAVEL. Mr. President, I send to the desk a modification of my amendment No. 226, and along with the modified amendment, I ask unanimous consent that the names of Senators STEVENS, BARTLETT, TOWER, SCOTT of Virginia, and SCOTT of Pennsylvania be added as cosponsors of this modified amendment. I also ask unanimous consent that it be printed and held at the desk, and that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, the amendment will be received and printed and will be on the table; and will be printed in the RECORD.

AMENDMENT NO. 226 (AS MODIFIED)

At the end of the bill add a new Title III as follows:

TITLE III—AUTHORIZATION FOR TRANS-ALASKAN PIPELINE

SHORT TITLE

SEC. 301. This Title may be cited as the "Trans-Alaskan Pipeline Authorization Act."

CONGRESSIONAL FINDINGS

SEC. 302. The Congress finds and declares that—

(a) The early delivery of oil and gas from Alaska's North Slope to domestic markets is in the national interest.

(b) Transportation of oil by pipeline from the North Slope to Valdez, and by tanker from Valdez to domestic markets, will best serve the immediate national interest.

(c) A supplemental pipeline to connect the North Slope with a trans-Canadian pipeline may be needed later and it should be studied now, but it should not be regarded as a substitute for a trans-Alaskan pipeline that does not traverse a foreign country.

(d) Actions of the Secretary of the Interior and all other Federal agencies and officers heretofore taken on behalf of the executive branch with respect to the proposed trans-Alaska oil pipeline shall be regarded as satisfactory compliance with the provisions of the National Environmental Policy Act of 1969 and all other applicable laws.

RIGHTS-OF-WAY AND PERMITS

SEC. 303. (a) The Congress hereby grants and the Secretary of the Interior and all other Federal agencies and officers are hereby authorized and directed to issue, without further action under the National Environmental Policy Act of 1969 or any other law, and notwithstanding the provisions of any law other than this title, such rights-of-way, leases, permits, approvals, and other authorizations of any kind that they deem necessary for the construction, operation, and maintenance of a trans-Alaskan oil pipeline system, a State of Alaska highway, and no more than three State of Alaska airports, all in accord with applications on file with the Secretary on the date of this Act.

(b) The route of the trans-Alaskan oil pipeline system shall follow generally the route described in applications pending before the Secretary of the Interior on the date of this Act: *Provided*, the Secretary may approve amendments to said applications if he deems it appropriate.

(c) At any time he complies with the Act by performing the ministerial acts of issuing a right-of-way, lease, permit, approval, or other authorization required under subsection (a) of this section, the Secretary shall make such action subject to the terms and conditions of the stipulations contained in volume 1 of the final environmental impact statement on the proposed trans-Alaskan oil pipeline issued by the Secretary on March 20, 1972, prepared by him to prevent or mitigate any adverse environmental impact.

(d) No right-of-way, permit, or other form of authorization which may be issued; nor any other action taken by the Secretary of the Interior or by any other Federal agency with respect to the construction of such pipeline system; no public land order or other Federal authorization with respect to the construction of such highway; nor any lease or permit granted by the Secretary of the Interior for such airports shall be subject to judicial review.

PUBLIC ROADS AND AIRPORTS

SEC. 304. A right-of-way or permit granted under this Title for a road or airport as a related facility of the trans-Alaskan pipeline system may provide for the construction of a public road or airport.

ANTI-TRUST LAWS

SEC. 305. The grant of a right-of-way, lease, permit, approval, or other authorization pursuant to this Act shall grant no immunity from the operation of the Federal anti-trust laws.

Mr. MONDALE. Mr. President, could I inquire of the leadership whether the time agreement on the pending amendment——

The PRESIDING OFFICER. The Chair would advise the Senator from Minnesota that there is no amendment pending at the moment.

Mr. JACKSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Washington will state it.

Mr. JACKSON. Do I correctly understand that all amendments are limited, except for certain exceptions, to 30 minutes?

The PRESIDING OFFICER. One hour, the Chair is advised.

Mr. MONDALE. Mr. President, it was my understanding, in agreeing to the unanimous-consent agreement, that the amendment I am about to offer would be called up early this afternoon and that we would have, in effect, two full afternoons in which to debate the amendment. As I understand the situation now, it would threaten that arrangement and I might lose one afternoon and the amendment would not be called up until late this afternoon, and I should like to know——

Mr. JACKSON. May I respond, out of my own time? We have three short amendments. The Senator from New Hampshire has an amendment on the matter of requiring confirmation of an energy czar; I have one short amendment which is permitted under the unanimous-consent agreement; and I have a second which is the only amendment out of order in accordance with the unanimous-consent agreement. I do not believe it would take more than 3 or 4 minutes. I shall not take more than 1 minute.

Mr. ROBERT C. BYRD. Mr. President, if the Senator from Washington will yield, the Senator from Minnesota is correct that under the order two amendments by the distinguished Senator from Washington and one amendment by the distinguished Senator from Rhode Island (Mr. PASTORE), were provided for and then the order called for the amendment by the Senator from Minnesota (Mr. MONDALE).

Now, could we get an understanding with the manager of the bill and other Senators, for the protection of the Senator from Minnesota, that time on the McIntyre amendment be limited to 5 minutes?

Mr. JACKSON. It is fine with me.

Mr. McINTYRE. I agree with that.

Mr. MONDALE. Mr. President, I ask unanimous consent that Mr. Len Bickwit have the privilege of the floor during the consideration of this measure.

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

AMENDMENT NO. 310

Mr. McINTYRE. Mr. President, I call up my amendment No. 310, which is cosponsored by the distinguished manager of the bill, Mr. JACKSON.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. McINTYRE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

At the end of the bill, add the following new section:

CONFIRMATION OF THE DIRECTOR OF THE ENERGY POLICY OFFICE

SEC. . That, effective on the day after the date of enactment of this Act, the Director of the Energy Policy Office in the Executive Office of the President, shall be appointed by the President, by and with the advice and consent of the Senate, and no individual shall hold such position from that date unless he has been so appointed.

Mr. McINTYRE. Mr. President, the amendment presently before the Senate would include a new section in the bill, S. 1081, providing for the Senate confirmation of the Director of the newly formed Energy Policy Office.

As the Members of this body know, the President, on June 29, 1973, released a followup energy message to the initial one of last March. In his newest message, the President announced that two existing organizations handling energy matters, namely, the Special Energy Committee and the National Energy Office, would be combined in an expanded Energy Policy Office within the Executive Office of the President.

President Nixon also took this occasion to announce that he was appointing Mr. John A. Love, Governor of Colorado, as the Director of this new Energy Office and that "he will be responsible for formulating and coordinating energy policies at the Presidential level."

Mr. President, I am convinced that Mr. Nixon's action in creating an Energy Policy Office is a needed step, and I am sure that Mr. Love would carry out his responsibilities in a diligent and effective manner. I also realize, however, that the creation of this new Energy Policy Office and the appointment of a single Director places a great amount of responsibility and power under one individual.

As the name of the office implies, Governor Love will be the key individual responsible for establishing and coordinating our national energy policy. The difficulty of such a task is obvious. The authority contained in such an office is also obvious. It is for this reason and this reason alone that I am now offering this amendment to require Senate confirmation of the Director of this Energy Policy Office.

I want to make it clear that this in no way should be interpreted as an action directed in any way against the integrity, ability, or appropriateness of the President's choice to head this new office. I am sure that Governor Love will perform his role at the same high level of competence that he has exhibited during his years as chief executive of the State of Colorado. I do feel, however, that the Congress has a shared responsibility in the total energy area.

I also feel that in view of the responsibility and concurrent effect on energy policy that this new office has that the Senate should have the opportunity to engage in a dialog with the head of this Energy Office and to seek to determine what his viewpoint is on this critical energy problem presently facing our country.

The Senate should be able to determine how the Director of this Energy Policy Office views his job; how he views the present energy situation; and to hear what he feels are proper solutions.

This single issue—energy—will be one of the most important that we as a nation must face during the next decade. We are presently facing supply problems involving crude oil, gasoline, home heating oil, and numerous other petroleum products. Every indication is that the supply problems will multiply and increase in severity during the next few years. We presently have a shortage of refining capacity in this country.

We are losing our domestic production capabilities and hard decisions must be made, such as the bill that is presently before the Senate. I, for one, have no idea of Governor Love's position on the vari-

ous facets of our present energy situation.

I have read in recent days a number of press reports, however, that indicate that Governor Love has stated that at the present time he is opposed to the imposition of mandatory allocation of petroleum products. In view of the fact that the Senate last month passed a mandatory allocation bill, I feel that it would be only proper for the Senate to have the opportunity to understand exactly what Governor Love's position is and what his basis is for this position.

In view of the fact that Governor Love will be responsible for identifying energy problems, reviewing energy plans, making policy recommendations and "monitoring the implementation of approved energy policies on a day to day basis," I feel that Senate confirmation would be appropriate for such an office.

There is ample precedent for such confirmation within the Executive Office of the President. At the present time, confirmation is required for the members of the President's Council of Economic Advisors, the Director of the Central Intelligence Agency, and the Director of the former Office of Emergency Preparedness, which, until its abolishment, was responsible for energy matters at the Presidential level.

The amendment before the Senate would require that effective the day after the day of enactment of this act that the Director of the Energy Policy Office shall be appointed by the President by and with the advice and consent of the Senate and that no individual shall hold such position from that date unless he is so appointed. The amendment, therefore, would require that Governor Love and his successors receive Senate confirmation to this highly responsible position.

To reiterate, I feel that the President took appropriate action in the formation of this new Energy Policy Office and I have no reason to question in any way the appointment of Governor Love as its Director.

I do feel, however, that in view of the authority and power that this office will have over our national energy policy that the requirement of Senate confirmation is a reasonable and proper action.

Mr. President, I believe that the Senate should have the opportunity to obtain from the President's designated Director of the new Energy Policy Office his views on such crucial issues as: First, the balance between environmental standards and regulations and possible conflicts with this Nation's necessary energy needs; second, energy research and development needs; third, competition among the various energy industries; fourth, the feasibility of expanding our domestic offshore drilling efforts; fifth, the need to develop substantial petroleum product storage capacity; sixth, to what extent the various energy industries and particularly the petroleum industry should be under Federal regulation; seventh, the role of the Federal Government in solving our present energy problems; eighth, the methods in which we can conserve our energy resources and reduce our energy demand; and numerous other important energy related matters.

Mr. President, I urge adoption of this amendment, by the Senate and its inclusion in the bill when it is considered by the House, and I intend during the confirmation hearings held before the Senate Interior and Insular Affairs Committee to submit a statement and questions which I hope would be answered at that time.

Mr. JACKSON. Mr. President, as I understand it, the author of the amendment, the distinguished Senator from New Hampshire, intends that this nomination would go to the Committee on the Interior, on the basis of his understanding of the amendment. Is that correct?

Mr. McINTYRE. That is the intention. It would go to the Committee on the Interior, and Governor Love would appear there and make his position known on this very important issue.

Mr. JACKSON. Mr. President, I am prepared to yield back the remainder of my time.

Mr. McINTYRE. I yield back the remainder of my time.

Mr. FANNIN. Mr. President, I object to this procedure, inasmuch as Governor Love is on board; he is working. I know that the distinguished Senator from New Hampshire has made it clear that he supports Governor Love and that he feels he is highly qualified. I believe the chairman feels likewise. I am not going to ask for a rollcall vote, but I do want it thoroughly understood that in not doing so I do not accede to the request of the chairman.

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

Mr. FANNIN. I yield.

Mr. JACKSON. I have a very high regard for Governor Love. I think he is eminently qualified for this position, and I want to make clear that this is not directed at him. I do not believe, at any event, that he has resigned as Governor yet.

Mr. FANNIN. He has made all his arrangements and announcements, and I think such arrangements are tantamount to starting to work in his new job. I am not positive about the resignation, but certainly it is a foregone conclusion.

The Governor will be serving on the President's personal staff, and the necessity for the confirmation of his nomination would seem both undesirable and unnecessary. I will not make an issue of it at this time and will not call for a record vote.

Mr. JACKSON. I just want to conclude by saying that I think it is going to enhance the office and I think it will strengthen his hand. I cannot speak for the Senate, but I cannot conceive of any objection in this body to his nomination.

I want the record to show that I have known Governor Love in connection with the invaluable help he gave us on the land-use bill.

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

Mr. JACKSON. I yield myself 1 minute on the bill.

He has been an outstanding Governor. He has been chairman of the Governors' Conference. I believe he will bring great leadership to this office, and I am glad to see more politicians in the White House, on the staff or otherwise, for the sake of the country. That may not be relevant; it is a personal observation.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from New Hampshire. (Putting the question.) The nays appear to have it.

Mr. JACKSON. Mr. President, I suggest the absence of a quorum.

Mr. McINTYRE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The absence of a quorum has been suggested.

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

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

Mr. JACKSON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. STEVENS. Mr. President, will the Senator yield me a minute on the bill?

Mr. HUGHES. Regular order, Mr. President.

The PRESIDING OFFICER. The Senator may yield time on the bill.

Mr. JACKSON. I yield 1 minute on the bill to the Senator from Alaska.

Mr. STEVENS. Mr. President, I have the greatest respect for Governor Love. He is going to take on one of the most difficult jobs that has ever been taken on by any American. He has already taken on these responsibilities.

If this were a prospective situation it would be another matter, but here is another case in which someone has already taken on a job, and now, ex post facto, we are going to say—if this amendment is adopted—that the nomination ought to be confirmed by the Senate.

Again, if it were made prospective, I would have no objection. But after Governor Love has accepted the job, has left his former position, it would put him in the situation of subjecting his nomination to confirmation. We are going through the same thing all over again. I cannot understand it, and I cannot support it. I would certainly support the concept that the nomination in the future be subject to Senate confirmation. We know who this man is, and there can be no question as to both his integrity and ability.

Mr. JACKSON. I believe the Senator was not on the floor. I indicated that I am going to support Governor Love. I do not know of anyone on the committee who is not. The author of the amendment is going to support him.

I would think that Governor Love would welcome this kind of support from Congress, at a time when it is important that the legislative and executive branches work together on problems of great importance to the Nation.

Mr. STEVENS. I am reminded of the recent situation of the young man with an excellent background whose nomina-

tion for the Federal Power Commission was defeated.

If Governor Love is brought here and asked, "Are you going to recommend the deregulation of the price of gas, are you going to recommend raising the price of oil, are you going to recommend the resumption of strip mining without regard to environmental considerations, are you going to recommend that Maine have a new refinery without regard to environmental considerations?" These questions are not appropriate at this point, in this particular situation.

Mr. JACKSON. I think he is a smart enough politician to handle those questions effectively. These are the issues he will have to deal with in this position, and he will have to testify before Congress. He cannot be the energy czar and not face Congress. I think we denigrate Governor Love when we say he cannot answer those tough questions.

I say that we need a few more smart politicians, and I think he is smart, able, and bright—even if he is a Republican. (Laughter.)

Mr. DOMINICK and Mr. HANSEN addressed the Chair.

Mr. JACKSON. Perhaps I should yield first to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. DOMINICK. I thank the Senator for yielding. I wish to say for a few seconds here that I have already submitted a statement in favor of Governor Love. I have no hesitation in standing up and talking about what a great guy he is. He and I started campaigning together in 1962. My guess is that he is the original Mr. Clean, to put it in the vernacular.

My guess is that, unless he has some freedom of action, it is going to be almost impossible for him to operate. We do not need long and extended hearings, and all the rest of it, which cast doubt on whether he can stay there and to make sure he can start as soon as possible.

I agree with the Senator from Alaska. The problems he cited are only a part of what is involved. The other problems, as the Senator from Alaska knows full well from the briefing we had this morning, go into farm policy, they go into the question of the value of the dollar, and they go into the whole gamut of what the energy picture is going to be for the next 10 years or longer.

It would seem to me that to prevent—not prevent, because I do not think he would be prevented, and I agree with the Senator from Washington on that—but to hold up his ability to exercise his own expertise and judgment in the job he has been given would be a great mistake. I agree with the Senator from New Hampshire: Let us do it in the future, but not on this one.

Mr. JACKSON. I yield to the Senator from Alaska so that he may engage in a colloquy with the Senator from Colorado.

Mr. STEVENS. I understand that Governor Love is on the job. As I understand the Phillips case, if we agree to this amendment that he be confirmed, he must stand by and wait until he is confirmed, and he cannot act.

I do not think it is in our best interest to pass an amendment to require confirmation for someone who is already on the job, after the Phillips case. If the Senate wishes to make it retroactive, it means he must sit and wait until Congress passes this act, and then wait until we have confirmation hearings. That would delay the job he has before him, and that is improper for the Governor of a sovereign State who has taken on this job.

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

Mr. STEVENS. I yield.

Mr. JACKSON. I understand he is still the Governor of Colorado.

Mr. DOMINICK. I understand he left.

Mr. JACKSON. I understand he has not formally resigned and he has not formally been installed in this position. Am I wrong?

Mr. DOMINICK. He has been installed, and I believe it is effective Monday, the 16th.

Mr. STEVENS. The Phillips case says he cannot act until then.

Mr. DOMINICK. I hope the Senator from New Hampshire, who is doing this in all good faith, would make it prospective rather than retroactive.

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

Mr. JACKSON. I yield.

Mr. HANSEN. Mr. President, first of all, I wish to say that I greatly appreciate the very generous and sincere remarks made by the distinguished Senator from Washington (Mr. JACKSON) with respect to Gov. John Love of Colorado. But I think what the Senate would now do were it to adopt the McIntyre amendment, can be illustrated best by a little look backward. Senators will recall that David Freeman headed up the Office of Science and Technology a long time ago. Later, Paul McCracken was Chairman of the Council of Economic Advisers. He was succeeded by Peter Flanigan. Then, we had Ehrlichman, Shultz, and Kissinger named by the President to work in a similar capacity.

We now propose under this amendment that the Senate exercise confirmation of a nonstatutory position.

The President, by tomorrow morning, could redesignate this office, give it another name, and who is to say there would be any significance at all to what has been proposed by the Senator from New Hampshire? It seems to me we are going to hold the administration accountable and the President accountable for whatever success and failure may attend the efforts of John Love, or whoever may occupy the role that is his to discharge. It is ill advised to have a confirmation procedure on this type appointment.

Despite the fact, as the Senator from Washington (Mr. JACKSON) said, that John Love might expect great support in this body, I do not believe it is indicated that we enforce the responsibility of having Senate confirmation of a nonstatutory job.

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

Mr. HANSEN. I do not have the floor.

Mr. JACKSON. I yield 2 minutes to the Senator from New Hampshire.

Mr. McINTYRE. Mr. President, I would like to say to my good friend from Wyoming that we are not dealing with a statutory precedent, but let me point out that part of the job to be held by Governor Love of Colorado was formerly held by the Director of the Office of Emergency Planning. The Economic Adviser to the President is subject to confirmation, and so is the Director of CIA.

I think that Governor Love, as the chairman of the committee said, can stand on his own two feet on his record and experience and begin his dealings with the Senate by appearing before the Committee on Interior and Insular Affairs where any interesting and intriguing questions will be answered.

Mr. JACKSON. Is it not a fact that within the Office of the Presidency the Chairman of the Council of Economic Advisers and his two colleagues are confirmed by the Senate?

Mr. McINTYRE. The Senator is correct.

Mr. JACKSON. Is it not a fact that in the Office of the President, the Council on Environmental Quality and his colleagues are confirmed by the Senate?

Mr. McINTYRE. The Senator is correct.

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

Mr. JACKSON. I yield.

Mr. HANSEN. Is it not a fact that these two jobs to which the Senator alluded are both statutory jobs?

Mr. JACKSON. The Senator is correct.

Mr. HANSEN. I think that is an important difference and it demonstrates the point I am trying to make. Where there is a statutory position created by Congress, it seems not inadvisable that we might impose the judgment of this body that that person be confirmed by the Senate. My point is that these jobs, the one which Governor Love now occupies and similar jobs—I cited several such jobs of a similar nature—are jobs within the White House staff that are changed from time to time. There have been several changes already. It seems a little ridiculous that we would require confirmation for a job that the day after tomorrow might not exist.

Mr. JACKSON. As I understand the President's intent, it is to name a man, in effect who will be the czar to run this massive program. We are not talking about a minor operation here. We are not talking about a staff job. We are talking about the man who is going to make policy and coordinate the 52 Federal agencies that are involved in the energy business in the Federal Government. This is not a minor job. It is a major position. It is a job to direct a very important program that is crucial to the eocnomic well-being and security of the United States of America.

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

Mr. JACKSON. I yield to the Senator from Colorado.

Mr. HASKELL. I thank the Senator from Washington.

It seems to me that the test involved is the authority given not whether it is statutory, but the actual authority. One of the problems we have had lately

is the giving of authority without the benefit of statute. For that reason I would call attention to article II, section 2, paragraph 2 of the Constitution with respect to advice and consent of the Senate:

> With the advice and consent of the Senate . . . he shall nominate . . . all other officers of the United States whose appointments are not herein otherwise provided for, and which shall be established by law.

We are now in a position to establish it by law.

I agree with my good friend from Washington and my good friend from New Hampshire that there is vast authority to provide for Senate confirmation of this appointment. I have the utmost admiration for John Love, Governor of my State of Colorado but, for orderly constitutional procedure, I would like to support my good friend from New Hampshire.

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

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield me 1 minute?

Mr. JACKSON. I yield to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, the Senator from Kentucky has been on his feet. I wonder if, after he speaks, we could agree to set this amendment aside and have a vote on it, say, at 4.30 p.m. I say that because we have already transgressed on the time of the Senator from Minnesota (Mr. MONDALE), who was assured that he would be able to start by 3 p.m. on his amendment.

Mr. DOMINICK. Mr. President, reserving the right to object—and I shall not object—I will just say that I will have an amendment to the amendment.

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

Mr. JACKSON. I yield.

Mr. COOK. It is the feeling of the Senator from Kentucky that the Congress of the United States should advise and consent on significant appointments in Government, and obviously this appointment falls within that category, but I want the record to be clear, and I want the Senator from Washington to make clear, that the position to which Governor Love has been appointed is now in existence because we have an emergency, and he can function in that job and he can fulfill his responsibilities in that position, and the only cutoff date we really have, as I understand the amendment, is as of the date the President signs the bill. We then go into a period of limbo where we have to wait for a hearing by the Senate and confirmation by the Senate. Is that correct?

Mr. JACKSON. That is correct, but he could still be assigned to an appropriate activity within the executive branch by the President in the hiatus, that might technically exist. I will say to the Senator that we will call a hearing the moment the name has been sent to the Senate. I think my colleagues know we move expeditiously on every nomination sent the committee by the administration. We had one yesterday—and we have done this in 90 percent of the nominations handled by the committee—in which the committee reported the nomination and the Senate acted on the nomination the same day, waiving the Senate rules that nominations lie over for a day.

Mr. COOK. I do not want the Senate to look as if it is neglecting the necessity to act in an emergency. We know that there is one, and I want the record to be clear that Governor Love can function in his office, that he can function today, that he can function tomorrow, that he can function next week, in regard to the activities and responsibilities he has been given, but the only point at which we reach limbo and where he stops his effectiveness as such is if this bill is passed by the Senate, if it goes to the House and is passed by the House, and then is sent to the President and is signed into law. It is at that point that he cannot function in that job.

Mr. JACKSON. If the Congress is still in session, the President cannot make a recess appointment. If we go in recess, and the President has signed the bill while we are out, then he can make a recess appointment.

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

Mr. JACKSON. I yield.

Mr. DOMINICK. I just want to say that I have listened to this debate with great interest, but I wonder how many Senators have read the amendment. I am sure the Senator from Washington has, but I wonder how many other Senators have. On line 7 it says:

> No individual shall hold such position from that date until he has been so appointed.

Which specifically says that, having been nominated as Director for the Energy Policy Office, he cannot function.

What kind of deal is this? That is why I say I have an amendment to this amendment ready, as soon as it gets typed up. In the meantime I want to say that if anyone thinks Governor Love, as of Monday, is going to resign as Governor and become some kind of minor official in lower Siberia, with his name in the upper left-hand corner, he has another guess coming. He will not do it. He is a good man. If we are going to get a good man here, we should not put all these doubts in here to begin with and say he cannot act until he has been nominated and confirmed.

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

Mr. JACKSON. I yield.

Mr. HANSEN. I am greatly impressed by the remarks made just now by the distinguished Senator from Colorado. It occurs to me that the Senate very properly might be asking itself, Does it want to give the President the opportunity to try to make government function better in this time of energy crisis, or are we more concerned in seeing that the Senate holds the power of the right to deny a person the authority to function without its approval?

I really think that, whatever course we choose, the President of the United States is going to be held accountable by the American people, and I can really see little point in the Senate's insistence on its right to confirm a person to a nonstatutory job under this sort of arrangement.

I would hope that Senators are more interested in trying to devise a system that will bring some order out of chaos, that will make possible a fair and equitable distribution of our energy supplies, than has been occurring in the past. If that is our goal—and indeed I hope it will be—then I think our course is clear. If, upon the other hand, we want to inject politics into it, I say to my good friends that this is the way to do it.

I thank the distinguished Senator for yielding.

The PRESIDING OFFICER. The question is on the amendment——

Mr. JACKSON. Mr. President, I ask unanimous consent that there be a quorum call and that it not be taken out of the time of either side.

Mr. ROBERT C. BYRD. Mr. President, will the Senator withhold that request?

Mr. JACKSON. Yes.

Mr. ROBERT C. BYRD. Mr. President, would Senators let the Senator from Minnesota (Mr. MONDALE) get started now on his amendment, with the understanding that the pending amendment be put aside until 4:30?

The PRESIDING OFFICER. Is there objection? The Chair hears none——

Mr. JACKSON. That is agreeable.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the pending amendment be laid aside temporarily until the hour of 4:30 p.m.

Mr. MONDALE. Mr. President, may I suggest the hour of 5 p.m.?

Mr. ROBERT C. BYRD. Until 5 p.m.; that the Senator from Minnesota (Mr. MONDALE) in the meantime be permitted to call up his amendment, and that on tomorrow the Senate resume the consideration of the unfinished business no later than 12 o'clock noon, and that at 12 o'clock noon the Senator from Washington (Mr. JACKSON) be recognized to call up his second amendment, on which there is a time limitation of 30 minutes, and which was to have been called up today under the unanimous consent agreement.

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

Mr. MONDALE. I thank the Senator.

Mr. President, the issue which we face in the Senate today is whether we will preserve a congressional ability to make a key decision which will affect national energy policy for decades to come.

The PRESIDING OFFICER (Mr. HANSEN). Will the Senator allow the clerk to report his amendment?

The clerk will state the amendment offered by the Senator from Minnesota, for himself and other Senators.

The legislative clerk read the amendment (No. 240) as follows:

> Strike out all after line 20 on page 31 through line 23 on page 35 and insert in lieu thereof the following:
>
> TITLE II—DELIVERY OF ALASKA NORTH SLOPE OIL
>
> SEC. 201. Congress hereby finds and declares that—
>
> (a) the question of how the oil resources of Alaska's North Slope can best serve the needs of the Nation raises issues of national importance;
>
> (b) a continuing legal controversy exists

as to whether the Interior Department has complied with its obligations under the National Environmental Policy Act to study and describe a trans-Alaska-Canada transportation corridor as an alternative for an Alaskan land and maritime route for the delivery of North Slope oil;

(c) this controversy poses the threat of continued litigation that could significantly postpone the implementation of any delivery system for North Slope oil;

(d) it is the will of the Congress to avoid the uncertainties of continued litigation and to facilitate the delivery of North Slope oil resources in the manner that will best serve the environmental, economic, and national security needs of the Nation; and

(e) recognizing its constitutional responsibility to regulate interstate and foreign commerce (article I, section 8) and to protect the public interest in the public lands (article IV section 3), the Congress hereby seeks to insure that sufficient information is made available promptly to facilitate the congressional decision as to which delivery system for North Slope Alaska oil will best serve the overall national interest.

SEC. 202. (a) The "Academy" means the National Academy of Sciences.

(b) The "Academy President" means the President of the National Academy of Sciences.

(c) A "corridor" means an all-land trans-Alaska-Canada utility corridor, including any pipelines contained therein, for the delivery of North Slope Alaska oil to markets in the forty-eight contiguous States of the United States.

SEC. 203. (a) The President of the United States is authorized and requested, utilizing the services of the Secretary of State, to enter into negotiations with the appropriate officials of the Government of Canada immediately upon enactment of this Act to ascertain within sixty days from the date of enactment of this Act:

(1) the willingness of Canada to receive applications for the construction of a corridor, and

(2) should such willingness exist, the route which would be preferred by the Canadian Government for the Canadian sector of a corridor (hereinafter, the "preferred Canadian route").

(b) If, as a result of the preliminary negotiations authorized under subsection (a) of this section, no preferred Canadian route is determined within sixty days after enactment, the Academy shall designate a preferred Canadian route for purposes of the study to be undertaken pursuant to section 205 of this title.

(c) The Secretary of State is directed to report to the Interior and Insular Affairs Committees of the House and Senate within seventy days from the date of passage of this Act the results of the preliminary negotiations authorized under subsection (a) of this section.

(d) For purposes of determining the feasibility of construction, operation, and maintenance of a corridor, the President of the United States is authorized and requested, utilizing the services of the Secretary of State, to enter into negotiations with the appropriate officials of the Government of Canada immediately upon the conclusion of the preliminary negotiations undertaken pursuant to subsection (a) of this section.

(e) Within two hundred and forty days from the date of passage of this Act, and based on the negotiations conducted pursuant to subsection (d) of this section, the Secretary of State shall submit to the Interior and Insular Affairs Committees of the House and Senate, his findings on—

(1) the need for understandings, agreements, or treaties to protect the interests of the Governments of Canada and the United States and any party involved with construction, operation, and maintenance of a corridor;

(2) the estimated costs of construction and operation of an oil pipeline in a corridor;

(3) the estimated feasible date for commencement and completion of construction of an oil pipeline with a corridor;

(4) the quantity levels of oil from the North Slope of Alaska which the Government of Canada would guarantee through a corridor.

(5) the willingness of the Government of Canada to increase its exports of oil to the United States during the period of time before a corridor is in operation;

(6) the ownership, financing, and regulation of the Canadian sector of a corridor; and

(7) any other results of the negotiations which he may deem relevant.

SEC. 204. Within thirty days following passage of this Act, the Director of the National Science Foundation shall contract with the Academy President for the performance by the Academy of a study in accordance with the requirements set forth in section 205 of this title.

SEC. 205. (a) The Academy shall undertake a comparative study of the following alternatives for the delivery of North Slope Alaskan oil;

(1) an Alaskan land and maritime route, as outlined in the Department of the Interior's final environmental impact statement on the trans-Alaska pipeline system, and

(2) a corridor from the North Slope area of Alaska across land in the State of Alaska, connecting with the preferred Canadian route to the Canadian-American border, and then to Seattle and Chicago.

(b) The study of the Academy shall include, for each of the routes in subsection (a) above, a detailed statement on:

(1) the actual and potential effects on the environment, including, but not limited to—

(A) the environmental impact of the proposed route;

(B) any adverse environmental effects which cannot be avoided should the proposal be implemented;

(C) the relationship between local short-term uses of man's environment and the maintenance and enhancement of long-term productivity; and

(D) any irreversible and irretrievable commitments of resources which would be involved in the proposed action should it be implemented;

(2) the effects of such a route on the national interest of the United States, including, but not limited to—

(A) effects on national security;

(B) overall economic effects, including effects on consumers; and

(C) effects on American balance of payments.

(3) Such other factors as the Academy may deem relevant.

(c) The Academy, for each of the factors above, shall analyze and compare the relative advisability and feasibility of transporting North Slope Alaskan oil through the routes studied under this section.

(d) For purposes of this study, the Secretary of State is authorized and requested to periodically inform the Academy President of the progress and internal results of the negotiations authorized by section 203 of this title.

(e) In carrying out the study, the Academy—

(1) is directed to solicit and take full account of relevant views of and materials from members of the public, government agencies, citizen groups, and all others concerned with the delivery of North Slope oil to the forty-eight coterminus States of the United States and the effects thereof;

(2) is authorized to use to the extent deemed advisable the Department of the Interior's final environmental impact statement on the trans-Alaska pipeline system for describing and evaluating the route described in subsection (a)(1) of this section;

(3) is authorized and requested to cooperate, and develop and exchange appropriate information, with public and private bodies in Canada with a view toward insuring that the environments of both nations are protected, legal and regulatory uncertainties are reduced, and the energy requirements of the people of the United States and the people of Canada are adequately met;

(4) is directed to utilize to the maximum extent feasible information currently available for purposes of describing and evaluating the route described in subsection (a)(2) of this section;

(5) is directed when describing and analyzing the alternative routes in subsection (a) of this section, to consider the relationship of environmental, economic, and other effects of a projected natural gas pipeline from the North Slope of Alaska through Canada for markets in the forty-eight coterminus States of the United States to the factors set forth in subsection (b) of this section.

(f) Within three hundred and thirty days after passage of this Act, the Academy President shall submit simultaneously to the Director of the National Science Foundation, the President of the Senate and the Speaker of the House of Representatives, and the House and Senate Committees on Interior and Insular Affairs, the study of the Academy, together with his findings and conclusions based thereon, pertaining to the relative advisability and feasibility of transporting North Slope Alaskan oil through the routes studied under this section.

SEC. 206. (a) In conducting the study pursuant to section 205 the Academy President is authorized to enter into contracts and other agreements with such persons, institutions, or agencies as he may determine necessary and appropriate to carry out the purposes of this title.

(b) The Academy President is authorized to secure from any department, agency, or instrumentality of the Federal Government any information he deems necessary to carry out his functions under this title. Upon request of the Academy President, the head of any Federal department, agency, or instrumentality is authorized—

(1) to furnish the Academy President such information as may be necessary for carrying out his functions to the extent it is available to or procurable by such department, agency, or instrumentality, and

(2) to detail to temporary duty with the Academy President, on a reimbursable basis, such personnel within his administrative jurisdiction, as the Academy President requests, each such detail to be without loss of seniority, pay, or other employee status.

SEC. 207. (a) Notwithstanding the provisions of this or any other laws, no rights-of-way over, upon, or through the Federal lands shall be granted, issued, or renewed for any delivery system to transport the oil resources of the North Slope area of the State of Alaska to other States in the United States until the completion of the negotiations provided for in section 203 of this title, and the Academy study provided for in section 205 of this title, and until and unless the Congress has enacted legislation specifically authorizing and directing the Secretary to grant such rights-of-way.

(b) Notwithstanding any other provision of law or regulation, no crude oil, finished products, or unfinished oils (as defined in Presidential Proclamation Numbered 3279 of March 10, 1959, as amended and modified) produced from the geographical area in which the President is authorized to establish special national defense withdrawals by section 10(b) of the Alaska Statehood Act (Act of July 7, 1958; 72 Stat. 339) shall be exported from the United States or any of its territories or possessions unless the President makes and, within three days thereafter, publishes an express finding of an imminent

threat to national security should such exports not be made: *Provided*, That should such a finding be made and published, the authority thereunder shall expire no more than sixty days after date of the publication of said finding, unless the Congress shall within said period approve such exports in whole or in part, under such terms and conditions as it may deem desirable.

SEC. 208. (a) Within thirty days of receipt of the study provided for under section 205 of this title, and after determining, based on the results of said study, and results of the negotiations provided for under section 203 of this title, which delivery system for North Slope oil will best serve the overall national interest, the House and Senate Committees on Interior and Insular Affairs shall report legislation to the full House or Senate, as the case may be, authorizing and directing the Secretary to grant rights-of-way needed for the transmission of oil from the North Slope area of the State of Alaska along one of the routes described in section 205(a) of this title.

(b) Legislation reported under subsection (a) of this section shall be highly privileged in each House. It shall be in order at any time after the third day following the day on which such legislation is reported to move to proceed to its consideration (even though a previous motion to the same effect has been disagreed to). Such a motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

(c) Debate on such legislation shall not exceed ten hours, which shall be divided equally between those favoring and those opposing the legislation. Debate on amendments shall not exceed five hours, divided equally between those favoring and those opposing the amendment. A motion further to limit debate is not debatable. A motion to recommit the legislation is not in order, and it is not in order to move to reconsider the vote by which the legislation is agreed to or disagreed to.

(d)(1) Motions to postpone, made with respect to the consideration of legislation reported pursuant to subsection (a) of this section, and motions to proceed to the consideration of other business, shall be decided without debate.

(2) Appeals from the decisions of the Chair relating to the application of the Rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to such legislation shall be decided without debate.

(e) If, prior to the passage by one House of legislation pursuant to section 207(a) of this title, that House receives from the other House legislation of such other House passed pursuant to said section, then—

(A) the procedure with respect to the legislation of the first House shall be the same as if no legislation from the other House had been received; but

(B) on any vote on final passage of the legislation of the first House, the legislation of the first House shall be voted on as an amendment in the nature of a substitute to the legislation received from the other House.

(f)(1) There shall be a conference of the two Houses to resolve any differences between the legislation as passed by each House.

(2) A conference report shall be highly privileged in each House. It shall be in order at any time after the third day after which such conference report is reported to move to proceed to its consideration (even though a previous motion to the same effect has been disagreed to). Such a motion shall be highly privileged and shall not be debatable. An amendment to the motion shall be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(g) Debate on the conference report shall be limited to four hours, which shall be divided equally between those favoring and those opposing the conference report. A motion to recommit the conference report shall not be in order and it shall not be in order to move to reconsider the vote by which the conference report is agreed to or disagreed to.

(h) Motions to postpone, made with respect to the consideration of such conference report and motions to proceed to the consideration of other buiness, shall be decided without debate.

(i) Appeals from decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to such conference report shall be decided without debate.

(j) Legislation authorizing and directing the Secretary to grant rights-of-way pursuant to section 207(a) of this title shall be agreed to no later than ninety days following receipt by the House and Senate Interior and Insular Affairs Committees of the study provided for in section 205 of this title.

(k)(1) The provisions of this section are enacted by the Congress—

(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply; and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

(2) Any rule provided in this section may be waived or suspended by the Senate or the House of Representatives only by a vote of two-thirds of the Members voting, a quorum being present.

(3) If a point of order is made in either the Senate or the House of Representatives, and sustained by the Presiding Officer of that House, that any bill, resolution, amendment, motion, or other matter is not in order by reason of any rule provided in this title, the decision of the Presiding Officer may be overruled only by a vote of two-thirds of the Members voting, a quorum being present.

SEC. 209. After the Congress has determined, based on the information obtained pursuant to sections 203 and 205 of this title, which delivery system for North Slope Alaskan oil will best serve the overall national interest, and in furtherance of that determination has authorized and directed the Secretary to grant the rights-of-way needed for the transmission of oil from the North Slope area of the State of Alaska, the Secretary, pursuant to such Congressional mandate, shall grant such rights-of-way.

SEC. 210. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

Mr. MONDALE. Mr. President, the choice we face, I believe, is between a committee bill which offers no early prospect of a decision and the amendment I have introduced, along with Senator BAYH and 17 other Senators. The amendment that we have introduced is an action amendment. By mandating an independent study and negotiations with Canada, it attempts to make a responsible congressional decision which the country can trust, and to make that decision a final one.

By virtue of that decision we could enable either a trans-Alaskan or a trans-Canadian pipeline to be underway by the middle of next year. This prospect would be virtually impossible under the committee bill as reported. Litigation on environmental issues of real importance would commence immediately if the committee bill were passed and would take 2 years or longer with no resolution of the issue.

The country has been visited with a massive, expensive national campaign in which newspapers throughout the country have been filled with full-page ads financed by the major oil companies telling the American people that the adoption of the committee report would speed the delivery of Arctic Slope oil to the consumers of this country.

Those ads are completely false and completely misleading because in fact if the committee bill is adopted, without a doubt that issue will go back into the courts and will be litigated for 2 or 3 or possibly more years with not a single section of the pipeline being laid until that court decision is determined. And it could well go beyond that time. On just the issue of the 50-foot restriction, that pipeline has been tied up for 5 solid years. And the issues which remain to be litigated are far more complex and will require much longer factual testimony taking than the simple issue of the 50-foot width restriction.

We have seen in this first delay what happens when our Government and the major oil companies decide to have their own way despite what the law says. Finally, after 5 years, they have had to admit that not even they are strong enough to ignore the laws of this Nation, and they have had to start all over again.

Once again the major oil companies will find themselves blocked and stalled in their efforts to force a decision which ignores the national environment and the national and economic needs of our country. So, the issue of timeliness and the issue of which measure will most quickly deliver Alaskan oil to the consumers of this Nation is one which, it seems to me, must be handled clearly and unequivocally. And, in my opinion, without any doubt our amendment will more quickly bring this decision to a head and will deliver Alaskan oil to the consumers of this Nation.

This prospect would be virtually impossible under the committee bill for the reasons I have referred to. The choice we must make is between congressional action to bring finality on the basis of adequate information and the promises of litigation which promise no alternate way of solving the issue.

Mr. President, I would like at the outset to summarize some of the key issues of the debate.

First, it has become clear that our decision will decide which pipeline will be built and that this pipeline will be the only oil pipeline built for many years to come.

There have been suggestions of two pipelines, one to the Midwest and one to the West. But it is clear that if two pipelines are built, one will have oil in it; the other will be full of political promises. That is because the testimony proves

that in either case the proven reserves are sufficient to supply only one oil pipeline. So when we decide to build one pipeline, we will have made a decision for years to come, until and unless additional oil reserves are established.

We do not have to take my word for that. Leading oil company executives and officials of the Alyeska consortium have testified to the absence of sufficient reserves for two oil pipelines. Furthermore, the Canadian government made clear last week its unwillingness to build a Canadian oil pipeline if the Alaska line is constructed first.

We will not have two oil lines for the foreseeable future, and the decision we make today, therefore, takes on added importance.

Second, there is no disagreement on the need for speedy action to bring this much-needed oil to American markets. This is precisely the reason why the amendment under consideration—in contrast to the Committee-reported bill—would provide for a final congressional decision to get this oil moving. However, we cannot make that decision until we have had the type of negotiations and study which would allow us to make an informed decision.

Third, the approach which we are taking is not a regional approach. In fact, oil can be delivered much more easily to the west coast through a trans-Canadian pipeline than it can be delivered to the area east of the Rockies if a trans-Alaska pipeline is constructed.

From the colloquy yesterday between the Senator from Rhode Island (Mr. PASTORE) and the Senator from Washington (Mr. JACKSON), I think it is quite clear that the Alyeska consortium intends to sell a substantial portion of its production to Japan and to other markets outside the United States. I believe that is why they have decided to run the pipeline across the worst earthquake zone in the Northern Hemisphere, with tremendous environmental risks, and then to transship the oil over water, in tankers, on a 2,000-mile route, causing what the Corps of Engineers predicts will be oil spillage of 5 to 6 million gallons a year up and down the west coast of Canada and of the United States, and to deliver that oil to the one region in the country where figures show there will be a surplus of oil until the year 1990, if we add 2 billion barrels per day from the Alyeska oil pipeline. Why would they do that? Why should they pursue such a course?

I think the answer is that they intend to sell substantial quantities of this oil to Japan and to other markets, and to do so at a time when this country is in the midst of the most serious oil shortage in history. The American consumer would be told to rely on an uncertain Middle East supply of oil, while Japan would depend on its source in Alaska.

Businessmen on the east coast and in the southern part of the United States would be told to get oil from the Middle East; to take oil from the Middle East; while we send substitute portions of the oil obtained in the United States to markets beyond our borders. The record clearly shows that this is what is intended. I find it very difficult to believe that that makes much sense when we consider the present environment.

Fourth, there is no hard evidence that the construction of a trans-Canadian oil pipeline would delay delivery of Alaskan oil by the 3 or 5 years which we often hear, and often see repeated in our various newspapers daily. The timeframes for the two routes may be quite similar, but we cannot know this with any degree of certainty until we have conducted the type of negotiations with the Canadians which have not been undertaken thus far.

Fifth, the environmental risks associated with a trans-Alaskan route—which the Canadian Government fears—should lead to serious consideration of a common corridor for oil and gas pipelines through Canada. This would greatly minimize environmental damage and avoid running Alaskan oil through a dangerous earthquake zone and transshipping it through waters where large oil spills could be expected.

As I say, the Corps of Engineers estimates spillage of 5 to 6 million gallons of oil annually as a result of that water transshipment.

These are some of the principal issues that we must face.

Therefore, the question before us is whether we will make a major decision affecting American energy needs on the basis of adequate information, or whether we will ratify a decision made by a few huge oil companies, acquiesced to by American Government agencies and never seriously tested.

The approach which the amendment under debate offers is a middle course between those who would override the National Environmental Policy Act today, in spite of our lack of information on a Canadian alternative, and the committee bill which would simply return this matter to the courts for several years of additional litigation and delay.

Mr. President, no one disputes the need to develop the oil resources of Alaska's North Slope as quickly as possible—for the sake of both Alaska and the Nation. However, what we have seen in recent months is a concerted, coordinated attempt to pressure the Congress into approving—implicitly or explicitly—a project which the Interior Committee report admits may not be in our best national interest.

The Federal Trade Commission has recently made clear its belief that the practices of the major oil companies have played a large part in creating the gasoline shortages which we are now experiencing. And these same oil companies are behind the campaign that has taken place recently to get quick Congressional approval of their plans.

These high-pressure attempts have been misleading in the extreme. The full-page ads paid for by Atlantic Richfield asked "What stands between our nation's energy shortage and 10 billion barrels of Alaskan oil?", implying that approval by Congress of the Alaskan pipeline would keep our gas tanks full this summer and our homes heated this winter.

Obviously, no pipeline from Alaska will do this. But this campaign is typical of the distortions that have marked this issue from the beginning, and also typical of the campaign against the amendment which I and Senator BAYH and Senator HASKELL, and others are offering today.

It has become quite clear that there is a real connection between the Nation's energy supply problems, the creation of that problem, and the desire by the oil industry for lucrative concessions from the Congress.

And whenever the so-called energy crisis talked about by oil company executives, the objectives they have in mind are clear. Take, for example, a speech made by Frank N. Ikard, president of the American Petroleum Institute to the National Governor's Conference on June 5 of this year.

Mr. Ikard, chief spokesman for the oil industry, after cataloging the views of the oil industry on energy supply problems, got down to business. As is generally the case, the top two items on his agenda were made quite apparent. He said:

> The overall energy supply problem in future years, will not be solved unless we look to longer-range answers—and initiate the necessary actions now.
>
> The petroleum industry supports the following medium-term steps:
>
> First, get the trans-Alaska pipeline started, so that the huge discovered reserves of petroleum from the North Slope will be made available to American consumers as soon as possible.
>
> Second, deregulate natural gas field prices, which will encourage sufficient investment in the high-risk search for this clean-burning fuel.

Time and time again, we hear the same two items from oil industry officials: the Alaska pipeline and deregulation of natural gas.

There are many who now suspect that the entire energy shortage situation we find ourselves in this summer was created exactly to achieve those two major objectives of the oil industry.

Let me repeat at this point, that I am not against getting North Slope oil to American consumers as soon as possible. What I am against is the type of high-pressure salesmanship which has distorted the issues and made it appear to the Congress that only if we blindly stamp a seal of approval on the trans-Alaska pipeline could this oil be moved.

Indeed, I am so greatly in favor of moving North Slope oil that the amendment I have called up today will provide for a speedier resolution of the problem than does the bill reported by the Interior Committee.

The committee report itself highlights the need for further information on alternative delivery systems for Alaskan oil before Congress commits the Nation to a major step in national energy policy. As the report states, after listing the various issues now in dispute:

> Any assessment based solely upon the foregoing considerations regarding the relative merits of the two pipeline routes clearly must depend heavily upon subjective judgment.

No one is suggesting that the study and negotiations we are proposing will

find every definitive answer to every question still remaining in this complex area. However, there is an excellent likelihood that 8 months of head-to-head negotiations at the highest levels between officials of our Government and the Government of Canada will establish many facts we now do not know, including the levels of oil from Alaskan North Slope fields which the Government of Canada would guarantee through a trans-Canadian line; the willingness of the Canadian Government to honor the commitment it has previously made to increase oil exports during the period of time before completion of a trans-Canadian line; the ownership, financing and regulation of the Canadian sector of a trans-Canadian pipeline, and the other subjects which would be the focus of negotiations under the amendment now pending.

In short, these negotiations would establish many factors regarding which there is now only speculation. In fact, it is exactly this type of speculation, as embodied in Secretary of the Interior Morton's apparent misrepresentation of Canadian Energy Minister MacDonald's position on a number of key issues, which has contributed to some of the problems in Canadian-American energy relations we are now experiencing.

In addition, an 11-month study, by an impartial body—the National Academy of Sciences—which has previously offered its services in relation to the trans-Alaska pipeline question, would establish many economic, environmental and consumer-related answers to problems on which we can now only guess. In particular, such a study would be able to analyze the reams of information and data which have been produced by both sides in this debate. Much of this information, while theoretically interesting, simply cannot be taken at face value without further analysis, since the source of the information is often a highly biased body in an often heated debate.

Certainly, not every fact will be totally clarified. But under terms of the amendment, the National Academy would be empowered to make relative judgments on the merits of the two routes, so that the Congress could use this information in making its decision.

One of the reasons, in fact the fundamental reason, for this alternative study——

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MONDALE. Is that this administration, in my opinion, has been violating the provisions of the National Environmental Policy Act, which required it to study the relative merits of the reasonable alternative systems of delivering oil from the Alaskan Slope. It failed to do that. It failed to make a responsible study of the Canadian line; it has failed to undertake any kind of meaningful negotiations with the Canadian Government. I believe that is a violation of the Environmental Policy Act, and I believe that is one of the reasons why, if this issue goes back into the courts, it will remain there for years while the courts struggle to do what the Government was required by law to do, but refused to do because it was so wedded to the Alaskan route.

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

Mr. MONDALE. I am glad to yield to the Senator from Michigan.

Mr. HART. Mr. President, many have said that the Mondale-Bayh amendment is a midwestern Senators' amendment. How does the Senator respond to the suggestion that unless you are fortunate enough and blessed enough to be a resident of the Middle West, you should not vote for it?

Mr. MONDALE. I think one of the strongest aspects of this amendment is that it seeks to come up with a national solution that would serve the entire country and not just the oil interests.

What we ask is that there be a study to determine which of these alternative routes best serves the country, best serves our environment, best serves our economy, and best serves the American consumer. If, for example, the pipeline were to come down the Mackenzie Valley route to Edmonton, which is the alternative route, this, in my judgment, is clearly the superior national result from Edmonton we can ship oil to the west coast in existing pipelines to Seattle, and we can ship oil to the Midwest and the East in the existing pipeline from Edmonton to Chicago. It would do so over an environmentaly sound route and, in my opinion, would deliver the oil to the areas most dependent upon Middle Eastern sources.

The Alaskan pipeline on the other hand, in my opinion, has been set up primarily to serve substantial sources outside the United States. It was practically admitted yesterday that a substantial portion of the production will be sold outside our borders, and probably for premium prices, to Japan and elsewhere. So, from a national standpoint, at least in my judgment, the Canadian route is to be preferred but, in any event, what we call for is a fundamental study and a judgment on that, which would be made by Congress.

Mr. HART. If the Senator will yield for another question, the suggestion has been made that we are kidding ourselves, that the study we are proposing in this amendment is sort of "much ado about nothing" because everyone knows that we will have two pipelines from the North Slope anyway, one the trans-Alaskan one and one the trans-Canadian one. People who feel that way then say, "What does it really matter which one is built first, since we are sure to have both eventually?" I think we would profit if the Senator from Minnesota would respond very briefly to that suggestion.

Mr. MONDALE. In my judgment, for many years to come, until and unless new resources are found in Alaska, there are only enough proven oil reserves to serve one pipeline. This has been said by the president of the Alyeska consortium who recently testified that to talk of a second pipeline was to talk of a phantom pipeline. There is not enough oil to serve two pipelines from the known proved reserves.

Second, the Department of the Interior's own figures indicate that—let me quote from Secretary Morton on July 17, 1972:

> It is uncertain that a second oil pipeline will be needed at all since additional reserves must be discovered by future drilling. Such a line, in any case is many years away.

The Department of the Interior in a study dated April 30 said:

> Resources to justify a second oil pipeline have not yet been demonstrated.

Also, just the other day, the Canadian Government made it clear they would be interested in a pipeline down the Mackenzie Valley, in the same corridor as the natural gas pipeline, but they would not be interested in considering a second pipeline after the trans-Alaska pipeline is developed.

So not only is it a question of the adequacy of existing reserves but it is also a question of whether the Canadian Government would agree to the so-called second pipeline. I think the test of whether there will be two pipelines would be if trans-Alaska supporters agreed to build the first pipeline along the trans-Canadian route, and then take their chances to see whether reserves are enough later to build one on the trans-Alaskan route. This would prove the strength of the conviction of those who claim there is enough for two.

Mr. HASKELL. Mr. President, would the Senator permit me to supplement his answer to the distinguished Senator from Michigan. I would call the Senator's attention to material printed in the RECORD on Monday, July 9, 1973, on pages S. 12802 and 12803, by the distinguished Senator from Washington (Mr. JACKSON). Certain questions were propounded of the Canadian government and one of those questions was, "Why not two pipelines?" As the Senator from Michigan said, the Canadian answer was:

> If Alyeska is built, Canada would find little attraction in having a second oil pipeline built through Canada to serve U.S. midwest markets unless and until sizable commercial Canadian oil discoveries have been made in the North. Moreover, Canada is aware that the economic attraction of looping an existing TAPS line would undoubtedly militate against construction of a line through Canada.

This comment is merely supplemental to the answer given by the distinguished Senator from Minnesota. Canada just would not be interested.

Mr. HART. I think that the answer just made by the Senator from Colorado should be very persuasive.

Now, Mr. President, there is a third question, if I may emphasize, which is placed on the urgent need list, to meet an impending or in fact an oil shortage in the continental United States. When reminded of that, we are told that the Alaskan line is the one we could first put into production and we must build it now in order to meet, to the extent we can, the impending or in fact, the oil shortage. If we need that Alaskan oil as quickly as some say, is not the force of their argument somewhat weakened, as we plan to export some of that Alaskan oil? How much of the North Slope oil, in the judgment of the Senator from Minnesota, would be exported if the Alaskan route is taken.

Mr. MONDALE. We can only speculate on that. There was recently a study made by a professor of geology at the University of Washington—which I placed in the RECORD—Mr. Eric Cheney. He estimates that the west coast could not possibly absorb the 2 million barrels per day which would flow through the Alaskan pipeline system until 1988. He estimated that the excess Alaskan oil supply of west coast demands would range from 200,000 to 600,000 barrels per day, or from 10 percent to 30 percent of the output of the Alaskan pipeline. So it is his judgment that approximately that amount would be sold beyond our borders, and probably for premium prices, to Japan. He also observes that the tankers which will be carrying this oil cannot go through the Panama Canal, so it has to be for markets to the west of the United States.

Mr. GRAVEL. Mr. President, will the Senator from Minnesota yield at that point?

Mr. MONDALE. Well, I am going to yield very frugally at this point to the opponents of my position, but I will be glad to do so when I have finished. I have sat here for about 3 hours now. But I am glad to yield to the Senator at this moment.

Mr. GRAVEL. I thank the Senator. I do not want to impose on the valuable time that my colleague has to make his case, but I should like to take us from fantasyland into reality. Why cannot someone explain to me, why would we be exporting oil from Alaska when we will be importing about 20 million barrels a day? Why would it make sense to export Alaskan oil when we are an importing nation now?

Mr. MONDALE. I could not agree more with the Senator. But that is exactly what is planned. Yesterday, the distinguished floor manager of the bill virtually admitted that the oil will go to Japan. Recently, former Prime Minister Sato of Japan said that we will, of course, be purchasing oil in the event the pipelines are completely laid.

The president of Atlantic-Richfield said they proposed to export oil out of this pipeline to Japan.

Ed Patton, president of the Alaskan pipeline, said that 500,000 barrels per day are being targeted for sale beyond the U.S. west coast and for example, Ronald Meritt, of the British Petroleum Co., said:

> Say, in 1980, you have 1.8 million barrels a day coming out of that field and the west coast demand is 1.2 million, you have 400,000, 500,000 or 600,000 barrels a day surplus. We have to decide what is in our best interests.

Mr. GRAVEL. Does my colleague think, as a matter of public policy, that we would sit here and let an oil company ship oil abroad when we are importing it?

Mr. MONDALE. May I say that it is very peculiar that this oil line along the trans-Alaska route is designed to deliver 2 million barrels a day to a section of the country where studies have said it cannot use 2 million barrels. It will be shipped in tankers that cannot go through the Panama Canal. If you can believe the former Prime Minister of Japan, if you can believe the president of the Alyeska Consortium that is building this pipeline, if you can believe the economists who have studied it, all say it is going to Japan; and yesterday the distinguished floor manager of this bill seemed to say the same thing.

I yield to the distinguished Senator from Michigan.

Mr. HART. I should explain to the Senator from Alaska that I am seizing a moment of a recess of a conference committee on the LEAA to come here and ask these questions.

Mr. GRAVEL. I am sure that my colleague and I can engage in comments afterward.

Mr. MONDALE. I want a full colloquy.

Mr. HART. On this one, I feel it would be useful, once again, to have the answer on the record, although I know the feeling of the Senator from Minnesota on it.

Will the Mondale-Bayh amendment result in delay in getting that North Slope oil into the useful service of the domestic industry?

Mr. MONDALE. I am absolutely convinced that our amendment will deliver Alaskan Slope oil to the lower 48 States much faster than the proposed committee bill, for this reason.

Our proposal is an action amendment which is consistent with the National Environment Policy Act and which requires a decision of Congress within 14 months. There will be amendments to even shorten that, and I will accept those amendments. That judgment by Congress is then court proof. You cannot do away with antitrust actions or other actions that can be brought against any decision you make, but I am talking about the judgment under the National Environment Policy Act.

The critical problem of the committee report, one they cannot answer, is that if the committee has its way, undoubtedly they will go back into court for 2, 3, 4, or possibly 5 years of further litigation before any pipeline can be built. We have already seen 5 years' delay. This committee action programs in several more years of delay. Mine is an action amendment with a terminal date for a final decision to be made by our Government.

Mr. HASKELL. If the Senator will permit me to supplement the answer, I think the Senator has put his finger on a very important issue.

Assuming that the Senator from Minnesota is correct—and I think he is correct—then, as I read the committee report, the only reason for not accepting an amendment such as that of the Senator from Minnesota has been taken away. I read from page 21 of the committee report:

> There is, however, one consideration in favor of the Trans-Alaska pipeline that the committee found compelling. This consideration was the additional delay and uncertainty associated with the Trans-Canada pipeline.

So if the Senator from Minnesota is correct and there is no additional delay as a result of this amendment, the only reason for not accepting the amendment is taken away.

I should like to read another sentence on the same page of the committee report:

> . . . regardless whether the administration's early commitment in favor of that route was made on the basis of adequate information and analysis, the committee determined that the Trans-Alaska pipeline is now clearly preferable, because it could be on stream two to six years earlier . . .

So the Senator has put his finger on a very sensitive point. If the Senator from Minnesota is correct—and I think he is—then the only argument against the Senator from Minnesota's amendment is gone.

Mr. MONDALE. I think that is central. I believe that was contained in the amendment just adopted, which urged the courts to move swiftly. It was simply the laudatory language, which could not have any significant bearing.

Bear in mind that it took 5 years to resolve the 50-foot width issue. For 5 years, the oil companies and our Government tried to ignore that provision, and finally the Supreme Court said they could not, which is why we have this bill. The issues which remain to be litigated, surrounding the National Enivronmental Policy Act, could take years. It seems to me that if they want quick delivery of Alaskan oil, our amendment is the only way to do it.

We have a recent estimate from Mr. Jamieson, chairman of the board of Exxon, one of the companies involved in the consortium. He said that his most optimistic estimate for the completion date of the trans-Alaska pipeline was 1978. Of course, I think that assumes very little litigation, which is an assumption without reality.

Also, a recent Canadian study on the trans-Canada alternative concluded that they could have the trans-Canada pipeline completed by 1979.

So if they start building now, under the committee amendment, it could well be years before they could start.

Mr. HART. I thank the Senator from Minnesota very much. I think his answers, supplemented by the comments made by the able Senator from Colorado, ought to persuade a good many as to the wisdom of the course he proposes. Based on studies I have undertaken prior to this day and including this exchange, I am convinced that on this question, support for the Mondale-Bayh amendment is the prudent course. I hope the Senate acts favorably on it.

Mr. MONDALE. I am grateful to the Senator from Michigan for his support and for his questions, which I think point up the central issues in this debate exceedingly well.

Mr. President, perhaps most important, I simply view as unacceptable the proposition that Congress should act now without further study to ratify in effect a decision made without full information and with very questionable basis by the Interior Department in 1969.

The committee report acknowledges the shaky basis of this action 4 years ago, but seeks to make the entire decision rest on the alleged time advantage of a trans-Alaskan over a trans-Canadian pipeline.

Regardless whether the 1969 decision of the owner companies in favor of an all-Alaska route was the wisest or the most consistent with the national interest at that time, and regardless whether the Administration's early commitment in favor of that route was made on the basis of adequate information and analysis, the Committee determined that the Trans-Alaska pipeline is now clearly preferable, because it could be on stream two to six years earlier than a comparable overland pipeline across Canada.

I find this an unwise basis on which to make public policy. We are asked to ratify a decision which even the committee admits may not have been made on the basis of adequate information and analysis and which may not have been wisest—for one reason which has not even been demonstrated to have validity. We are asked to put a congressional seal of approval on a project because of an alleged advantage in time which the statements of the proponents of that line itself have revealed to be doubtful at best.

I regard this as unacceptable policy. I regard the need for congressional action on the routing of Alaskan oil to be vital if we are to reassert the congressional prerogatives about which so much is often heard.

In effect, I believe congressional approval of the committee bill would say to the oil industry and to any government agency that if you violate the law often enough, long enough and set up enough obstacles in the way of a rational congressional judgment, sooner or later, you will have your way.

No one in this body would deny that the long term oil and energy needs of this Nation are severe. No one will deny that by 1980 we will probably be importing at least half of the petroleum we will need to keep our Nation moving. No one—least of all myself—is attempting to keep that oil from coming to the U.S. markets.

But there is a major difference between wanting that oil as soon as possible—which we all do—and a willingness to believe the major oil companies when they tell us that only through a trans-Alaskan pipeline will we get that oil soon enough to avert a catastrophe.

It is my belief that a pipeline delivery system through the Mackenize Valley of Canada would be the most logical means of transporting this oil to all American markets.

A Canadian route would deliver the bulk of North Slope oil, resources where they are needed most—in the area east of the Rocky Mountains.

A Canadian route would deliver these resources over an environmentally sounder route than would an Alaskan route.

Costs to consumers for oil in the eastern two-thirds of the Nation would be substantially reduced by a Canadian route.

Also, the Canadian route would deliver oil as needed to the western sectors of the United States.

Mr. STEVENS. Mr. President, will the Senator yield at that point?

Mr. MONDALE. I am happy to yield.

Mr. STEVENS. I have been raising this question all along. I have had the resources of the Mackenzie River delta, the Arctic Island of Canada and the Prudhoe Bay gas reserves compared. I would like to tell the Senator what that converts to in Btu's and then see if he maintains the same position in view of the facts related to me. I understand these are U.S. Geological Survey figures.

Gas discovered so far is as follows: In the Mackenzie River delta it is 10 trillion cubic feet which would produce 10 quadrillion Btu's; for Arctic Island it is 12 trillion cubic feet which would produce 12 quadrillion Btu's; for Prudhoe Bay it is 26 trillion cubic feet which converts to 26 quadrillion Btu's; and the Prudhoe Bay oil reserve of 10 billion barrels converts to about 53 quadrillion Btu's.

My question is: With this distribution of the energy of the Arctic that is known today, we have 22 quadrillion Btu's, being 10 quadrillion from the Mackenzie River Delta and 12 quadrillion Btu's from Arctic Island, and 26 quadrillion Btu's from Prudhoe Bay gas reserves as opposed to 53 quadrillion Btu's from Prudhoe Bay oil reserves, does the Senator maintain that the Midwestern part of the United States should have access to the whole amount of the Arctic oil and gas reserves? Is it the position of the Senator that the plan that has provided for the distribution of gas reserves, which is almost equal to the oil reserves—100 percent of the gas reserves to go to the Midwestern part of the United States and the oil reserves to the Western part of the United States—that there is something wrong with that, or that the Midwest should have it all?

Mr. MONDALE. It is ironic that the Senator from Alaska would ask that question precisely following the sentence where I make clear that the Canadian route would make the best delivery system. There is a pipeline from Edmonton to Seattle as well as from Edmonton to Chicago. If the Senator is interested in a truly balanced and flexible delivery system, the trans-Canadian route is superior. What is truly ironic is that the owners of this consortium, the Department of Interior, and a recent study by a professor at the University of Washington—all indicate that a trans-Alaska line would sell substantial proportions not in the United States but substantial proportions to Japan and elsewhere.

I yield to the Senator from Colorado.

Mr. HASKELL. I wish to comment further. Some of the oil companies had an extensive study made known as the Mackenzie Valley Study. I would like to point out to the Senator from Alaska that this study cost the oil companies over $6 million and was completed in approximately 6 months. It concluded that delivery of oil to Chicago via the trans-Canada route through Edmonton would be possible at a tariff of $1.55 a barrel. Delivery to Puget Sound via the trans-Canada route through a spur from Edmonton would be possible at a tariff of $1.40 a barrel.

Mr. MONDALE. I thank the Senator.

Mr. STEVENS. Mr. President, will the Senator yield further?

Mr. MONDALE. I would like to conclude my remarks and then yield.

Mr. STEVENS. I am sorry. I thought the Senator had finished his remarks.

Mr. MONDALE. Mr. President, finally, I believe the national security interests of the United States would be aided by a Canadian route.

However, the amendment which I am offering does not require that this route for delivery of North Slope oil be taken. All the amendment seeks to do is to give Congress the necessary information it needs to make a well-informed decision on Alaskan oil.

What we are asking in the amendment is that the law be complied with in determining whether the Alaska route or the Canadian route is best for our country from an environmental, economic, and consumer point of view. It is necessary to do this because our Government has refused to comply with the Act. Indeed, I think we have treated the Canadian Government shabbily. We have been told we have to take the Alaskan route no matter what the cost to the environment or to the American consumer, or even if the oil is being sold in the United States. We are proposing to make sure that the law is complied with and then within 14 months to make a final judgment on the route to be taken.

Support of this amendment need not imply support for the ultimate feasibility of a trans-Canadian pipeline to transport this oil. All it need imply is a desire to see Congress exercise its responsibilities over national energy policy and over the Federal lands through which any Alaskan oil pipeline will run, and make a decision which will affect American energy policy for decades to come only on the basis of adequate information.

Indeed, if the case for a trans-Alaska pipeline is as compelling as advocates of that route maintain, this amendment will provide a mechanism by which a final decision can be made within 1 year to get construction underway. On the other hand, it gives the unbiased look at a Canadian alternative route which we have not had to date, a study which advocates of a trans-Alaska route seem reluctant to have udnertaken.

Central to this effort is our desire to see these resources utilized as quickly as possible. But we must recognize that no pipeline from Alaska will keep our gas tanks full this summer or prevent possible fuel oil shortages this coming winter.

The 10 billion barrels of oil on the North Slope of Alaska are a precious national resource. By the mid-1980's, this field may be supplying 5 percent of our annual oil needs. But we must not waste that resource, and we in Congress must not make hasty decisions which may only delay the ultimate delivery of North Slope oil.

S. 1081, as reported, contains a provision which holds forth the prospect of two oil pipelines from Alaska's North Slope.

It would allow the Secretary of the Interior to issue rights-of-way permits for a trans-Alaska pipeline, and seek negotiations with Canada on the possibility of a second, trans-Canadian oil line at some indefinite date in the future.

This prospect must be seriously examined, however. Less than 1 year ago, the Joint Economic Committee in hearings conducted by the Senator from Wisconsin (Mr. PROXMIRE) heard very strong testimony on the likelihood—or lack thereof—of a second pipeline:

One of the more elaborate arguments put forth by trans-Canada supporters is based upon the hypothesis that a second oil line will be built from Alaska's North Slope to transport additional crude oil to the lower 48. Such speculation borders on fantasy and reveals the absence of even a casual inquiry into the facts.

It is assumed that this phantom oil line will be required for basically three reasons: (1) Extensions of the Prudhoe Bay field; (2) Increases from secondary recovery in the Prudhoe Bay field; and (3) New finds through continued exploration.

To date, 75 developmental wells, excluding dry holes, have been drilled in the Prudhoe Bay field. The balance of the drilling required to fully develop the field will be within the perimeter of the field which has been well defined. The developmental program to date precludes any significant field extension and has substantiated the previously estimated 9.6 billion barrels of recoverable oil.

As to discovery of additional fields through continued exploration, it should be noted that to date no proven commercial oil fields other than Prudhoe Bay have been found, and exploration drilling has either eliminated or revised downward the potential of a number of once exciting projects.

The author of this statement was Edward L. Patton, president of the Alyeska consortium, which wishes to build the trans-Alaska pipeline. No new reserves have been discovered since the date of that statement.

In July of 1972, Secretary of the Interior Morton stated that:

It is uncertain that a second oil line will be needed at all, since additional reserves must be discovered by future drilling. Such a line, in any case, is many years away.

In an analysis prepared by the Department of the Interior and submitted to the Senate Interior Committee in April of this year, the Department clearly states that:

Resources to justify a second oil pipeline have not yet been demonstrated.

Mr. President, I believe the prospect of a second oil pipeline, as Mr. Patton indicated, is a "phantom." We cannot simply state that two pipelines can be built without further analysis of whether that statement bears any relationship to reality. And the strong testimony of supporters of a trans-Alaska pipeline indicates that there is no prospect of this happening in the near future. Indeed, any prospect of it occurring at all is at best a long shot which will not occur until 1990, if ever.

The central thrust of the amendment is to speed the decisionmaking process in delivering Alaskan oil. If S. 1081, as reported, is passed unamended, we face a substantial amount of time in the courts litigating environmental issues of real importance and also face the real possibiilty of lengthy construction time on an Alaska route.

There are now indications from highly placed sources that delays on a trans-Alaskan pipeline—both in the courts and in construction time—may be much more than proponents of such a line may thus far have been willing to admit.

On May 17, J. K. Jamieson, chairman of the board of Exxon Corp., the world's largest oil company, and one of the principal partners in the consortium seeking to build a trans-Alaska pipeline, stated that Exxon's most optimistic estimate on when a trans-Alaska pipeline could be completed was late 1978.

I am sure that assumes even the most optimistic conclusion of the litigation which will inevitably follow.

And, estimates from a variety of sources—including the Canadian Government—indicate the feasibiilty of completing both gas and oil pipelines through the MacKenzie Valley of Canada by 1979.

Now, there is a growing realization that as little time as possible should be spent in unending court litigation, provided that Congress has adequate information on which to base its decision. Yet this time in the courts would be the result of passage of S. 1081, as reported from the Interior Committee.

There are also some who would wish to see Congress go on record now as declaring the environmental impact statement completed thus far on the trans-Alaska pipeline as adequate, and remove the courts and the Congress from any further consideration of this issue.

This approach, I fear, would undo years of effort in making the National Environmental Policy Act into an effective means of providing adequate information on which to base crucial decisions. For there is much evidence that the environmental impact statement completed thus far did not adequately consider a trans-Canadian alternative, as required under section 102(2)(c) of NEPA. A variety of factors—including the projected gas pipeline from Prudhoe Bay in Alaska through the MacKenzie Valley of Canada to the Midwestern United States—were not adequately considered in that statement, and to declare this statement to be adopted by the Congress would virtually destroy the validity of NEPA.

Would it not be ironic if we said, "We have a great act now," and yet every time there is something the wealthy interests of the country want, we will suspend it, and it will apply only against the weak and the powerless?

There is an alternative approach which this amendment exemplifies. That approach is to fill in the many information gaps now missing with regard to a trans-Canada route by which to transport North Slope oil to the United States, and to build in a congressional decision at the end of this process. This I believe to be the only approach which complies with the spirit of the National Environmental Policy Act, and still offers supporters of both a trans-Alaska and a trans-Canada pipeline the assurance that a congressional decision—not reviewable in the courts—will be made within approximately 1 year.

The amendment under consideration provides the following:

First, negotiations would be conducted by the Secretary of State with the Government of Canada to ascertain the answers to a variety of important questions to which we do not have definitive answers today. The Secretary of State would report the results of these negotiations within 8 months to the Interior Committees of the Senate and House. Points of negotiations would include estimated dates for completion of construction; quantity levels of oil from the North Slope of Alaska which the Canadian Government would guarantee through a Canadian pipeline; the ownership, financing, and regulation of the Canadian sector of a trans-Alaska-Canada pipeline, and other questions of similar importance.

Second, the National Academy of Sciences would undertake a comparative 11-month study of the environmental, economic, and national security implications of both a trans-Alaska and a trans-Canada pipeline alternative.

With regard to the environmental risks of the routes which would be studied, the language of the amendment exactly parallels the language of section 102(2)(c) of NEPA. This would yield the type of study which should have been undertaken by the Department of the Interior, but which has never been undertaken.

The economic and national security aspects of the study would include the relative effects of a trans-Alaska and a trans-Canadian pipeline on American national security; overall economic effects, including effects on consumers in various sections of the country; and effects on American balance of payments. This part of the study would encompass the particularly important questions of regional dependence on insecure foreign oil sources and the cost effects on consumers of routing the pipeline through Alaska or through Canada.

In preparing this study, the Academy would analyze and compare the relative advisability and feasibility of transporting North Slope Alaskan oil through either a trans-Alaskan or a trans-Canadian route.

In undertaking this task, the Academy would have much information at its disposal. In addition to the Department of the Interior's Environmental Impact Statement, which would be the basic document for description and analysis of the trans-Alaskan pipeline alternative, the Academy could make use of over 100 studies—including a $7 million study prepared by a consortium of 16 major oil companies—on a trans-Canadian route. What we need is an unbiased, professional analysis of this information before Congress makes its decision.

Third, this amendment provides for restrictions on exports of North Slope oil. Under provisions of the amendment, no exports could be made unless the President found an "imminent threat to national security" should such exports not be made. If such a finding were made, authority under it for the President to allow exports would expire at the end of 60 days, unless Congress approves of such action. I believe this provision is absoultely crucial whether Congress decides to opt for a trans-Alaskan or a trans-Canadian route. I also strongly believe that if we do choose a trans-Alaskan route—and fail to forbid exports—that a

very substantial percentage of the production of an Alaskan line would be earmarked for Japanese consumption. In 1971, the president of the consortium seeking to build the trans-Alaska pipeline, stated that one-quarter of the production of such a line was earmarked for sales beyond the west coast, most of which presumably would go to Japan.

Recently, University of Washington geology professor Eric Cheney, in an article in the Seattle Times, showed that if a trans-Alaskan line is built, the west coast will be unable to absorb the entire production from such a line until 1988.

I believe this provides one more strong reason for a trans-Canadian line. But no matter what decision is ultimately made on the routing of trans-Alaskan oil, we must provide that this oil will stay in the United States—and not fuel foreign industrial competition to American industry during years when American industry will need every gallon of oil it can get.

Fourth, the amendment builds in a procedure to insure a congressional decision within 90 days of receipt of the report of the National Academy.

This decision would not be reviewable in the courts, thereby assuring progress on whichever route Congress selects shortly after that congressional decision is made.

The amendment also prohibits the Secretary of the Interior from issuing rights-of-way permits for any delivery system for North Slope Alaskan oil until Congress has authorized and directed him to issue rights-of-way for a particular route. The amendment does not affect the bill's provisions regarding granting of rights-of-way for any pipeline system other than that from the North Slope of Alaska.

Without doubt, no pipeline through Canada can be built without the cooperation of the Government of Canada. There is no debate on this point. Recently, some have questioned the willingness of the Government of Canada to cooperate in the undertaking. There is no hard negotiating data on this point, once again pointing out the need for negotiations at the earliest possible date.

Should these negotiations prove that the Canadians are not interested, we will have lost nothing, for a final nonreviewable congressional decision would still be made within little more than a year. This decision, while preserving the integrity of the National Environmental Policy Act, would allow construction of a trans-Alaskan pipeline to begin without further delay in the courts if the trans-Canadian route is proven to be unfeasible.

However, I believe that the Canadian Government will express interest in a trans-Canadian oil pipeline, inasmuch as it avoids dangerous tanker traffic off the west coast of Canada and spurs the development of potential oil reserves in the northwestern sections of Canada. As recently as May 14 of this year, Prime Minister Trudeau stated on the floor of Parliament that:

We do not favour the route from Alaska which would take oil tankers over the ocean into waters that are very narrowly confined between the United States and Canada. That is still our policy, and our policy is still to indicate that the Mackenzie route is one which we would be prepared to consider if there is application made in the proper form, and that we would be very happy to follow up on that.

And on June 8, speaking in the House of Commons, Minister of Energy, Mines and Natural Resources, Donald Macdonald stated again that:

Our distinct preference is to have a Mackenzie route . . .

The United States administration, of course, insists on handling its own resources in a different way. We have made clear to the United States the possibilities of a Canadian route, but I do not think we are really in a position to direct them as to how they should dispose of their resources within their jurisdiction.

To quote him again:

We have made clear to the United States the possibilities of a Canadian route.

I think it would be interesting to find out what our Government has really been doing in seeking to ascertain whether the Canadian Government would agree to a trans-Canadian pipeline, and on what terms. There have been recent stories one of which I will put in the RECORD that from the Anchorage Daily News of June 11, 1973, in which we are told that the State Department last May warned the Canadian Government that any attempt to try to pursue the building of an oil pipeline across Canada to bring oil from Alaska's North Slope to the Midwest would be regarded as interference in U.S. internal affairs. There is other evidence, the story points out, of the role of our Government in seeking to discourage any interest on the part of the Canadian Government.

Mr. President, I ask unanimous consent that the article appear at this point in the RECORD.

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

[From the Anchorage (Alaska) Daily News, June 11, 1973]

CANADA TOLD NOT TO INTERFERE IN OIL PLAN

(By David Murray)

WASHINGTON.—The State Department last May warned the Canadian government that any attempt to try to pursue the building of an oil pipeline across Canada to bring oil from Alaska's North Slope to the Midwest would be regarded as interference in U.S. internal affairs, it has just been revealed.

Rep. John B. Anderson (R-Ill.) said Canadian Ambassador Marcel Cadieux was summoned to the office of Undersecretary of State John N. Irwin II and told that the decision to build a trans-Alaska pipeline had already been made and the Nixon administration regarded it as an internal matter.

Anderson, citing statements by "responsible members of the Canadian community" in Ottawa, said Cadieux had been called to the State Department, "sat down in a chair and was told: 'We've made a decision. It's an internal decision, and we'd appreciate it if you said nothing.' "

Since then, Interior Sec. Rogers C. B. Morton and other members of the Nixon administration have maintained that the Canadian government does not want the pipeline built from Prudhoe Bay to Edmonton, Alberta, despite the continued efforts on the part of members of the Canadian government to build the pipeline through Canada.

A Canadian embassy spokesman here confirmed the meeting took place in Irwin's office May 14, 1972, but said that embassy reports showed merely that there was "representation" by Irwin "to request Canada's cooperation and as great a restraint as possible."

In the meantime, Canadian government officials, including members of the cabinet, have become increasingly annoyed that official silence is being mistaken for compliance with American demands.

Despite mounting pressure from environmental groups and influential members of Congress, Canadian sources here said Canada has adopted no official policy because no application for a pipeline across its territory has been officially filed.

Asked at a news conference if he believed the Nixon administration was misrepresenting the Canadian position, Anderson, third-ranking Republican House member said:

"I don't want to make any flamboyant charge of misrepresentation. But there is a suggestion that since they made their decision, (administration spokesmen) want to shore up their own position."

Anderson, along with Rep. Morris Udall (D-Ariz.), met June 1 in Ottawa with two Canadian government ministers—Donald MacDonald, minister of energy, mines and resources, and Jean Chretien, minister for Indian affairs and northern development—and emerged from the meeting with the conviction that "the case for a trans-Canadian line is more strongly buttressed than ever before."

Anderson and Udall Thursday introduced a bill calling for an independent study of the advantages of the Alaskan and Canadian routes, including impacts on both the economy and the environment.

The trans-Canadian route is approximately 1,700 miles—twice the distance of the proposed Alaska route. But supporters of the Canadian route say it would be built at comparable cost, because of the difference in terrain and other factors.

For example, the Alaska pipeline would require construction of storage facilities at its terminus at Valdez (whereas the Canadian line would have its eastern terminus at Edmonton and Chicago, where port facilities already are available.

Proponents of the trans-Alaska route say the cost would run about $3 to $4 million.

Mr. MONDALE. Then, in the light of the Canadian silence, they say, "See, the Canadians are not interested."

I quote from an editorial in today's Washington Post:

Comparing this prospect with the outlook for a trans-Canadian pipeline amounts to comparing the unpredictable with the unexplored. Because the oil companies and the administration fastened so quickly on the Alaskan route, they have never undertaken an objective assessment of the engineering, environmental, economic and diplomatic factors involved in a Mackenzie Valley undertaking. The greatest single factor, the Canadian government's attitude, is not so much imponderable as it is unprobed. Secretary Morton's description of one key exchange in May 1972 suggests how earnestly Canadian expressions of interest have been entertained. Barely one week after the Canadian energy minister, Donald S. Macdonald wrote him "a detailed letter" outlining the possible advantages of the Mackenzie Valley way and proposing joint studies, Mr. Morton "forthrightly" replied that the U.S. had decided to go through Alaska instead. Since that official rebuff, the State Department claims to have found "no strong current interest" in a Mackenzie Valley route in Ottawa. This is hardly surprising but it is like complaining about not being invited to dinner—after one has announced that he wouldn't come.

Mr. President, I ask unanimous con-

sent that the editorial from the Post appear at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. MONDALE. Mr. President, the other day the State Department issued a statement describing the Canadian government's attitude toward this proposal. Then it sought to demonstrate that the Canadians were not at all interested or showed very little interest in the Mackenzie Valley route. I think it fair to say that I am not misrepresenting the position of the Canadian Government on this matter. I ask unanimous consent to have printed at this point in the RECORD a short summary of this incident.

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

STATE DEPARTMENT DOCUMENTS RE CANADIAN ATIITUDES

On June 22, the State Department issued a letter in response to an inquiry from Congressman John Melcher in which the Department stated that "there is no alternative to the proposed Alaskan pipeline at this time."

It now appears that their comment was true—but in an ironic way which the State Department did not intend. For the release of that letter, apparently before the answers to detailed questions had been received from the Canadian government, failed to take into account the newly revealed fact that if we approve the Alaska pipeline, there will be no Canadian oil pipeline—at least for a very long period of time. The response of the Canadian government could not have been more clear:

"If Alyeska is built, Canada would find little attraction in having a second oil pipeline built through Canada to serve U.S. Midwest markets unless and until sizeable commercial Canadian oil discoveries have been made in the north. Moreover, Canada is aware that the economic attraction of looping an existing TAPS line would undoubtedly militate against construction of a line through Canada."

This makes clear that if we approve the Alaska line, there will be no second pipeline for many years to come, for no matter what reserve figures may turn out to be, we cannot put any pipeline—first or second—across Canada without the cooperation of the government of Canada.

Perhaps equally as important, the entire tone of the State Department letter of June 22 was negative. In every respect, the letter sought to convey the impression that negotiations with the Canadian government would be fruitless.

In contrast, the document released from the State Department contains many indications of the willingness of the Canadian government to cooperate. It indicated that a number of steps which would be potential bars to construction of a Canadian pipeline could be taken simultaneously. Thus, native claims, inquiries under the Territorial Lands Act and much of the financing work could apparently be completed within one and one half to two years.

In addition, the document revealed that a number of items often cited as roadblocks to a Canadian pipeline by opponents are nonexistent. First, the Canadian government made clear that "a northern oil pipeline would be a 'federal work'. As such, the Provincial Governments are not legally involved."

Second, the document reveals that the Canadians do not believe a formal treaty would be necessary to cover pipelines crossing Canadian territory and carrying U.S. supplies to U.S. markets.

Third, the document revealed the Canadians continued willingness to consider guaranteeing the total supply needed to Puget Sound during the period of construction of a pipeline through Canada. This would ensure adequate supplies for the large refineries in the Pacific Northwest without the attendant tanker dangers which would accompany a Trans-Alaska pipeline.

Fourth, the document reveals that the Canadian government would not "back out" any Alaskan oil should significant findings be made in Canada. While stating that Canada requires that Canadian production have "access" to such pipelines, it states that "undoubtedly such access would be achieved by adding pipeline capacity rather than 'backing out' non-Canadian supplies."

Fifth, the document implies that the Canadian government's position on ownership and control of an *oil* pipeline would not be inflexible. The document quotes Energy Minister Macdonald as stating certain conditions, but the context of that quotation was taken from a debate on a gas pipeline, not an oil pipeline.

To state, as the State Department has continued to do, that the overall posture of the Canadian government is one of complete negativism is certainly a gross overstatement. We must remember that the Canadians have had no encouraging word from this side of the border for years. The Nixon Administration and the big oil companies which are tied to the Alaska pipeline have consistently attempted to dampen interest in the Canadian line, as the Committee report on S. 1081 admits:

"There seem to be several reasons for their failure to move ahead on both alternatives. First, the companies, the Interior Department and the State of Alaska have tended from the beginning to underestimate the engineering, environmental, legal and political difficulties of their preferred route. Also, the advocates of an all-Alaska pipeline seem to have feared that serious consideration of a Canadian route would, by giving it additional credibility as a potential alternative, undermine their effort to get early approval of the Alyeska right-of-way application."

So the situation in which we now find ourselves is one created by the giant oil companies, fostered by the Interior and the State Departments and never tested as to its ultimate soundness.

We need negotiations with Canada and we can get them under this amendment. Only then will we be truly in a position to judge the relative merits and the true attitude of the Canadian government.

Mr. MONDALE. Mr. President, I believe the Canadians will be receptive, but only if we in Congress show that the attitude of the American administration is not the attitude of the American people.

My colleagues say, "Can you really trust the Canadian Government to play fairly if we build a pipeline across their country?"

I must say that our relations with Canada—the longest unmilitarized border in the world—I think have traditionally been a model of international understanding.

Coming from a State that borders on Canada, I can say that we have had, for example, the Interprovincial Pipeline for the delivery of oil from Canadian sources, not from American sources, for many years. It has been reliable and responsible.

I think when it comes to taking a foreign country whose word can be trusted, the relations that our Government has had with the Canadian Government should place Canada at a very highest level or position among the trustworthy countries.

Moreover, it must be recognized that a great amount of oil coming into eastern Canada is transshipped across the United States through the State of Maine in pipelines. And if it should come to the point—and I do not think it would—that the Canadians would seek to impose conditions on us that are different than those upon which they have agreed with relation to the transshipment of oil, then it would be very simple for us to deal effectively with respect to that other delivery system.

Mr. HASKELL. Mr. President, if the Senator would yield, along these lines I point out that the Canadian Government have lines that cross the country. The Canadians have indicated that—

There would seem to be no reason why the United States would need a "treaty" or agreement with Canada to cover such pipelines which would cross Canadian territory and carry U.S. supplies to U.S. markets. In this connection, the Canadian Government notes that both loops of the Interprovincial-Lakehead pipeline system cross the United States and that throughputs of these loops are vital to Ontario oil markets. The Montreal oil market is entirely dependent on the Portland-Maine to Montreal pipeline. In addition, approximately half of the Canadian gas markets, east of Manitoba, depend on the Great Lakes pipeline which crosses the United States. None of these important pipelines, across United States territory is covered by "treaty" or international agreement.

The Senator referred to the Portland-Montreal pipeline. I am sure that we can get along with Canada if we can get along with anyone.

Mr. MONDALE. Mr. President, I can remember a few years ago in the debate over the oil depletion allowance that the argument was made that we could never depend upon other countries. Someone asked about Canadian sources, and it was said that we could never be dependent upon that.

My paranoia has never gone to that extent. They have been good friends of ours. This pipeline offers a magnificent opportunity to cooperate as neighbors and friends in the development of something that could be of great mutual advantage.

Mr. HASKELL. Mr. President, I certainly concur with the Senator. We already have four pipelines criss-crossing the international border.

Mr. MONDALE. Mr. President, one of the additional opportunities this offers is that it is thought that the Canadians have enormous unproven oil resources along this pipeline. Should we develop this pipeline, there would be an added incentive for the Canadians to prove up those resources and thus add an additional opportunity for development of oil by a neighbor and friend instead of having an overdependence upon the Mideast where we have had great difficulties in recent years.

Mr. President, that is our case. The Senator from Indiana (Mr. BAYH) will be speaking early tomorrow on this issue. I think that this amendment permits us to have a responsible, legal, constitutionally controlled study which will determine what is best for this country

from the standpoint of environment, from the standpoint of economy, from the standpoint of distribution of energy resources, and from the standpoint of this Nation's national security.

This amendment expresses the desire to proceed as rapidly as possible—consistent with the spirit of NEPA—to develop North Slope Alaskan oil. It will give the Congress the intensive negotiations and study of a Canadian alternative route that we need to make an informed decision. It will enable Congress to make the final decision on how this vast oil resource is best to be transported to the United States, thereby exercising the responsibility we must shoulder for framing national energy policy.

It offers backers of the trans-Alaskan pipeline the assurance that if negotiations with Canada prove unsuccessful, or if Congress for whatever reason decides that an Alaskan route is the wisest means to move North Slope Alaskan oil, that construction of such a pipeline could begin in little over 1 year. It offers backers of a trans-Canadian line the full and fair study that has not yet been done on this alternative, and the ability to get that information to the Congress.

This would be done consistent with the law and in a way that would be final so that we could put behind us the long court proceedings that would tie up the project and do so in a manner consistent with the laws and in the best interests of our country.

I am very hopeful that as my colleagues get a chance to focus on our amendment, we might get the support that is needed for its adoption.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a summary of some of the basic data on our amendment as it relates to some of the key issues that have risen in this debate.

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

BASIC DATA ON MONDALE-BAYH AMENDMENT TO S. 1081 (PIPELINE BILL)

OBJECTIVES

(1) To expedite delivery of Alaskan oil; (2) To reserve for Congress the final decision on how best to deliver that oil to the lower 48 states; (3) to give fair considerations to the all-land trans-Canadian alternative to the land-sea Alaskan route chosen by the oil companies and accepted by the Administration.

PROVISIONS

(1) A final, binding decision by Congresss within 14 months on whether to proceed with a trans-Canadian oil pipeline or the Alaskan Land-sea delivery system (such a decision would not be subject to further environmental litigation); (2) An 11-month analysis by the National Academy of Sciences of the national energy requirement, and of economic, environmental and other factors involved in the two routes (this would be the first impartial analysis of the merits of the two alternatives); (3) Parallel 8-month negotiations with Canada to ascertain that country's willingness to cooperate and to expedite a trans-Canadian pipeline; (4) A decision by Congress in favor of a delivery system within three months from the time the analysis and negotiations are completed; (5) No Congressional approval for any rights-of-way for Alaskan oil before Congress gets the results of the analysis and negotiations; (6) Strict limitations to prevent the exporting of U.S. oil to Japan or any other nation.

COMMITTEE BILL

(1) Would have Congress ratify oil company choice and Administration acceptance of Alaskan route; (2) Leaves unresolved pending environmental litigations likely to take two years or longer to conclude; (3) Forecloses any possibility of oil pipeline through Canada; (4) Does not provide guarantees against exporting of U.S. oil.

TIMING

(1) Mondale-Bayh Amendment assures final go ahead for delivery system for Alaskan oil sooner than Committee bill; (2) Definitive data not yet available on relative completion dates for competitive delivery systems, but Chairman of Exxon has said his "most optimistic" date for completion of the Alaskan line is late 1978, while estimates indicate the Canadian route could be completed by 1979.

TWO LINES?

(1) Canadian government has stated flatly that it will not consider second oil pipeline through Canada if U.S. proceeds with Alaskan line; (2) President of Alyeska (pipeline consortium) and Chairman of Standard Oil of Ohio (a member of consortium) have both said within the past year there will not be two pipelines.

CANADIAN ALTERNATIVE

(1) Would bring U.S. oil to area of U.S. where energy shortage is most severe, where oil prices are highest, and where there is greatest dependence on Mideast oil; (2) Would provide best possible guarantee against oil company desires to sell U.S. oil in Japan; (3) Would avoid two greatest environmental problems with Alaskan line, i.e. pipeline crossing major earthquake zone and oil spillage from tanker traffic.

CANADIAN GOVERNMENT

(1) Could entertain application for oil pipeline by end of the year; (2) Prefers oil pipeline through Canada because of apprehension about severe damage to ecology and fishing industry from oil tanker spillage; (3) Has spent millions of dollars studying effects of possible pipeline and building roads in probable pipeline corridor; (4) Unwilling to cooperate on oil pipeline through Canada if we go ahead with Alaska pipeline.

AMENDMENT SUPPORTERS

(1) Co-sponsored by bi-partisan group of 19 Senators; (2) Endorsed by Consumer Federation of America, United Auto Workers, and Common Cause, in addition to every major national environmental group including Sierra Club, Friends of the Earth, Audubon Society, and Wilderness Society; (3) National Oil Jobbers Council has called for trans-Canadian rather than Alaskan line.

Mr. MONDALE. Mr. President, the proponents of the Alaskan system have stated that the cost of oil delivered to consumers in the Mideast through the Canadian pipeline would be between 50 and 70 cents a barrel more than the cost from the East, thereby allowing oil from the Alaskan system to be diverted there from the Panama Canal or other elaborate systems without increasing the cost to the consumers east of the Rockies.

An analysis recently prepared by the Department of the Interior clearly shows this to be untrue. The Department document dated May 1, 1973, entitled "An Analysis of the Alaskan System Alternative Routes and Locations" states that the total cost for oil through the Alaskan pipeline system would be $1.34 and from the trans-Canadian system $1.56, a differential of about 20 cents.

Mr. HASKELL. Mr. President, if the Senator would yield, I wonder whether the Interior Department or anyone else has made an economic comparison of the two routes. I wonder if that is not the reason for the Senator's amendment. For example, the Department of the Interior's final environmental impact statement admits that:

Data does not exist to definitely state the relative efficiencies of TAPS (Trans-Alaska Pipeline System) and MacKenzie Valley Pipeline System.

Really, is not the real purpose of the Senator's amendment to extend the analysis of the economics, the national interest, and the environmentally related impacts of the two lines? Is that not basically the Senator's intention?

Mr. MONDALE. Absolutely; that is why I was citing one set of figures which others contradict. This is a question of arithmetic. This is one area that could be studied and can be settled with a study of the alternative systems.

We have not had that responsible study of the trans-Canadian alternative because the Government is so bitterly opposed to it that they have refused to study it.

The result is that we are now faced with these conflicting, widely varying figures in an area which should be subject to being settled responsibly, so that we might know something as fundamental as what would serve the Nation's energy consumers best.

Mr. HASKELL. For example, I assume the Senator will agree with me that if the oil companies that contracted this multimillion dollar Mackenzie Valley study had done a comparative analysis, we might have something to go on; but all they have compared is the carrying costs to Chicago and then a spur off to Puget Sound via the trans-Canada route. They did not compare the costs of getting oil to Puget Sound and Chicago via both possible routes. They compared oranges and apples, and there is no way we can put the two things together at this point.

Mr. MONDALE. The Senator is absolutely correct, and that is a further reason for this study we require in our amendment, because certainly something as fundamental as consumer costs ought to be studied carefully, responsibly, and steadily, so that we do not have these widely varying speculative figures we are presented with today. I thank the Senator from Colorado (Mr. HASKELL) for making that point.

This, of course, underscores the fundamental point that when we passed the National Environmental Policy Act, the idea was that the Executive would comply in good faith with its provisions. One of its fundamental provisions is that when some act of environmental significance is occurring, our Government must study that question and, among its determinations, determine what would happen with reasonable alternative approaches toward solving the same problem.

In this case, it is clear that that means

they should study the two proposed pipeline routes, trans-Alaskan and trans-Canadian. But it is obvious that they are so committed to the trans-Alaskan pipeline that they have refused to responsibly study the Canadian alternative, as required by the law, which is one reason why they are going to be taken right back into court for several years of further litigation.

This is another reason why we must reluctantly, in effect, assume this responsibility in Congress of making a judgment as to which alternative is preferable for the American people.

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

Mr. MONDALE. I am glad to yield to the Senator from Indiana.

Mr. BAYH. I consider it a privilege to be joined with my friend from Minnesota, my friend from Colorado, and others who have undertaken to try to restore sanity in our effort to meet a long-range problem, and I salute the Senator from Minnesota for his efforts, his leadership, and the perceptiveness of the statement he is presently delivering to our colleagues and hopefully to the country. I intend to try to follow suit tomorrow when my time in the batting box comes.

I would just like to ask the Senator to perhaps think a bit more in detail about the matter he has just discussed, and that is the responsibility of Congress to make this determination.

When we look at all the problems that confront us as a legislative body and as a government, does it not strike the Senator from Minnesota as a rather compelling argument of importance to an adequate energy supply, is the fact that with the passage of this bill, one pipeline or the other, one route to the other, is not immediately going to open filling stations and minimize the chances of a brownout, but that this is a long-range solution, and is not that kind of solution, with the adequate and persistent investment of our energy resources it would require, the very kind of decision Congress ought to be making, and the very kind of decision that we have been shunting off on the executive branch in all other areas of government? Is it not time for us to stand up and assert ourselves under the Constitution, and is that not what we should have been doing all along?

Mr. MONDALE. If Congress cannot undertake a judgment on something as important as energy or the energy crisis, it is difficult to understand why we are supposed to be thinking as we do on this fundamental issue.

There are stories throughout Minnesota of independent gasoline stations going out of business, of rising gasoline prices, of shortages, of rationing, of dealerships. All this concerns the adequacy of fuel oil, and all the rest, in the midst of the crop-producing season.

Minnesota has had a very, very tough winter and summer. From everything we can learn, conditions are going to get worse. In the midst of this, we hear reports of conspiracies contrary to the antitrust laws of the country. I think this is a situation which calls out for Congress to serve the public interest of the country, and to serve it courageously. We have been told there are conspiracies among the oil companies. We cannot pass judgment on that. But I think there has been a close working relationship between this administration and the oil companies, so much so that the administration refused to comment on oil companies conducting negotiations with the Canadians, against our best interest.

Because they send out the gas, they are close to limiting the supply of gas.

I think that Congress has no choice but to take that problem unto itself, and serve the public interest.

Mr. BAYH. Can the Senator shed any light on the alleged conspiracy with the oil companies? I think that is one of the most compelling reasons why we ought to have some time to study the question. As the Senator has pointed out, that will not add to the time before we get started putting oil into mainland America.

If we want to get a solution to this immediately, then, it seems to me, the Senator from Alaska has the solution. If that is the only thing we are thinking about—the proposal that brings oil into mainland America more quickly—then the Jackson proposal is the one.

But talking about the conspiracy question, our staffs have been checking into this jointly. Is the Senator from Minnesota able to shed any more light on why the administration tried to cover up the colloquy that took place in the Canadian Parliament relative to the pipeline argument?

Mr. MONDALE. I may say to the Senator from Indiana that I have promised the Senator from New Hampshire (Mr. McINTYRE) that I would suspend debate on my amendment now. Perhaps we could pick up the colloquy tomorrow, during the course of the Senator's remarks.

Mr. President, I yield the floor.

EXHIBIT 1

[From the Washington Post, July 11, 1973]

OIL FROM ALASKA: WHERE OR WHEN?

The real issue in the Alaska pipeline fight, as we see it, is whether the long-term national interest would be better served by transporting the North Slope's oil by pipeline across Alaska and then by tankers from Valdez to the West Coast—or by bringing the oil by pipeline across Canada to the Midwest. Champions of the Alaskan route see it differently. To them the central issue is not where but when the oil starts flowing to the lower 48 states. "Time is critically important," Interior Secretary Rogers C. B. Morton wrote in a letter to the editor which appears on the opposite page today. Time is the single factor making the Alaskan route "clearly preferable," the Senate Interior Committee recently found. Sen. Henry Jackson (D-Wash.) opposing delays of any kind, put it dramatically last Monday: "Will Alaska oil be kept in the ground while the American people are running short? Will the nation be forced to rely indefinitely on oil imports from insecure foreign sources?"

This formulation has a number of flaws. The first is that it is hard to say with certainty that the Alaskan route would be more expeditious because it is impossible to say when either pipeline could be finished. Mr. Morton has often said the trans-Alaska project "is ready to be built as soon as present legal obstacles are cleared away," but those obstacles are hardly the sort which can be easily or quickly brushed aside. In barring construction of the Alaskan pipeline last winter the Court of Appeals ruled on the "very simple point" that the proposed right-of-way across public lands would be wider than the maximum permitted under present law. That problem would be remedied by the right-of-way bill now before the Senate. But the court expressly reserved judgment on the substantial environmental issues involved in the suit, finding those "not ripe for adjudication at the present time." In other words, if and when the right-of-way laws are modernized, the matter will go right back into the courts and could remain there for some time—unless Congress should be stampeded into giving the project an environmenal exemption, which would be unwarranted and unwise.

Comparing this prospect with the outlook for a trans-Canadian pipeline amounts to comparing the unpredictable with the unexplored. Because the oil companies and the administration fastened so quickly on the Alaskan route, they have never undertaken an objective assessment of the engineering, environmental, economic and diplomatic factors involved in a Mackenzie Valley undertaking. The greatest single factor, the Canadian government's attitude, is not so much imponderable as it is unprobed. Secretary Morton's description of one key exchange in May 1972 suggests how earnestly Canadian expressions of interest have been entertained. Barely one week after the Canadian energy minister, Donald S. Macdonald, wrote him "a detailed letter" outlining the possible advantages of the Mackenzie Valley way and proposing joint studies, Mr. Morton "forthrightly" replied that the U.S. had decided to go through Alaska instead. Since that official rebuff, the State Department claims to have found "no strong current interest" in a Mackenzie Valley route in Ottawa. This is hardly surprising but it is like complaining about not being invited to dinner—after one has announced that he wouldn't come.

Given all the uncertainties about the courts and the Canadians, it is sheer speculation to claim that the trans-Alaska pipeline could be completed "at least 3 to 5 years and perhaps 7 to 10 years earlier" (State Department) or "2 to 6 years earlier" (Interior Committee) or "5–7 years sooner" (Atlantic Richfield). And when the issue of relative time disappears in the fog, there is little left to justify hurtling ahead in Alaska. Indeed, if one discounts the excitement about the "energy crisis"—a crisis which Alaskan oil will not solve—and looks specifically at where that oil could make the most difference, there is every reason to start serious talks with the Canadians in the morning. The trans-Canadian route would, after all, bring North Slope oil directly to the Midwest, a region which is perennially fuel-poor and more dependent on oil from those "insecure foreign sources" than the well-fueled West Coast. That is a consideration which ought to have substantial weight.

So far, the pipeline fight has been a textbook example of how not to resolve such a complex question. This week Sens. Walter Mondale (D-Minn.) and Birch Bayh (D-Ind.) are offering the Senate a way to obtain some real perspective and arrive at a firm decision at a definite time. the Mondale-Bayh amendment would (1) direct the Secretary of State to conduct serious negotiations with the Canadian government and report to Congress within eight months, (2) authorize the National Academy of Sciences to make a comprehensive 11-month review of both pipeline alternatives, and (3) provide for a congressional decision within 90 days after the completion of both studies. This is how the issue should have been handled from the start. As Secretary Morton wrote. "Open-ended delays make for open-ended

difficulties." That was not intended as an argument for the Mondale-Bayh amendment, but it is an excellent reason why the amendment should be approved.

Mr. STEVENS. Mr. President, I have commented elsewhere and will continue to do so on the merits of a trans-Alaska pipeline as opposed to a trans-Canadian pipeline route. At this point, I will not dwell extensively on these policy issues except as they directly relate to amendment No. 240 offered by my colleague from Minnesota (Mr. MONDALE) and several other Senators.

Amendment No. 240 would provide for an 11-month study of both the trans-Alaska pipeline route and a Canadian alternative route. This study would be conducted by the National Academy of Sciences subsequent to such route being designated by the Canadian Government or, if no such designation of a preferred route takes place within 60 days following the date of enactment, by the designation of such a route by the National Academy of Sciences. The National Academy of Sciences is authorized to designate such a route if the Canadian Government does not do so within the time limit.

Within 30 days of the receipt of the study, the House and Senate Interior Committees are required to report legislation to the floor of each House authorizing the Secretary to grant a right-of-way along one of the routes. The amendment requires that legislation directing the Secretary of the Interior to grant a right-of-way must be passed no later than 90 days after receipt of the study.

Section 201 of the amendment states that the legal controversy involving a trans-Canadian alternative "poses the threat of continued litigation that could significantly postpone the implementation of any delivery system for North Slope oil and it is the will of the Congress to avoid the uncertainties of continued litigation and to facilitate the delivery of North Slope oil resources in the manner that will best serve the environmental, economic, and national security needs of the Nation." This statement is premised on a faulty postulate—that such a study followed by congressional action would necessarily obviate the possibility of continued litigation.

Even if S. 1081 as amended by the Mondale amendment were passed, Congress would still be required to enact legislation authorizing and directing the Secretary of the Interior to grant the necessary right-of-way. There is no guarantee that such legislation would be forthcoming. We cannot bind this or any future Congress to legislate. Much as we all would like to resolve this thorny conflict as rapidly as possible, I doubt there are many Members of either body who would be willing now to agree in advance to any possible legislation that might be forthcoming eventually. That is what this amendment will do.

There is no guarantee that either the House or Senate Interior Committee would be able to agree on legislation. Even if appropriate legislation were ultimately reported to the floor, no time deadline can be predicted.

It would be also unconstitutional to require that any legislation be signed by the President. It would of course be likely that the President, too, would favor the speedy resolution of this problem. But I am sure that he could not agree in advance to do so on a blanket basis such as this amendment assumes.

Authorization of a trans-Canadian pipeline would create a serious possibility of litigation in Canada. There are in Canada, as in this country, many environmental groups. A number of groups in both countries view the ultimate question as one that must be resolved in courts of law.

In Canada, as in this country, there are other groups which, although not principally concerned with the environment, are also likely to voice opposition to a trans-Canada pipeline. Some groups of this type fear entangling foreign alliances, even with this country. These groups believe it is not in Canada's best interest to tie itself to the energy needs of a country in a much more difficult position than Canada—the United States. This is a policy question internal to Canada, and one that neither the U.S. Congress nor any other body external to Canada can decide. A major defect of the Mondale amendment is that it is premised on the willingness of Canada to accept a proposal for a trans-Canada pipeline transporting oil from one State of the United States across Canada to another State of the United States.

The claims of Canadian natives may also force them to block a trans-Canada pipeline. This has already been discussed, and I will not dwell on it further. The point has been made.

The presence of groups such as these, as well as the existence of the Territorial Lands Act and restrictive guidelines for northern pipelines which the Canadian Government has issued—see the (May 2, 1973 hearings, statement of D. Waldon, president of Inter-Provincial Pipeline Research, Ltd., at page 247)—suggest rather strongly that the possibility of litigation in Canada on a trans-Canada pipeline is a real one and one with which the U.S. Congress should deal in considering this amendment and S. 1081 generally.

This amendment is also premised on the assumption that the National Academy of Sciences could accomplish in 11 months what the Department of the Interior has taken 175-man-years to accomplish. The Department of the Interior has already assembled a staff of experts and has considerable experience in this area. The National Academy of Sciences does not. It has neither the staff nor the expertise to complete this project. This amendment would result in one of two things occurring: it would either first, introduce additional delay requiring Congress to extend the study, were a quality study desired; or second, require Congress to settle for an inadequately prepared study.

Moreover, not even the brief time period permitted for the study could be fully utilized for the study of a Canadian route: the study groups would first have to be organized, the available expertise would have to be marshaled, and, once assembled, the group, or groups, would have to be apprised of the subject matter of the study and presumably, of the data obtained and conclusions reached in prior studies. It would be impossible in the time allotted to match the man-years of study, the 8 days of public hearings in Washington and Alaska, the number of witnesses heard—207—and the evidence gathered—10 volumes of transcript, 15 volumes of exhibits, and 12 volumes of supplemental testimony.

To revise the draft statement and compile a detailed final environmental impact statement, the Department of the Interior established several task forces. Among these was task force C, which studied possible alternative pipeline routes, and was composed of representatives from the Geological Survey, the Bureau of Sport Fisheries and Wildlife, and the Bureau of Land Management. Further advice and guidance came from the State of Alaska and from the Interagency Federal Task Force on Alaskan Oil Development which included representation from the Departments of Defense; Transportation; Commerce; Health, Education, and Welfare; and Housing and Urban Development, as well as from the Office of Science and Technology, the Office of Management and Budget, the Council on Environmental Quality, the Environmental Protection Agency, and the National Science Foundation. This task force set up a technical advisory board, which provided scientific and engineering analysis essential for the preparation of a final environmental impact statement. The board examined the project description, reviewed and evaluated original and supplemental material, and conducted independent studies.

The agencies and departments represented on the task force which prepared the original material for the section on energy and policy alternatives in volume 5 of the final environmental impact statement were the Departments of Interior, Transportation, Defense, and Commerce, the Federal Power Commission, the Office of Emergency Preparedness, the Atomic Energy Commission, and the Environmental Protection Agency.

The Department of the Interior, in accord with the mandates of NEPA, examined alternatives to the proposed trans-Alaska pipeline system. These included different pipeline routes within Alaska, pipeline routes through Canada, and different modes of transportation, including air and rail.

The assertions upon which amendment No. 240 is based obscure the fact that a detailed consideration of such alternatives was actually made. In fact, volume 5 of the impact statement is devoted solely to such alternatives. Factors such as drainage, vegetation, surficial deposits, bedrock, topography, ice scour, bottom deposits, permafrost, seismicity, climate, currents, fishery resources, wildlife resources, and potential environmental impact during both construction and operation were considered with regard to corridors extending from Prudhoe Bay to Kay Point, Prudhoe Bay to Fort McPherson—coastal route—Prudhoe Bay to Fort McPher-

son—inland route—Fort McPherson to Edmonton, and Big Delta to Edmonton. It would be extremely unrealistic to presume this amendment could provide the adequate consideration needed to reexamine all of these factors, particularly when we cannot even tell what route the Canadian oil pipeline would take.

Section 203 of the amendment authorizes and requests the President of the United States, utilizing the devices of the Secretary of State, to enter into negotiations with appropriate Canadian officials and to ascertain within 60 days from the date of enactment the willingness of Canada to receive applications for the construction of a corridor and to determine the route which would be preferred by Canada. The State Department recently told the Senate and House Interior Committees that Canada is still not prepared to negotiate with the United States on this matter. In May 1972 the Canadian Ministry for Energy, Mines and Resources reported that the Canadian Government would be prepared by the end of 1972 to examine applications for pipeline construction. Canada now indicates that it will not be ready to examine such applications until the end of this year, 1973. It is likely that that date may be subject to even further revision. It is, I suggest, highly unrealistic to assume that this provision, section 203, which goes on the premise that agreement could be reached on a preferred route within 60 days would be possible.

Even assuming a willingness on the part of the Canadians to designate a preferred route, there have not been sufficient studies made in Canada upon which an intelligent designation by that government could be based. Section 203 (b) provides that if "no preferred Canadian route is determined" within the 60-day period under subsection (a), then the National Academy of Sciences will designate such a route. Here, too, the lack of study, with regard to specific route designation, makes an intelligent designation impossible. Of course if a route is selected before the study occurs, it is highly likely that the study will just become a justification for such a quick decision to meet the time deadline of the amendment.

The amendment is based in four reasonings why a trans-Canada pipeline is wise:

First. A Canadian route would deliver the bulk of the North Slope oil resources where they are needed most—in the area east of the Rocky Mountains;

Second. A Canadian route would deliver these resources over an environmentally sounder route than would an Alaskan pipeline route;

Third. Costs to consumers for oil in the eastern two-thirds of the United States would be substantially reduced by a Canadian route; and

Fourth. The national security interests of the United States would be aided by a Canadian route.

I would like to deal with these points in order:

First. The Department of the Interior indicates that the Midwest—PAD II—deficit, after imports from Canada and other Western Hemisphere sources, could be as low as 500,000 barrels per day in 1980 compared with 1.5 million barrels per day on the west coast—PAD V. Even more critical possibly is the gas shortage east of the Rocky Mountains, which will be eased considerably by construction of a gas pipeline from the Arctic. Such a gas line would be delayed by 3 to 5 years, and possibly longer, if the oil pipeline route runs through Canada.

Second. A trans-Canada pipeline route is not environmentally superior. The 1,700-mile segment to Edmonton, which is more than twice the length of the Alaska pipeline route, will double the disturbances of wildlife, wilderness area and surface ecology. It will cross twice as many miles of permafrost and four times as many major rivers and cross-drainage systems. Greater seismic activity in Alaska can be neutralized by design features.

Third. The cost of oil east of the Rockies would not be reduced by the construction of a trans-Canada pipeline instead of a trans-Alaska line. The cost of oil in Chicago, for instance, is a sum of the landed cost in the U.S. gulf plus transportation up the Mississippi Valley. With the United States heavily dependent upon Midwest imports, the ocean freight cost from the Persian Gulf is roughly the same for a given size ship, to the U.S. gulf ports as it is from the Persian Gulf to California or to the east coast. Therefore, the only way that Midwest costs would be lowered, would be if the delivered cost to Chicago by a trans-Canada route were less than the cost of Mideast oil to the U.S. gulf plus transportation cost to the Midwest refineries.

In fact, the estimated capital and operating cost of a trans-Canada system to Chicago are estimated to be about 37 cents per barrel higher than delivery costs to Los Angeles. In other words, this is equivalent to some 37 cents per barrel higher costs than shipment to the U.S. gulf. The present pipeline costs from the U.S. gulf to Chicago averages about 30 cents per barrel.

Thus, if anything, the delivery of Alaskan oil via Canada would tend to raise costs compared with importing it to the United States gulf and transporting it from there by pipeline to Chicago.

Fourth. The national security interest of this country will be greatly jeopardized if a Canadian pipeline must be constructed rather than a trans-Alaska pipeline.

The President's Task Force on Oil Import Control in 1970 stated that dependence on the Middle East for more than 10 percent of U.S. needs would be dangerous. Oil dependence has presently exceeded this level and will increase.

It would take at least 4 years longer for a Canadian pipeline to be operational than a trans-Alaska pipeline. This additional delay will greatly imperil our national security.

To sum up, amendment No. 240 introduces needless delay in the production of North Slope oil and gas. It creates the possibility of even further delay due to litigation in Canada. It ignores the inability to select a Canadian corridor based upon the information presently available. It ignores the stalemate in United States-Canadian discussions. As I have indicated, its underlying premise—the superiority of a Canadian pipeline—is incorrect.

As I have mentioned, the Canadians would require 51-percent ownership. This would be true of any oil pipeline or any gas pipeline crossing Canada. Only recently Mr. Verne L. Horte, the president of Canadian Arctic Gas Study Ltd., the consortium which will soon apply for a permit to build a trans-Canada gas pipeline, stated this requirement at a meeting of the Canadian pipeline contractors. He indicated that 51-percent Canadian ownership is a minimum expectation and further that it is unlikely that the Canadian Government would grant a permit under any lesser conditions.

Mr. Charles T. Ivan, the president of the Pipeline Contractors Association of Canada, mentioned a number of serious problems such a pipeline is likely to encounter. At a recent press conference he indicated:

> One of the biggest problems will be to find a ditcher that will stay in one piece and give you a continuous high production.

He indicated that such a ditcher would cost $300,000 to $400,000. "And it would have to work entirely in permafrost, like digging in cement, all the way," he added. I need not remind my colleagues that the trans-Canadian pipeline would be three times as long as the Alaskan route. The construction obstacles pose a serious problem. He also indicated that Canada has not enough large "spreads"—heavy construction firms—to meet the requirements of at least 10 such "spreads" for the major construction. At least 600 men would be required at a cost of up to $75,000 daily. He indicated that at least 3 of the 10 spreads would have to come from outside Canada, possibly from the United States.

I request unanimous consent to insert in the RECORD at this point an article from The Province on Friday, April 13, 1973, at page 22 which discusses Mr. Ivan's speech.

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

IT'S LIKE DIGGING CEMENT

Problems of personnel and equipment are going to cause great concern to construction companies working on the Mackenzie Valley pipeline in the opinion of Charles T. Ivan, the newly elected president of the Pipe Line Contractors Association of Canada. Ivan was named to office here Thursday at the annual meeting of the association.

"One of the biggest problems will be to find a ditcher that will stay in one piece and give you continuous high production," he said at a press conference. Such a ditcher will cost $300,000 to $400,000 and will be obliged to work a nine-foot-deep cut on a trench six feet wide.

"And it will have to work entirely in permafrost, like digging in cement, all the way," Ivan added.

(In Calgary it was announced that three giant ditchers are being tested near Fort Churchill, Man., under conditions similar to those in the Mackenzie region, by Canadian Arctic Gas Study Ltd. Initial tests are costing about $150,000).

Ivan also said that Canada lacks enough large "spreads", heavy construction firms, to meet the requirement of at least 10 for main construction. He predicted that as many as 600 men, with a daily payroll of up to $75,000, will be required for each spread, which means beefing up existing spreads and finding at least three others elsewhere, possibly in the United States or Europe.

Ivan said that Caterpillar Traction Corp. which is expected to provide the mammoth machines required for the job, will not be taking orders until the end of this year. Each spread will require about 40 tractors for what will be the greatest pipe-laying job ever attempted.

The difficulty with equipment supply and manpower will be accentuated by the obvious need to maintain annual construction quotas of distributor lines. In fact, Ivan added, it would be reasonable to expect that program to be stepped up to handle the new flow from the Mackenzie line.

The Mackenzie Valley line, he emphasized, will call for unusual qualities of leadership in the work gangs and an unusual effort by management and trade unions to see there are no interruptions, particularly in the four months of winter work on the permafrost above the 60th parallel.

The new president said he and his executive are conscious of the problems of environment but he believes the line can be designed and installed with little major disturbance to animal life and the ecology.

Mr. STEVENS. Mr. President, I would like to mention one other aspect—the Canadian policy limiting oil and gas exports to the United States. This policy poses a real problem for the United States, but may in fact be "based on misdirected emotions rather than facts" in the words of Mr. G. M. MacNabb, Assistant Deputy Minister of the Federal Energy Mines, and Resources Department of the Canadian Government. Canada now is severely limiting its exports to this country, when, as Mr. McNabb recently indicated:

> The net export of 8 billion kilowatt hours (of electricity) was 3.3 percent of all Canadian generations and represented less than one half of one percent of United States consumption.

But even he indicated that Canada should "approach trade negotiations as hardnosed businessmen."

These then are still other reasons why I believe it is most important that the Senate reject amendment No. 240.

Mr. FANNIN. Mr. President, the Mondale amendment No. 240 to S. 1081 should be opposed for the following reasons as it:

First. Would delay commencement of construction of Alaskan pipeline for well over a year and conceivably longer, and would delay commencement of a Canadian pipeline for 7 to 10 years.

Second. Would result in increased imports of Middle Eastern crude oil into the United States with consequent adverse impact on balance of payments and jeopardy to national security.

Third. Would tie hands of President regarding ongoing negotiations with allies regarding petroleum sharing arrangements in event of international crisis. Under Secretary of State William J. Casey wrote to Senators JACKSON and FANNIN opposing Mondale amendment generally and its export prohibition provisions specifically.

Fourth. Would restrict resolution of North Slope crude transport issue to either a trans-Canadian or a trans-Alaskan route rather than permit negotiations with Canada for a second pipeline system as provided for in the reported bill.

Fifth. Could risk U.S. dependence on Canadian Government with attendant national security problems such as increased curtailment of Canadian crude to U.S. markets and the imposition of other terms and conditions on the construction of a Canadian route more economically favorable to Canada than the United States. For example, the Canadians insist upon 51 percent Canadian Government ownership of a trans-Canadian pipeline.

Sixth. Would cost U.S. taxpayers more money for 1 year's study. U.S. Government costs to date of trans-Alaskan study and related expenses exceed $7 million.

Seventh. If Canadian route would be adopted it would result in export of dollars to Canada for construction of Canadian pipeline and other expenses with consequent loss of U.S. jobs, including those of Alaskan natives.

Eighth. Would prohibit Alaskan natives and State of Alaska from receiving royalties from production of North Slope crude for at least an additional year.

Ninth. Construction of a Canadian route would be more expensive, more environmentally damaging, and take 7 to 10 years longer than an Alaskan route.

Tenth. Canadian environmentalists are opposed to a trans-Canadian pipeline.

Further, Mr. President, on its face, Amendment 240, the Mondale amendment, might appear to have a rational basis: proponents of the amendment have urged that the amendment would provide the Congress "all the relevant facts before we make a major decision affecting national energy policy."—see "Alaska Pipeline Fact Sheet," office of Senator Birch Bayh. It is manifest, however, that the study which amendment 240 would require—an 11-month study conducted by the National Academy of Sciences—is nothing more than window dressing and the sole rationale underlying this Amendment is that of preventing or, at least, delaying as long as possible the production by means of the trans-Alaska pipeline of much needed North Slope oil. This also would have the effect of delaying the production and delivery of North Slope gas. Several additional arguments against the Mondale amendment are contained in letters written to me by the Secretary of the Interior and the Under Secretary of State. I ask unanimous consent that these letters appear in the RECORD at this point.

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

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 5, 1973.

DEAR SENATOR FANNIN: I understand that early in the week of July 9 the Senate will take up the Right-Of-Way bill recently reported by the Committee on Interior and Insular Affairs, S. 1081. I also understand that Senator Mondale and others will offer an amendment to prevent issuance of a permit for the Trans-Alaska pipeline until the Congress enacts legislation specifically authorizing a pipeline from Northern Alaska. The amendment envisions that Congress will not act until the Secretary of State conducts negotiations with the government of Canada to determine the feasibility of a Trans-Canada pipeline and the National Academy of Sciences conducts an eleven-month study of this subject.

This legislation can materially affect our energy supply picture, the strength of our dollar, our foreign relations and the strength of our bargaining position, vis-a-vis the oil producing countries in the Middle East. Recent events in Lybia, and the expressed willingness of some Middle East countries to utilize their oil exports for political purposes, require all of us to give this matter our most careful attention. I want to explain why I support S. 1081 and oppose any amendment that will delay the Alaska pipeline.

It is clear, and no one disputes that following the recent Court of Appeals decision in the *Pipeline* Case, new legislation is required before I can authorize construction of any new, large oil or gas pipeline across any public land in the United States. Large pipelines simply cannot be built within a right-of-way no greater than 25 feet on both sides of the pipe.

While I have not favored every provision of S. 1081, I am convinced that it is constructive legislation that will give me the necessary authority to permit construction of large pipelines that are vital to our economy.

Under S. 1081, I could promptly authorize construction of the Trans-Alaska pipeline; and I have expressed my intention to do so for three basic reasons: (1) our national interest requires the earliest possible delivery of North Slope oil to the "Lower 48," (2) the only feasible alternative delivery system is a pipeline across Canada, and it would involve at least a 3–5 year delay in delivery of oil to the lower 48; and (3) a Trans-Alaska pipeline and tanker delivery system can be built and operated under safeguards that will protect the environment and wildlife of Alaska and the Pacific Ocean.

I, and Administration spokesmen from the Departments of State and Treasury, have explained these points and others in detail during numerous appearances before committees of both Houses and in my letter of April 4, 1973, to every member of Congress. It is not my purpose now to repeat the detailed points I have made. Rather, I want to address specifically the three major arguments being made by those who favor amendment of S. 1081 to deny me authority to issue a permit for the Alaska pipeline and require an eleven-month study by the National Academy of Sciences. Those arguments are (1) that our Environmental Impact Statement did not adequately treat the Canadian alternative, (2) that neither I nor anyone else in the executive branch has seriously assessed the practical and political prospects for a Canada pipeline; and (3) that after an eleven-month study by the National Academy of Sciences the Congress will be able to promptly approve either an Alaskan or Canadian pipeline with no overall delay in the delivery of oil to the lower 48 States.

The impact statement on the Trans-Alaska pipeline contains approximately 150 pages of discussion of possible Trans-Canada pipeline routes. This extensive and detailed treatment is the result of inter-disciplinary studies and official and unofficial exchanges with Canadians that extended over a period of at least a year and a half. I personally have given a great deal of careful attention to the environmental problems presented by the Alaska pipeline, with its marine leg, and those that would be encountered in Canada.

I sincerely believe that the environmental costs and risks of a Canada pipeline would

be as great as those of an Alaska line, and that the Alaska system will be safely built and operated under the stipulations I will impose in our permit.

Even more importantly, I want to assure you that the feasibility and prospects of building a line through Canada have received my most careful attention and the attention of all concerned members of the Administration. I have discussed these matters with the President and with Secretary Rogers. We are all convinced that we should not delay the Alaska pipeline to consider further the feasibility of a Canada pipeline. For more than three years the Canadian Government has taken the position that it is not prepared to negotiate with the United States Government on the matter of pipelines from the Arctic. By letter of June 22, 1973, to Senator Jackson, the State Department reported the Administration's assessment as follows:

"... the Departments of State and Interior are convinced that there is no Canadian alternative to the proposed Alaskan pipeline at this time. Even if the Canadian Government should move expeditiously to approve such a pipeline, which is unlikely, an Alaskan pipeline could be in operation at least 3–5 years, and perhaps 7–10 years earlier than a Canadian pipeline.

"We do not believe that recent Canadian actions limiting exports to the United States of petroleum and petroleum products have a direct bearing on future Canadian consideration of applications for the construction of Arctic pipelines. However, they do emphasize Canadian determination to follow policies which will husband Canadian resources to the maximum extent deemed necessary to meet Canadian needs projected well into the future. This attitude and recent remarks by Canadian officials give no cause to change our view that the Canadian Government has no strong current interest in the construction of a Mackenzie Valley oil pipeline . . ."

Between May 1969 and March 1972, an inter-agency task force devoted many thousand man-hours, including 8 days of public hearings, to studies that finally produced a 6 volume Environmental Impact Statement and a 3 volume Economic and Security Analysis of the proposed Alaska pipeline and its alternatives. The work was done by experts with many years of relevant experience. The product is objective and comprehensive. It has been available for public scrutiny and debate since March 1972. I am convinced that an eleven-month effort by the Academy will not add materially to the information or analyses bearing on the United States Government's decision to grant permission for an Alaska pipeline or to deny such permission and pursue a Canadian alternative. I suspect that even if Congress should later approve the Alaska line the delay involved will extend well beyond a year because the Academy's study will require more than eleven months and the companies will have to re-mobilize for construction.

I am as concerned as the members of Congress to provide our Midwest and East Coast with adequate supplies of energy in the years ahead. The President shares this concern. But we are convinced that our increasing demand for petroleum presents serious national issues that transcend regional interests, and that it is in the Nation's interest to increase our domestic resource base as soon as possible. We hope and expect that Canada will agree to construction of a gas line from * * * .

UNDER SECRETARY OF STATE
FOR ECONOMIC AFFAIRS,
Washington, D.C., July 9, 1973.

Hon. PAUL J. FANNIN,
Committee on Interior and Insular Affairs, U.S. Senate.

DEAR SENATOR FANNIN: I would like once again to call attention to the serious problems which would be created by prohibition of oil exports from the North Slope of Alaska. I am especially concerned about section 207B of amendment 240 (the Mondale amendment) to S. 1081.

This provision would require a Presidential finding that the failure to export oil from the North Slope of Alaska would present an imminent threat to the national security, and the authority for such a finding would lapse after 60 days unless its continuation was expressly approved by the Congress. Such a procedure, in my view, would be completely unworkable, would threaten the possibility of establishing cooperative arrangements with other major consuming nations and would thus work against the security interests of the United States.

In his statement on energy of June 29, the President indicated that the Department of State is consulting with the major oil producing and consuming nations to develop cooperative arrangements to provide adequate and stable sources of oil to meet the world's growing energy demand requirements. An important proposal currently under discussion in the OECD is an emergency sharing arrangement among major consuming countries to meet curtailments of supply interruption. In the absence of such an arrangement, consuming nations could be at the mercy of oil producers who might for various reasons curtail shipments.

The enactment of a provision like section 207B would tie the hands of our negotiators and severely weaken the U.S. position in international negotiations. Rather than protecting the national security, as is implied in the language of section 207B, it would, on the contrary, threaten our security interests by limiting the possibility of establishing international arrangements to meet supply contingencies.

As I have pointed out in my testimony before your Committee, the President already has adequate legal authority under the Export Administration Act to limit or to prohibit exports of oil from the U.S. should this be necessary for reasons of short supply or for national security. I very much hope that the Senate will not enact burdensome or unworkable amendments which will hamper the Government's ability to deal with the already complicated task of assuring the nation's energy supply.

Sincerely yours,

WILLIAM J. CASEY.

Mr. FANNIN. Mr. President, I wish to present six arguments in some detail regarding why the Mondale amendment is highly undesirable.

1. STUDY PROPOSED WOULD BE INADEQUATE

The timeframe within which the study in amendment 240 is to take place is not suggestive of a thoughtful decisionmaking process. It is anomalous that many of those who favor enactment of this amendment, on the basis of providing Congress with all relevant information, have also urged that the final environmental impact statement fails to consider adequately a Canadian alternative to the trans-Alaskan pipeline. The environmental impact statement required a 175 man-year study by the Department of the Interior and other agencies. Task Force C which studied possible alternative pipeline routes was composed of representatives from the Geological Survey, the Bureau of Sports Fisheries and Wildlife, and the Bureau of Land Management. The State of Alaska and the interagency Federal Task Force on Alaskan Oil Development also aided in the preparation of the statement. The latter task force included representatives from the Departments of Defense, Transportation, Commerce, Health, Education, and Welfare, and Housing and Urban Development, as well as from the Office of Science and Technology, the Office of Management and Budget, the Council on Environmental Quality, the Environmental Protection Agency and the National Science Foundation. The task force which prepared the original material in the section on energy and policy alternatives included representatives from the Federal Power Commission. the Office of Emergency Preparedness, and the Atomic Energy Commission, in addition to the Departments of Interior, Transportation, Defense, and Commerce.

It is difficult to believe that the extensive, interdisciplinary study which provided the basis for the final environmental impact statement was inadequate. The individuals who conducted the study were not hapless dupes of industry seeking solely to provide an after-the-fact justification for a preordained decision to construct a pipeline from the North Slope to Valdez. Rather, these individuals were sincere professionals relying heavily, in many instances, on an expertise which can be developed only after a lifelong involvement in a given discipline. To suggest that the National Academy of Sciences can do in 11 months what the Department of the Interior and other agencies could not do in 175 man-years, is to gainsay this last stated premise.

Proponents of this amendment have said that "If negotiations with Canada (provided for under the amendment) prove unsuccessful or if a Canadian route will substantially delay delivery of Alaskan oil, Congress can choose a trans-Alaska route." A United States-Canada agreement cannot be negotiated within the timeframe contemplated by the amendment; adopting a Canadian alternative would substantially delay delivery to the lower 48 of Alaskan oil and gas. Based upon the two criteria stated by proponents of amendment 240, the trans-Alaska pipeline should be constructed.

II. A UNITED STATES-CANADA AGREEMENT CANNOT BE REACHED WITHIN THE TIMEFRAME CONTEMPLATED BY AMENDMENT 240

The State Department has recently indicated that "negotiation by the United States of a pipeline agreement with Canada does not appear possible at this time. The Canadian government has consistently taken the position that it is not prepared to negotiate with the U.S. Government on the matter of pipelines from the Arctic. We know of no change in this position. The Canadian Minister for Energy, Mines, and Resources said in May 1972, that the Government would be ready to examine applications by commercial firms for pipeline construction by the end of that year. The Canadian Government now indicates that it will not be ready to examine applications until the end of this year. This date could slip further."—Letter from Assistant Secretary of State, Marshall Wright to Chairman John Melcher, June 22, 1973.

Not only is it unduly optimistic from the standpoint of diplomacy to expect the Canadian Government to designate

a "preferred" route within 60 days of enactment of the amendment, but also, there have not been sufficient studies made upon which such an intelligent designation could be based. The drafters of the amendment foresaw the possibility of Canadian refusal or inability to designate a "preferred" route within 60 days and, therefore, provided that if no such designation took place the National Academy of Sciences would make such a designation. An intelligent route designation by the National Academy of Sciences is likewise impossible.

Nonetheless, once designated, the route becomes the much sought after Canadian alternative. It is this route which then becomes the focal point of the 11-month study. As brief as it is, the study provided for in amendment 240 only takes place after a Canadian route has been selected and, therefore, can only serve as an after-the-fact justification for a hasty decision.

III. PURSUING A CANADIAN ALTERNATIVE WILL SUBSTANTIALLY DELAY DELIVERY OF NORTH SLOPE OIL AND GAS TO THE LOWER 48

It would take at least 6 years longer to complete a trans-Canada pipeline than it would to complete the trans-Alaska pipeline. The following are just a few of the steps that would have to be completed prior to construction of a trans-Canada pipeline:

First. An agreement would have to be negotiated between the United States and Canada with regard to construction and operation. The difficulties inherent in reaching such an agreement have been alluded to earlier.

Second. An entity to obtain financing, design, build and operate the pipeline would have to be formed. In the consortium developed for the trans-Alaska pipeline each owner company owns and operates its own interest in the pipeline. This type of organization would not be acceptable to the Canadian Government and, a single pipeline company—with the majority of the equity interest being held by Canadians and its management being Canadian—would be required. Consequently, the pipeline would have to be financed as a single entity, unlike the trans-Alaska pipeline, and even assuming that 80 percent of the capital of the project would be raised by the issuance of debentures, over $1 billion would still have to be raised in the Canadian equity market. This amount is equal to twice the average yearly investment by Canadians in all equity securities. At the very least, 2 years would be required to negotiate an agreement with Canada, to form an appropriate entity and to arrange financing for a Canadian pipeline.

Third. A detailed route study would have to be made and technical design data compiled. Nearly 4 years have been required for the route analysis and the mile-by-mile design of the trans-Alaska pipeline. A Canadian route would require at least as much time, and probably more time, to complete the analysis and design.

Fourth. A detailed project description of the pipeline itself would have to be prepared for submission to both Canadian authorities and the U.S. Department of the Interior. It took the Alyeska Pipeline Service Co. 3 years to file a satisfactory project description of the trans-Alaska pipeline with the Department of the Interior. Due to the greater length and commensurate complexity of a Canadian route, it is difficult to see how any less time will be required for compiling a project description for a Canadian pipeline, particularly when faced with the problem of having to satisfy the requirements of two countries instead of one.

Fifth. An application would have to be made to the Department of the Interior for rights-of-way across the U.S. public lands and this Department would have to prepare an environmental impact statement. Hopefully, approval from the Department of Indian Affairs and Northern Development in Canada could be sought while the Interior application is pending. If the Department of Indian Affairs and Northern Development approves the application then application would have to be made to the National Energy Board, and public hearings held before that body as well. If the National Energy Board acts favorably the Canadian Cabinet would have to approve the action of the Board in arranging the pipeline certification. Prior to the Department of Indian Affairs and Northern Development approving an application the Native claims in the Northwest Territories would have to be settled. Whereas no one can state precisely the length of time required for settling these claims, it has been estimated that the Natives will require at least 3 to 5 years to complete their research and merely delineate the scope of their claims. Consequently, pipeline construction in Canada can be delayed from 7 to 9 years based solely upon the delay due to Native claims settlement.

If and when these and other steps were completed construction could begin. Of course, necessary roads would need to be built along the entire pipeline route. Road construction could proceed at the rate of 350 miles per year, based upon the estimates of the time required to build the road along the trans-Alaska route north of the Yukon River. This assumes that if the road were to be built by the Canadian Government, funds would be readily available.

Construction of the pipeline itself would require from 4 to 5 years. The Canadian route crosses wide expanses of continuous or discontinuous permafrost where it would be possible to build only 50 miles per spread season. Additionally, there is some 600 miles of bad terrain—muskeg, and so forth—where construction would occur at the rate of 75 miles per spread season. Finally, there are 1,600 miles of near normal terrain which would permit 100 miles per spread season. The net result is 47 spread seasons.

Assuming an ability to set up and maintain 10 spreads at the same time, the construction period of the pipeline could be at least 4½ years. This assumes that there would be sufficient facilities to transport 650 miles of pipe each year.

To assume that all of the above-mentioned steps would be satisfactorily completed is optimistic. However, assuming that they would not only be completed but completed expeditiously, the earliest possible date that a Canadian pipeline could be on stream would be 1983. This is to be contrasted with a completion date of mid-1977 or early 1978 for the trans-Alaska pipeline.

Selection of a Canadian alternative would delay the delivery of North Slope oil to the lower 48 and also the production of North Slope gas reserves. These reserves are associated in the reservoirs with oil and there must be a capability to produce the oil before firm commitments can be made for a major gasline overland through Canada and into the various parts of the United States. Moreover, prudent resource management dictates that, in a given field, oil reserves be utilized prior to exploitation of the gas reserves.

A Canadian pipeline—which, at this point, does not even exist on paper as an engineering entity—is at approximately the same stage of research development as the trans-Alaska pipeline was in 1969. Since that time Alyeska Pipeline Service Co. alone has expended 2,000 man-years and $400 million in its research and development of the trans-Alaska pipeline. Since 1969, the trans-Alaska pipeline has evolved into a system designed to have minimal actual and potential impact upon the environment. This has been due not only to the efforts of the Department of the Interior, in conjunction with other Federal agencies, but also due to the continuing effort by the pipeline builders themselves to refine further the pipeline system and to advance continually the state of the art. Any statement to the effect that a Canadian pipeline could be completed as soon as the trans-Alaska pipeline not only ignores the numerous procedural steps which must be taken prior to construction of such a pipeline but also ignores the salutary evolutionary process which has taken place with regard to the trans-Alaska pipeline.

IV. THERE WOULD BE CONTINUED OPPOSITION TO A TRANS-ALASKA PIPELINE SYSTEM EVEN AFTER A FAVORABLE 11-MONTH STUDY

Amendment 240 would seem to permit congressional approval of the trans-Alaska route; however, it is naive to suppose that those groups and individuals who have been unequivocally opposed to the trans-Alaska route—and who contend that the extensive, 175 man-year study conducted at the behest of the Department of the Interior, in conjunction with other agencies, is inadequate—will immediately roll over and play dead when faced with an 11-month study conducted by the National Academy of Sciences advocating the trans-Alaska route. Moreover, no matter what the results would be of the 11-month study, there would still have to be legislation passed by the Congress authorizing and directing the Secretary of the Interior to grant the necessary rights-of-way. It is problematic whether this legislation would ever be enacted, or, if enacted, how long this would take. Consequently, if after the 11-month study the National Academy of Sciences concludes that the trans-Alaska route is preferable to a Canadian alternative, there is still no guarantee that the requisite approval for such a pipeline would be forthcoming.

V. A CANADIAN PIPELINE WOULD COST AT LEAST $3 BILLION MORE THAN THE TRANS-ALASKA PIPELINE

A Canadian pipeline would cost at least $3 billion more than the trans-Alaska pipeline. Dr. Max Brewer, Alaska Commissioner of Environmental Conservation, has estimated the capital cost for a trans-Canada pipeline at $6.6 billion. The increased cost of a trans-Canada system over the trans-Alaska system speaks not only to the issue of ultimate consumer cost, but also brings into question whether a project of this magnitude can be financed in Canada. Several projects in the multibillion-dollar range are presently pending in Canada. Any one of these projects could be regarded as more in the Canadian national interest than a trans-Canada pipeline. For instance, presently pending are the Canadian Arctic gasline, the Pan Arctic gasline, and the James Bay hydroelectric project. It would be imprudent to force a project, which primarily serves U.S. interests, such as a pipeline from Prudhoe Bay, and has an aggregate capital cost of $6 to $8 billion to rely upon Canadian capital markets for a substantial portion of its financing.

VI. A TRANS-ALASKA PIPELINE SYSTEM WOULD NOT CREATE AN OIL SURPLUS ON THE WEST COAST

Proponents of amendment 240 continually allude to an oil-glutted west coast and an oil-starved Midwest. This, in turn—based upon a postulated oil surplus on the west coast—has conjured up any number of images, ranging from vast quantities of North Slope oil being exported to Japan to huge differentials in crude oil prices between the Midwest and the west coast. The trans-Alaska pipeline will not result in surpluses of oil in district V.

The trans-Alaska pipeline would not be completed until mid-1977 or early 1978. The buildup schedule of the pipeline would be such that by 1980 it would not be able to deliver more than 1.5 million barrels per day. Based upon estimates made by the Bureau of Mines of the Department of the Interior, domestic production of crude petroleum in 1980 in district V will be 1.065 million barrels per day; imports from Canada will not exceed 400,000 barrels per day; and imports from other Western Hemisphere countries will not exceed 100,000 barrels per day. By 1980, the demand in district V will be 3.130 million barrels per day.

Therefore, without taking North Slope production into account there would be a deficit in district V in 1980 of 1.565 million barrels per day. Since by 1980 the throughput for the trans-Alaska pipeline would be no more than 1.5 million barrels per day, there would be no surplus in district V at that time.

By 1985 the demand in district V is expected to increase to 3.5 million barrels per day with domestic production of crude petroleum in that district decreasing to 950,000 barrels per day. Even assuming increased imports from Canada, totaling 550,000 barrels per day, with imports from other Western Hemisphere countries remaining at 100,000 barrels per day, there would still be no surplus in district V caused by the introduction of trans-Alaska pipeline oil. By 1985 TAPS throughput will have reached its maximum yearly average of 1.9 to 2 billion barrels per day.

VIII. CONCLUSION

Amendment 240 is suggestive of a delay at any cost rationale, that is, the trans-Alaska pipeline should be prevented if possible or delayed as long as possible. The trans-Alaska pipeline and numerous alternatives were considered by the Department of the Interior, and numerous other agencies, employing an intradisciplinary approach. This study culminated in March 1972 in the six-volume "Final Environmental Impact Statement" and the accompanying three-volume "Economic and Security Analysis." This is conceded to be without peer as a thorough analysis of a proposed Federal action. Amendment 240 merely interposes further delay in the transportation of North Slope oil and gas to the lower 48. The brief study contemplated by the amendment is meaningless, unless one assumes that the National Academy of Sciences can accomplish in 11 months or less what the Federal Government could not accomplish in 175 man-years, at a cost of more than $9 million. In the national interest, the delay which will be caused by the Mondale amendment is intolerable. It will extend and exacerbate the hardships caused by the current energy shortage; it will delay delivery of oil and gas to the lower 48, thus increasing dependence on insecure Middle East sources; and furthermore, it will delay exploration for additional reserves of oil and gas in the North American Arctic. These considerations are merely a few of the reasons why amendment 240 should not be passed.

Mr. GRAVEL. Mr. President, the June 24 issue of the Baltimore News-American carried a most interesting article, entitled "Canadian Route for Oil Pipeline Elicits No Interest From Ottawa."

The article is especially interesting in that it refutes contentions made by supporters of a trans-Canadian oil pipeline from Prudhoe Bay, Alaska, that this is exactly what our northern neighbors want—a pipeline across Canada for the convenience of the United States. Quite obviously, it is sheer Yankee arrogance that causes the supporters of the trans-Canadian route to persist that the Canadian Government is receptive to such a line when evidence is to the contrary. I invite my colleagues to read the article to get a better perspective of just what the situation really is, and ask unanimous consent for the article to be printed in the RECORD.

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

CANADIAN ROUTE FOR OIL PIPELINE ELICITS NO INTEREST FROM OTTAWA

WASHINGTON.—The Canadian government "has no strong interest" in the construction of a trans-Canada pipeline to carry oil from Alaska's North Slope, the State Department reports.

The department's assessment, announced Saturday, came in a letter to Rep. John Melcher, D-Mont., chairman of a House Public Lands subcommittee studying the proposed pipeline across Alaska.

Construction of the pipeline from the North Slope to the Alaskan port of Valdez has been halted by a court order.

Environmentalists have boosted the Canadian route, asserting it would be less ecologically damaging than the Alaskan pipeline and that it would bring the oil to the Midwest where it is most needed.

"Our most recent inquiries and remarks by Canadian officials give no cause to change our view that the Canadian government has no strong current interest in the construction of a Mackenzie Valley oil pipeline," the State Department said.

"Insufficient oil has been found in the Canadian Arctic up to this time to justify early approval for construction in the face of political, environmental and economic arguments against approval," the department said.

"Negotiation by the United States of a pipeline agreement with Canada does not appear possible at this time," the department added.

Melcher said the department's letter "does provide some answers although it is not as clear an answer as I expected in relation to possible delays in constructing any pipeline across Canada because of settlement of Canadian native claims. The letter also is vague about who the department contacted in Canada."

The State Department referred only to "responsible Canadian officials" as its sources, the congressman said.

The letter was signed by Marshall Wright, assistant secretary for congressional relations.

The department concluded "that there is no alternative to the proposed Alaskan pipeline at this time.

"Even if the Canadian government should move expeditiously to approve such a pipeline, which is unlikely, an Alaskan pipeline could be in operation at least 3 to 5 years and perhaps 7 to 10 years earlier than a Canadian pipeline," the department said.

Mr. STEVENSON. Mr. President, today's lead editorial in the Washington Post makes a powerful argument for adoption of the Mondale-Bayh amendment to S. 1081, an amendment which I am pleased to cosponsor. The Post has refuted the argument that the Canadian route would require a delay in pipeline construction and completion of up to 12 years. The Mondale-Bayh amendment could lead to completion of a line through Canada by 1979. It could very well shorten the time for completion of a line across Canada or Alaska and also assure that the public interest was served by the best route.

The editorial concludes that the Mondale-Bayh amendment, with its direction for a thorough study of the Canadian alternative is the way to "obtain some real perspective and arrive at a firm decision at a definite time." I concur, and ask unanimous consent that the text of the Post editorial be placed in the RECORD.

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

[From the Washington Post, July 11, 1973]

OIL FROM ALASKA: WHERE OR WHEN?

The real issue in the Alaska pipeline fight, as we see it, is whether the long-term national interest would be better served by transporting the North Slope's oil by pipeline across Alaska and then by tankers from Valdez to the West Coast—or by bringing the oil by pipeline across Canada to the

Midwest. Champions of the Alaskan route see it differently. To them the central issue is not where but when the oil starts flowing to the lower 48 states. "Time is critically important," Interior Secretary Rogers C. B. Morton wrote in a letter to the editor which appears on the opposite page today. Time is the single factor making the Alaskan route "clearly preferable," the Senate Interior Committee recently found. Sen. Henry Jackson (D-Wash.), opposing delays of any kind, put it dramatically last Monday: "Will Alaska oil be kept in the ground while the American people are running short? Will the nation be forced to rely indefinitely on oil imports from insecure foreign sources?"

This formulation has a number of flaws. The first is that it is hard to say with certainty that the Alaskan route would be more expeditious because it is impossible to say when either pipeline could be finished. Mr. Morton has often said the trans-Alaska project "is ready to be built as soon as present legal obstacles are cleared away," but those obstacles are hardly the sort which can be easily or quickly brushed aside. In barring construction of the Alaskan pipeline last winter, the Court of Appeals ruled on the "very simple point" that the proposed right-of-way across public lands would be wider than the maximum permitted under present law. That problem would be remedied by the right-of-way bill now before the Senate. But the court expressly reserved judgment on the substantial envrionmental issues involved in the suit, finding those "not ripe for adjudication at the present time." In other words, if and when the right-of-way laws are modernized, the matter will go right back into the courts and could remain there for some time—unless Congress should be stampeded into giving the project an environmental exemption, which would be unwarranted and unwise.

Comparing this prospect with the outlook for a trans-Canadian pipeline amounts to comparing the unpredictable with the unexplored. Because the oil companies and the administration fastened so quickly on the Alaskan route, they have never undertaken an objective assessment of the engineering, environmental, economic and diplomatic factors involved in a Mackenzie Valley undertaking. The greatest single factor, the Canadian government's attitude, is not so much imponderable as it is unprobed. Secretary Morton's description of one key exchange in May 1972 suggests how earnestly Canadian expressions of interest have been entertained. Barely one week after the Canadian energy minister, Donald S. Macdonald, wrote him "a detailed letter" outlining the possible advantages of the Mackenzie Valley way and proposing joint studies, Mr. Morton "forthrightly" replied that the U.S. had decided to go through Alaska instead. Since that official rebuff, the State Department claims to have found "no strong current interest" in a Mackenzie Valley route in Ottawa. This is hardly surprising but it is like complaining about not being invited to dinner—after one has announced that he wouldn't come.

Given all the uncertainties about the courts and the Canadians, it is sheer speculation to claim that the trans-Alaska pipeline could be completed "at least 3 to 5 years and perhaps 7 to 10 years earlier" (State Department) or "2 to 6 years earlier" (Interior Committee) or "5–7 years sooner" (Atlantic Richfield). And when the issue of relative time disappears in the fog, there is little left to justify hurtling ahead in Alaska. Indeed, if one discounts the excitement about the "energy crisis"—a crisis which Alaskan oil will not solve—and looks specifically at where that oil could make the most difference, there is every reason to start serious talks with the Canadians in the morning. The trans-Canadian route would, after all, bring North Slope oil directly to the Midwest, a region which is perennially fuel-poor and more dependent on oil from those "insecure foreign sources" than the well-fueled West Coast. That is a consideration which ought to have substantial weight.

So far, the pipeline fight has been a textbook example of how not to resolve such a complex question. This week Sens. Walter Mondale (D-Minn.) and Birch Bayh (D-Ind.) are offering the Senate a way to obtain some real perspective and arrive at a firm decision at a definite time. The Mondale-Bayh amendment would (1) direct the Secretary of State to conduct serious negotiations with the Canadian government and report to Congress within eight months, (2) authorize the National Academy of Sciences to make a comprehensive 11-month review of both pipeline alternatives, and (3) provide for a congressional decision within 90 days after the completion of both studies. This is how the issue should have been handled from the start. As Secretary Morton wrote, "Open-ended delays make for open-ended difficulties." That was not intended as an argument for the Mondale-Bayh amendment, but it is an excellent reason why the amendment should be approved.

Mr. BENTSEN. Mr. President, I wish to say a few words in behalf of the pending legislation as reported and in behalf of beginning construction on the trans-Alaska pipeline at the earliest date.

The Joint Economic Committee held hearings on the trans-Alaska pipeline last year. While our inquiry was directed toward the economic aspects of that project, I was concerned about the environmental aspects as well.

I have taken my children on pack trips, on fishing trips into Alaska and I believe it to be some of the most magnificent, most beautiful unspoiled country in the world. I am concerned that, to the extent possible, it remain so. In addition to making my own inquiry, I questioned Secretary Morton concerning the environmental studies which had been made and the stipulations under which the pipeline would be operated.

Mr. President, I found that the steps being taken to protect the environment are quite extraordinary. I believe it is very safe to describe the trans-Alaska pipeline as the most extensively environmentally studied project in the world.

Because the environmental impact statement and accompanying documents is in nine volumes and contains over 3,500 pages, I shall not take the time of the Senate to do more than mention a few of the environmental steps which are being taken.

Extensive tests have been conducted to determine the most effective means of protecting the permafrost which must be crossed and over half of the line will be placed above ground for its protection. Fifteen thousand individual soil analyses have been made.

Consideration of the possible effects of earthquakes has led to the use of special pipe, construction methods, and a seismic monitoring system which will shut the line down at a designated level of shock.

Concern for vegetation has produced experimentation with 40 types of plants, 20 grass species, and the successful demonstration planting of 600 acres.

Concern for the protection of wildlife has led to fish migration and spawning surveys on every stream which is crossed. It has led to the mapping of various types of bird nests for the entire 789-mile right-of-way and to construction schedules designed to avoid disruption of the migration of sheep and caribou.

Concern for Alaska's archeology has led to the surveying and excavation of 189 sites from which 8,500 artifacts have been recovered.

Mr. President, this list could go on but I believe it is sufficient to demonstrate the magnitude of the effort which has been made in response to the concern for Alaska's environment. Apparently, that protection is sufficient to have won the support of the people of Alaska, their Governor, and both Senators.

Mr. President, we should also remember that while this project in Alaska poses some special problems, it is not the first pipeline to be constructed in this country. This Nation is literally crisscrossed with pipelines carrying petroleum products. When a motorist in New York buys a gallon of gasoline, the odds are that either the gasoline itself or the crude oil from which it was made traveled 1,500 miles through a pipeline from Texas or Louisiana.

However, Mr. President, we no longer have an unlimited supply of petroleum products in the Southwest. The wells in my State are producing at full capacity and are unable to meet the demand. Farmers in Texas are having difficulty obtaining enough fuel to harvest their crops and replant their fields.

The Nation needs the petroleum resources of Alaska and it needs them just as soon as this pipeline can be constructed. If the present schedule is maintained, deliveries will not be made until 1977 and the line will not be at its full capacity of 2 million barrels per day until 1980. By 1980 even the conservative estimates I have seen indicate the United States will be forced to pay $16 billion annually for energy imports. This past year we were not able to generate enough U.S. exports to pay for energy imports of $5 billion. How are we going to pay for $16 billion? And some place that figure at $25 billion. With prospects of ever-increasing balance of trade deficits, we cannot expect foreign nations to have confidence in the U.S. dollar abroad and we cannot expect our people to have confidence in the U.S. economy at home.

Deliveries from the trans-Alaskan pipeline would mean an $8 million daily reduction in energy imports.

But, there is more at stake than the delivery of this extra 2 million barrels of oil a day to the west coast. According to the U.S. Geological Survey, the estimates of known recoverable oil in the Alaska Prudhoe Bay is between 10 and 12 billion barrels. If the Alaskan line is completed on schedule it will take into the mid-1990's to deliver those reserves. And this makes no provision for the delivery of an additional 25 billion barrels in "probable" Alaskan reserves. The "speculative" reserves are estimated as high as 150 billion barrels. We need to begin to develop this potential because it is during the next 20 years that we expect the need for oil to be the greatest.

These additional reserves are not

proven but they are not going to be proven until we have some production being delivered from Alaska. Since the major discovery in 1968 the companies involved in Prudhoe Bay exploration have spent $1 billion on leasing, exploration, and limited development. They have spent another $400 million on the trans-Alaskan pipeline. They have had pipe costing $100 million sitting in Alaska since 1971. Every week construction is delayed, the costs increase by another $3½ million. We can hardly expect any more to be spent on exploration until there is a way to deliver the product.

We hear a great deal about entering into negotiations with Canada concerning a joint venture to construct pipelines across Canada. I am pleased that S. 1081, as it was reported out of the Interior Committee, calls for such negotiations. We will need a Canadian pipeline not as an alternative—but in addition to the Alaskan pipeline. We will need it to deliver the additional reserves we expect to find in Alaska and perhaps part of the 22 billion barrels of potential Canadian reserves in the areas surrounding Prudhoe Bay. While I believe we should cooperate with our neighbor to the north for additional transportation facilities, I do not believe we should rely upon that transportation as the only means of delivery. Nor do I think we should risk further delay.

There has been no study of the Canadian route approaching the effort which has gone into the preparation in Alaska. The Canadian route is substantially longer and more expensive. It raises at least as many environmental questions due to crossing twice as much permafrost as well as crossing more major rivers. The trans-Canadian route also crosses twice as much wildlife habitat.

In addition to the impact on the Canadian environment, there has been no resolution of the issue of Canadian native claims. Resolving Alaskan Native claims took 5 years and an act of Congress. Further, there is every indication that Canada will require 51 ownership and control of any pipeline which crosses its country.

We must not allow the delivery of our Alaskan reserves to be further delayed nor should that delivery depend upon the decision of a foreign government—even a friendly one such as Canada. We must remember that foreign governments represent the interests of their people and that those interests do not always coincide with ours.

Saudi Arabia is a friendly government. Our energy plans call for them to more than double their production by 1980. But Saudi Arabia has no need for additional revenue any more than Canada has the need to rush into development of the North Slope. Last week, King Faisal, who has been one of the most friendly heads of government in the Middle East, said that unless the United States alters its foreign policy, such increases in production may not be forthcoming.

Mr. President, my point is, we cannot continue to allow our Nation's energy supply to be conditioned upon the decisions of foreign governments. The U.S. Government must decide whether we are going to provide the American people with adequate supplies of energy or if we are going to leave their economic well-being, as well as their security, to the rest of the world. I do not believe that they elected us to delegate their problems to other governments.

Mr. President, there are an estimated 35 billion barrels of oil on U.S. soil in Alaska. Surely our national interest demands that we provide a means of delivery which does not allow another country to dictate the circumstances and conditions under which we can obtain the benefit of those reserves.

Mr. McINTYRE. Mr. President, I ask unanimous consent that I may be permitted to modify Amendment No. 310.

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

Mr. McINTYRE. Mr. President, I send to the desk a modified amendment and ask that it be read.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk read as follows:

At the end of the bill, add the following new section:

CONFIRMATION OF THE DIRECTOR OF THE ENERGY POLICY OFFICE

SEC. . That, effective on the day after the date of enactment of this Act, the Director of the Energy Policy Office in the Executive Office of the President, shall be appointed by the President, by and with the advice and consent of the Senate,

And any individual nominated for such position may act unless such nomination shall be disapproved by the Senate.

Mr. McINTYRE. Mr. President, it is my understanding that, under the previous order, the yeas and nays will occur at 5 o'clock.

Mr. MANSFIELD. Mr. President, it is my understanding that the Senator from Washington (Mr. JACKSON), the manager of the bill, and also the chairman of the committee, has said the modification is acceptable to him.

Mr. STEVENS. It is my understanding that every Senator who spoke in opposition to the amendment is agreeable to the modification.

Mr. MANSFIELD. I have said this because the Senator from Washington wanted to be on record as approving the modification.

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

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. McGEE), and the Senator from Alabama (Mr. SPARKMAN) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "yea."

Mr. SCOTT of Pennsylvania. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

The Senator from Michigan (Mr. GRIFFIN) is absent on official business.

The Senator from New York (Mr. BUCKLEY) and the Senator from Pennsylvania (Mr. SCHWEIKER) are necessarily absent.

The result was announced—yeas 88, nays 4, as follows:

[No. 280 Leg.]

YEAS—88

Abourezk	Ervin	Mondale
Aiken	Fannin	Montoya
Allen	Fong	Moss
Baker	Fulbright	Muskie
Bayh	Gravel	Nelson
Beall	Hansen	Nunn
Bennett	Hart	Packwood
Bentsen	Hartke	Pastore
Bible	Haskell	Pearson
Biden	Hatfield	Pell
Brock	Hathaway	Percy
Brooke	Helms	Proxmire
Burdick	Hollings	Randolph
Byrd, Harry F., Jr.	Hruska	Ribicoff
Byrd, Robert C.	Huddleston	Roth
Cannon	Hughes	Saxbe
Case	Humphrey	Scott, Pa.
Chiles	Inouye	Scott, Va.
Church	Jackson	Stafford
Clark	Javits	Stevens
Cook	Johnston	Stevenson
Cotton	Kennedy	Symington
Cranston	Long	Taft
Curtis	Mansfield	Talmadge
Dole	Mathias	Thurmond
Domenici	McClellan	Tunney
Dominick	McClure	Weicker
Eagleton	McGovern	Williams
Eastland	McIntyre	Young
	Metcalf	

NAYS—4

Bartlett	Gurney	Tower
Bellmon		

NOT VOTING—8

Buckley	Magnuson	Sparkman
Goldwater	McGee	Stennis
Griffin	Schweiker	

So Mr. McINTYRE's amendment (No. 310), as modified, was agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendment was adopted.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question occurs on the amendment of the Senator from Minnesota.

Mr. ROBERT C. BYRD. Mr. President, for the information of the Senate, there will be no more votes today.

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

Mr. JACKSON. I yield the Senator from Alaska such time as he may require.

Mr. STEVENS. Mr. President, I had hoped to ask the Senator from Minnesota some questions concerning his position and the stated position of those who propose this amendment. Before we end today's business, I should like to make several points, and follow them up at greater length tomorrow.

I think this amendment has been proposed by people who really do not understand the energy business at all.

The concept of a trans-Canadian pipeline route is directly contrary to the best interests of the people of the Midwest. I say that because the refineries today in the Midwest—and we are checking on that to make certain—for the most part, are designed to refine light crude oil. Alaska's North Slope crude oil is heavy. The cost of converting a 100,000 barrel per day refinery that currently runs light

crude oil would be approximately $50 million.

So the effect of this amendment would be to cost the midwestern refineries a billion dollars. That would be an added cost to change the refineries that currently are designed to take the light crude that is going to come up the pipelines that are being built today from New Orleans to the refineries in the Midwest.

Those refineries can take that crude without any modification, and the west coast refineries can take the Alaskan crude without modification, but it would cost a billion dollars to convert the Midwest refineries in order to receive Alaska's crude.

This amendment is directly contrary to the best interests of the Midwest refineries and the people in the Midwest who would have to pay an additional billion dollars to convert refineries to change over to crude for which they were not designed.

In my mind, nothing makes more of a serious question about the real interests of those who propose this amendment than that, because a little homework would tell them this is a bad amendment from the point of view of the Midwest consumer.

I believe this is an amendment from those people who simply do not want oil to move from the North Slope.

It is an amendment designed to further delay any development of the Alaskan North Slope. It is an amendment that would play into the hands of the Canadian Wilderness Society and the Friends of the Earth, because anyone who believes the Canadian environmental extremists are going to roll over and play dead for a Canadian pipeline that will do as much to their soil as the Alaskan pipeline would do to ours, is mistaken. I am confident they are as assiduous in defending their position as are environmentalists in the United States.

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

Mr. STEVENS. I will yield to the Senator in just a moment.

My good friend, the Senator from Minnesota, talked about the position expressed by the pipeline company concerning a second pipeline through Canada. That is sometimes related to the availability of Prudhoe Bay reserves to support two pipelines. No one has ever suggested that Prudhoe Bay reserves today would support two pipelines. We have said there are further oil and gas reserves in Alaska that could support a further pipeline.

On June 30 I placed in the RECORD information that was given to me by the Office of Naval Petroleum Reserves whereby for the first time they have declassified their estimate of the reserves of Naval Petroleum Reserve No. 4. They estimated 14 to 15 billion barrels of recoverable oil and 80 trillion cubic feet in Naval Petroleum Reserve No. 4. That is almost twice as much as the proven reserves of the Prudhoe Bay area.

That is the anchor for the second pipeline in Canada.

Mr. President, I am glad to yield to my colleague from Alaska.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. GRAVEL. Mr. President, if I may, I wish to add to the point with respect to reserves. We do not know what the reserves are in Prudhoe Bay and we will not know until we start drilling. But one point should be emphasized that the Senator is now making.

Our colleagues from the Midwest are really playing to the Midwest audience to impress them. They are not working for the best interest of the Midwest when it would cost them more for Alaskan oil, because it would cost them a great deal to change their refineries.

I think we can go further than that. The Canadians have not discovered any appreciable amounts of oil. They have extensive discoveries of gas and they stated they will be cutting back exports to this country between now and 1980 to a very pittance of our needs, around 500,000 barrels a day.

This means that as we approach the Canadians they will be on the horns of a dilemma saying, "What shall we do? Shall we build two lines; shall we build a Canadian gas and oil line, or build a gas line, or build an oil line?"

The answer will be that the Canadian market cannot sustain the financial burden of building two lines at once. They will not have the necessary money. Second, they will realize they have to choose between a gas line and an oil line. Obviously they will choose for a gas line. They cannot build a gas line until we build the Alaskan pipeline. That is why Minister Yurko on June 8 stated he hopes we get to build the Alaskan pipeline so the Canadians can get to build the gas line.

If the Senator from Minnesota (Mr. MONDALE) and the Senator from Indiana (Mr. BAYH) are successful in their amendment, they will delay construction of the Alaskan pipeline for 1 or 2 years. With that delay there will be a delay on the completion of a Canadian gas line which can only be built after the Alaskan pipeline is built. So they are denying the people of the Midwest gas to solve their energy crisis by 1 to 2 years. I do not think that is what they intended to do, but unfortunately that is the result of the facts as they will structure them, if their amendment is successful. That is most unfortunate.

The needs of the Midwest with the Canadian gas line approximate 50 percent. In other words, a gas line from Alaska can satisfy 50 percent of the needs of the North Central part of the United States. What strikes me as unfortunate is the touch of regionalism that exists in the argument of my two fine colleagues. That is unfortunate because when they are talking about a national policy to help everybody, it is really to the contrary. They think they are helping themselves, but not necessarily. They really are saying, "We want gas and oil for the North Central area and forget the rest of the country."

Mr. STEVENS. Mr. President, will the Senator yield so that I may interrupt there?

Mr. GRAVEL. I yield.

Mr. STEVENS. We should be clear as to what we are saying. I sat and listened to a Canadian official who makes decisions in this area. He said categorically that if the oil line is selected to go through Canada the gas line will not begin until it is completed. The reason is that you cannot have any gas until the oil is produced for at least 2 years. There is no reason for anyone to permit the gas line to be built prematurely and then to sit there.

At the same time they said they would permit a gas line to start at the same time that an oil line starts because it will take 2 years longer to get it completed, and they would have gas reserves in the Mackenzie Valley.

Mr. GRAVEL. If the Senator will yield, using the Senator's point that under the Canadian scenario they can only build one at a time, this amendment is denying this country the amount of gas that would flow to this country in that 3-year hiatus you cannot begin construction until the oil line is begun, so all the country would suffer.

Mr. STEVENS. The Senator is correct.

Mr. President, I will be saying more about this tomorrow concerning the Canadian position. It is clear they are not going to increase their exportation of oil to the United States. They will increase their exports of gas if their additional reserves that are not available now that will be available by virtue of building the gas line through Canada, but they do not have the facilities now.

It is clear, as my colleague said, that one pipeline has to precede the other. There is no delay factor on the gas line through Canada under the governmental regulations. With the oil pipeline you automatically build more delay for the gas pipeline.

Mr. President, I have a letter from the Standard Oil Co. of Ohio. I have written to them concerning testimony of their people before the Committee on Interior and Insular Affairs. I ask unanimous consent that the letter may be printed in the RECORD.

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

THE STANDARD OIL CO.,
Cleveland, Ohio, June 1, 1973.

Hon. T. STEVENS,
U.S. Senate
Washington, D.C.

DEAR MR. STEVENS: During my testimony before the Senate Committee on Interior and Insular Affairs regarding matters related to transportation of oil and gas resources from the North Slope of Alaska, I was asked for my views with regard to the timing of a Canadian alternate to the proposed Trans-Alaska pipeline. In the course of responding, I offered to provide for the record additional support for our Trans-Canada timetable. It occurs to me that you might wish to have the same information.

Beginning on the fifth page of our *Detailed Report on Matters Related to a Trans-Alaska or Trans-Canada Pipeline*, a copy of which I sent to you earlier, we set forth our views on the possible timing of a Trans-Canada alternative. We conclude that North Slope crude oil production would be put off for nine or ten years after a final decision barring construction of the Trans-Alaska pipeline is reached and all appeals are exhausted. I wish to emphasize that this estimate does not

allow for any delay for United States or Canadian governmental action, environmental opposition, or settlement of native claims in Canada since it is assumed that these issues could be resolved within the period of time required for the route analysis, design, and engineering which must be completed prior to commencement of construction. It is the additional background and support for our estimate of the time required for these pre-construction activities and for the construction phase which I submit for your consideration.

Figure 1 of our report, which for your convenience is attached as Exhibit A, delineates certain activities which must be accomplished prior to startup, shows the sequential nature of various activities, and provides our estimate of the time required to accomplish the requisite tasks. Exhibit B, attached, elaborates upon each of these activities and provides support for our estimate of the time which would be required for completion of each. As shown, a total of ten years is required to accomplish route analysis, design, and construction of the Trans-Canada pipeline. Since the Trans-Alaska pipeline in its present state of readiness can be completed in three to four years from the date of approval, the Trans-Canada alternative would delay production of North Slope crude oil for six or seven years.

Before we can proceed with construction of the Trans-Alaska pipeline, Congress must remove the right-of-way width limitation imposed by the 1920 Federal Mineral Leasing Act. I hope this additional material will aid you in your consideration of legislation which would provide sufficient right-of-way to enable safe construction of the pipeline.

I urge you to support Senate Bill 1081, but to vote against any amendment that would require further study of the Trans-Canada alternative to the proposed Trans-Alaska Pipeline.

Sincerely,

CHARLES E. SPAHR.

ESTIMATED TRANS-CANADIAN TIMETABLE[1]
BACKGROUND AND SUPPORTING DETAIL

1. Decision Point and Reorganization—Three Months Required. (First month of year 1 through third month of year 1)

If a governmental edict to route the pipeline through Canada were to be issued and all appeals were to be exhausted, the participants in the Trans-Alaska pipeline would have to reorganize since companies with potential oil production in the general vicinity of the pipeline's route through Canada or with existing pipeline facilities in Canada might desire to participate in the Trans-Canada system. Canadian requirements of ownership and control, if any, would have to be ascertained and taken into account. Ownership and operating agreements would have to be renegotiated and a corporate entity formed to undertake the responsibilities asociated with designing, financing, and constructing the Trans-Canada pipeline.

2. Obtain Permits (Preliminary)—Three Months Required. (Fourth month of year 1 through sixth month of year 1)

Application for United States and Canadian permits would have to be submitted and permits obtained in order to make aerial reconnaissance surveys, on-ground verification of preliminary route selection, physical survey, and soil borings.

3. Preliminary Reconnaissance—Four Months Required. (Fifth month of year 1 through eighth month of year 1)

Field work already completed by the Canadian Arctic Gas Study Ltd., and Mackenzie Valley Pipeline Research Ltd. would be reviewed. Preliminary route selection would be either verified or changed by careful field reconnaissance. Additional aerial surveys of basic route, where needed, or alternate routes, where changes have been made, would be obtained.

4. Soil Analysis Program—Two Years and Nine Months Required. (Ninth month of year 1 through fifth month of year 4)

A detailed soil boring program would have to be undertaken to determine the proper construction mode, slope stability, differential settlement, and other environmental information needed to meet the pre-construction requirement for a mile-by-mile design. (The implicit assumption has been made that the Canadian requirements for soil mechanics laboratory analysis of the cores of each bore hole and the subsequent interpretation of the laboratory data for design purposes will be as sophisticated as the analysis required by the U.S. Department of Interior.)

Alyeska, as agent for the participants in the Trans-Alaska pipeline, developed its design data from approximately 4000 bore holes, averaging 50 feet in depth with core samples taken at various depths throughout the bore hole, along approximately 700 miles of the proposed route which traverses permafrost and discontinuous permafrost zones. The Canadian route would traverse approximately 1100 miles of continuous permafrost and 300 miles of discontinuous permafrost, thus requiring twice the number, or 8000 soil borings. Assuming some of the previous test work would be acceptable, this number could be reduced by approximately 30% to 5500 borings. Depths averaging fifty feet are required since the thaw bulb created by the hot oil line could reach fifty feet over the life of the line, making it imperative to know soil conditions to that depth in order to determine whether above ground or buried construction would be required.

The following description of the physical effort required to drill 5500 soil borings is provided as support for our estimate of the time required for this pre-construction activity:

Initially, 40 drilling rigs would have to be ordered. Contracts would have to be prepared; bids solicited, received, evaluated, and contracts awarded. Winning bidders would have to mobilize equipment and crews.

Soil boring must be carefully drilled to preserve soil samples and cores in frozen condition for laboratory analysis. Such soil analysis includes tests for ice content, shear strength when frozen, subsidence upon melting, and pile creep.

Drilling operations are generally helicopter-supported (one larger unit for transporting equipment and a smaller personnel unit). The two helicopters would service a unit of 4 drilling rigs, leap-frogging them ahead. Three trips for each helicopter would be required to move one rig, all support equipment, fuel, and personnel.

It is impractical to drill after November 15 in the frigid Arctic weather, with minimum daylight. Work could commence about March 15.

There would be numerous days when little or no progress could be made because of a number of factors, including mechanical breakdowns and adverse weather conditions which would prohibit utilization of the support helicopters.

The crew for a unit would consist of about 15 men requiring food and lodging support involving several hours of commuting time per day. A crew would be needed to clear the brush or trees in the drilling area to enable support helicopters to reach the operation. A mechanic would maintain the drilling, refrigeration, and other support equipment. A geologist in the field, plus laboratory personnel, would be necessary to provide the geotechnic support for the four-rig unit.

A standard drilling rig modified for Arctic work has been found to be the most practical. A 2½ inch split spoon would run through the 9-inch auger for the purpose of driving ahead to test soil strength. The auger would be replaced with a core barrel and drill for taking core samples.

Working 10 hours per day, each drilling rig would require an average of four days to drill one hole 50 feet deep with core samples preserved in a frozen state. For the total unit of 4 drilling rigs, working 7 days per week, the production will be one hole per day for the 220 days during the time of year when operations could be maintained. Forty rigs (ten units of 4 rigs each) working two seasons, would finish about 4500 holes. The remaining 1000 holes would be drilled in the third season as scattered verification holes, re-route holes, side-hill checks, bridge foundation checks, pump station soils analysis, and re-runs on defective samples.

The cost of drilling each hole would be about $10,000 with the cost of geotechnic field and lab support amounting to $2,500 per hole. Supervision and technical backup would add another $1,500 for a total of about $14,000 per hole, or $77 million for 5500 soil borings.

5. Preliminary Survey—Two Years and Nine Months Required. (Ninth month of year 1 through fifth month of year 4)

Contracts would have to be prepared for a physical survey and mapping for all civil work including river crossings, road crossings, property surveys, profiles, access roads, material sites, station sites and the main haul road.

6. Prepare Project Description—One Year and Three Months Required. (Sixth month of year 2 through eighth month of year 3)

Assuming the description prepared for the Trans-Alaska pipeline would provide a meaningful base, it would require approximately fifteen months to develop the additional information required. This time requirement fits within the time frame necessary to accomplish other pre-construction activities and consequently does not add to the overall time estimate.

7. Environmental Impact Statement Preparation—One Year and Three Months Required. (First month of year 3 through third month of year 4)

Requisite information for the Environmental Impact Statement would be prepared and preliminary information would be submitted to the authorizing agencies in the United States and Canada beginning in the middle of the third year. This time requirement fits within the time frame necessary to accomplish other pre-construction activities and consequently does not add to the overall time estimate.

8. File Canadian and U.S. Applications—Permits. (Applications filed in fourth month of year 4)

Following preparation of the Environmental Impact Statements (U.S. and the Canadian equivalent) application for permits would be made.

9. Canadian Native Claims—Two Years and Six Months Required. (Seventh month of year 1 through twelfth month of year 3)

This time requirement fits within the time frame necessary to accomplish other pre-construction activities and consequently does not add to the overall time estimate. Note, however, that the Canadian Native Claims issue would have to be completed prior to start of construction.

10. U.S. Permit Granted. (Permit issued in middle of year 4)

We assume that the main U.S. right-of-way permit would be issued without unreasonable delay.

11. Canadian Permit Granted. (Permit issued at the end of year 4)

---

[1] Time expressed in years after a final decision barring construction of the Trans-Alaska pipeline is reached and all appeals are exhausted.

We assume that the main Canadian right-of-way permit would be issued without unreasonable delay, but we allow more time for the Canadian Government to act since there would be more data to consider and review on the longer segment of line through Canada.

12. Mile-by-Mile Design—Two Years Required. (First month of year 3 through twelfth month of year 4)

A detailed mile-by-mile design would have to be completed and approved prior to the issuance of U.S. and Canadian notices to proceed with construction (See Item 13). We would plan to complete the mile-by-mile design shortly before the main right-of-way permits are issued, so that we could immediately submit this detailed design to the U.S. Department of Interior (and its Canadian equivalent) for its review and approval. This design would utilize the results of the comprehensive soil boring program.

13. Notices to Proceed—Nine Months Required. (Fourth month of year 5 through twelfth month of year 5)

After issuance of the main right-of-way permits, the U.S. Department of Interior (and its Canadian equivalent) would conduct a comprehensive review of the mile-by-mile design. This review would be made to ensure that the design would comply with the rigorous criteria and strict construction stipulations established by the U.S. Department of Interior. (We assume that Canada will require the same review procedure and further, that its design criteria and its construction stipulations would be comparable to those required by the U.S. Department of Interior.) After this review, the governmental agencies would issue notices to proceed with construction for these sections where the design has been given final approval. We assume that notice to proceed on the civil work—haul roads, access roads and camps, for example—would be issued before review of pipeline design is completed. Further, we assume that notice to proceed with pipeline construction would be issued by sections, recognizing that notice to proceed with construction of certain pipeline sections in particularly delicate areas might be delayed pending verification of data.

14. Road Construction—Two Years and Nine Months Required. (Seventh month of year 4 through third month of year 7)

Construction of roads in the United States would begin as soon as the main U.S. right-of-way permit and notices to proceed were issued. Construction of roads in Canada would commence immediately after receipt of the main Canadian right-of-way permit and appropriate road permits. A main haul road would be required from Prudhoe Bay to the Mackenzie Valley south of Innuvik. We assume that the Canadian Government would overcome the current opposition by environmentalists which has halted construction of a road paralleling the Mackenzie Valley north to Innuvik, and would complete this section of Canadian highway.

15. Construction Surface—Two Years and Four Months Required. (Seventh month of year 4 through tenth month of year 6)

A gravel pad averaging two to three feet in thickness to permit movement of construction equipment would have to be laid alongside the pipeline route. It would be connected by access roads to the main haul roads. This gravel pad would allow year-round access by maintenance equipment after operations begin.

16. Rights-of-Way Purchase—Three Years Required. (Tenth month of year 2 through ninth month of year 5)

The Canadian pipeline would cross mostly private lands south of Edmonton to Chicago requiring acquisition of pipeline rights-of-way. Land would also have to be acquired for other purposes such as pump stations, terminals, communication sites, block valve installations, warehouses, and pipe storage yards.

17. Commitments for Camps and Buildings—Seven Months Required. (First month of year 5 through seventh month of year 5)

Commitments for camps and supporting services would not be made until the main right-of-way permits were received from the United States and Canada.

18. Commitment for Construction Equipment and Manufacture—Nine Months Required. (First month of year 5 through ninth month of year 5)

Commitments for construction equipment such as ditchers, pipe benders, drilling rigs, and automatic welders would not be made until the main right-of-way permits were received from the United States and Canada. Such equipment would not be generally available and would require modification for cold weather utilization.

19. Negotiate Construction Contracts—Six Months Required. (First month of year 5 through sixth month of year 5)

Serious negotiations with contractors for pipeline construction would not begin until main right-of-way permits were issued and attendant stipulations were known. This time requirements fits within the time period necessary for obtaining construction equipment, building camps, and mobilizing crews, and consequently would not add to the overall time estimate.

20. Main Line Construction South of Edmonton—Two Years and Ten Months Required. (First month of years 6 through tenth month of year 8)

Pipeline construction would start south of Edmonton after obtaining construction equipment, materials, and mobilizing contractors and crews. Construction progress in the south could reach 4000 feet for each spread per day. Considering the congested area near Chicago, the possibility of adverse weather, labor disruption, and rigid inspection by governmental agencies, we assume that construction would proceed at this level for 300 days of the year. Assuming four spreads would begin working after four months of mobilization, it would take over two years to complete the 1550 miles from Edmonton to Chicago. Testing, clean-up, revegetation, and demobilization would add another nine months.

21. Main Line Construction North of Edmonton—Three Years and Three Months Required. (Second month of year 7 through fourth month of year 10)

Pipeline construction could begin north of Edmonton as additional equipment becomes available and piling is installed in those areas where above ground construction is required. If, for example, 50% of the northern segment would be above ground, some 160,000 to 170,000 holes of 24 inch diameter to a depth of fifty feet would be required. Assuming 400 rigs, each drilling one hole per ten-hour day during the 220 days available each year, it would take about two years to drill the requisite piling holes, thereby restricting the ultimate progress in the north.

We assume a pipeline construction rate of 2500 feet per day for each northern spread and further assume that climatic conditions would preclude economic construction during the severe winter months. Thus, three additional spreads could complete approximately 220 miles during the first northern construction year allowing four months to mobilize equipment and crews. During the following year, the eighth project year, these three northern spreads could complete another 330 miles. In the ninth project year assuming the four southern spreads would move north, another 770 miles could be finished for a total of 1320 miles. Completion of construction would occur by the middle of the tenth project year.

22. Line Test (Tenth month of year 9 through tenth month of year 10)

The medium to be used for testing the line; i.e., gas or liquid, has yet to be selected. If a liquid medium were to be used, testing in the mountainous areas would have to be done by sections. Moreover, if a liquid medium were to be employed that is sensitive to freezing temperatures, there might be certain times during the year when testing would be impossible unless a freeze point depressant were added. Although such depressants would be available, disposing of the test medium contaminated with such depressants would present a problem. In any event, we assume testing could be started during the final stages of construction and finished shortly after completion of construction of the pipeline.

23. First Oil to Chicago. (End of tenth year)

Filling the line and debugging the system for routine operations would take three months, allowing for cleaning and fixit repairs.

Mr. STEVENS. Mr. President, the letter outlines the timetable for building an oil pipeline through Canada. If Senators will take the time to read the letter, it postulates the minimum period until oil could get to Chicago as 10 years after they start building the gas pipeline, so you have 13 to 15 years before gas is available to the Midwest under the Mondale amendment.

I cannot understand some of the facts set forth in this body today. When I went to the Canadian meetings in June, along with some of my colleagues, I asked the Office of Oil and Gas to prepare for me a summary of energy resources of the United States and Canada.

I might add, the Canadian people, as we went over these in our meetings, were in agreement that they were accurate working statements of Canadian reserves, both of the proven reserves and of potential reserves.

Again, if anyone wants to take a look at it, he can see that, in terms of potential reserves, the Canadians are not going to increase their exports. They have a potential recoverable resource of 120 billion barrels. However, we have a potential recoverable resource of 450 billion barrels. So it is not in the best interests of Canada to increase exports to this country.

In terms of natural gas, it is entirely different, because the economics of the transportation of gas from the Mackenzie Delta require a gas pipeline through Canada to remove it, because the economics are not there without also removing the Prudhoe Bay oil.

I ask unanimous consent to have printed in the RECORD an energy resource summary for Canada and the United States.

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

ENERGY RESOURCES SUMMARY FOR CANADA AND UNITED STATES

	Canada	United States
Petroleum:		
Proved reserves, billion barrels	10	50
Potential recoverable resources, billion barrels	120	450
1971 production, million barrels	493	4,417
Net exports to United States (1971), million barrels	308	
Value of imports approximately $1,000,000,000.		

	Canada	United States
Natural gas:		
Proved reserves, trillion cubic feet	56	278
Potential recoverable resource, trillion cubic feet	725	2,100
1971 production, trillion cubic feet	2.5	22
Net exports to United States (1971), trillion cubic feet	.9	
Estimated value of exports approximately $290,000,000.		
Coal:		
Proved reserves, billion tons	120	390
1971 production, million tons	20	590
Net United States exports to Canada, 1971		12
Canadian exports to world, 1971	8	
Value of United States exports, 1971, approximately $70,000,000.		
Uranium:		
Proved reserve, (existing price $6-$7) thousand tons, U_3O_8×$10 per pound	236	246
Production, 1971, thousand tons	5	13
Canada—100,000—committed exports 60,000, little exploration announced policy of Canadians		
Canada has commitments to export approximately 33,000 tons to Japan, 15 to West Germany, 11 to England.		
Thorium: Below $10—100,000 tons		

HYDROPOWER

Canada has a total hydropower potential of an estimated 90,000 megawatts. Currently 28,000 megawatts is developed. Undeveloped hydropower potential is: Quebec, 25,000; British Columbia, 15,000; and Labrador, N.W. Territories, Yukon, etc., 21,000 megawatts double by 1990—other uneconomic.

NUCLEAR POWER PROGRAM

Canada has been developing a heavy water type reactor to use natural rather than enriched uranium fuels. This heavy water program has encountered many problems and much greater expenses than estimated. Late reports are that the program is now going forward with most of the problems resolved.

Currently Canada has 1,974 megawatts of nuclear capacity in operation. Plans are for 13,000 megawatts by 1985. By comparison, U.S. capacity in operation is approximately 15,000 megawatts and 215,000 is planned by 1985.

SOME REASONS WHY A TRANS-ALASKA PIPELINE IS IN THE BEST INTERESTS OF RESIDENTS OF THE MIDWESTERN UNITED STATES

Mr. STEVENS. Mr. President, abandoning the proposed trans-Alaska crude oil pipeline for a route across Canada may appear to be a reasonable solution to the Midwest's energy needs, but in actual fact it would only aggravate midwestern energy problems.

If construction begins in 1974, the trans-Alaska pipeline can be pumping oil by 1977, and this flow could reach almost 2 million barrels a day a few years later. On the other hand, an oil pipeline across Canada would not go into service before 1982–1984.

If the trans-Alaska line is operational by 1977, a natural gas pipeline across Canada can be feeding clean fuel to midwestern homes and factories by 1980. The 26 trillion cubic feet of gas at Prudhoe Bay cannot be tapped until oil production begins. A trans-Canada oil pipeline would delay completion of the gas pipeline until 1985–1987.

Existing fuel shortages in the Midwest are partly aggravated by a severe natural gas shortage. Industries and institutions now using gas—many use processes for which no alternate is available—now face or will soon face the threat of supply curtailment. As a result, former consumers of natural gas will have to search for alternate fuels and this could cause additional shortages, unemployment and economic dislocation.

The American Gas Association, which is composed of large U.S. gas utilities—including those in the Midwest—is actively in favor of early approval of the trans-Alaska oil pipeline to make Arctic natural gas available to the Midwest earlier.

The Midwest's fuel needs are linked not only to increased supplies of crude oil and natural gas, but to increased refining capacity. At present, the refineries in a region stretching from Chicago to Buffalo, and as far south as St. Louis, can handle 2.2 million barrels of oil daily. About one third of this comes from Canada, the remainder through seven pipeline systems from Texas, the Rocky Mountains and by river barge.

The midwest's refiners, for their part, would prefer to boost deliveries of so-called "light" crude oil from the Southwest and gulf coast, since their plants are engineered for treatment of this oil. By contrast, the oil on Alaska's North Slope is relatively "heavy," much like the average California crude oils, and midwest refiners would have to install new equipment to process it. The cost of this equipment for a 100,000-barrel-per-day refinery is in the order of $50 million, so midwest refiners would be faced with the need for very large investments in the order of $1 billion in processing equipment which already exists on the West Coast.

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

Mr. STEVENS. I yield.

Mr. DOMENICI. First let me compliment both Senators from Alaska for their diligence and efforts in regard to advocating the Alaska pipeline. As the Senator from Rhode Island said, it seems to me we are talking about what is good not only for Alaska but for the rest of the country. We know it starts in the Senator's State and has a rather significant economic impact on that State, but I compliment the Senator, not just because of his interest in his State but because it is in the entire interest of the country.

Let me ask the Senator the time it might take if the basic bill before us passes, the one which grants authority to extend the width of the pipeline right-of-way. Let us assume it passes and we go through the ordinary procedure of going through the courts with the impact statement, which has not yet been finally adjudicated. Would either or both Senators care to venture for the record an estimate as to how long it might take, based upon the best estimates they have knowing this is not something one can measure precisely, for the impact statement to go through the courts if it is the decision of the Congress to permit the line, and to let the NEPA impact statement take the normal course?

Mr. STEVENS. We have to use some assumptions to answer the question of the Senator from New Mexico. If this body were willing to do what the proponents of the Mondale amendment suggest, and that is suspend the NEPA requirements—it is very interesting that the Mondale amendment does what we seek for the Alaskan pipeline—and there was no question raised in connection with the suspension of NEPA requirements for the pipeline in the postulate of such a situation as it relates to the Alaskan pipeline, I would say we could have the Alaskan pipeline begun in the next construction season, which would begin about March of 1974.

That is if this body were willing to adopt the amendment my colleague and I have drafted very carefully and offered. That would be a finding by the Congress that the National Environmental Protection Act has been complied with, not that it has been suspended, as would be so in the case of the Canadian right-of-way, but that it has been complied with, and that the Secretary was directed to issue the pipeline permit, and the courts had been told that they may not review judicially the finding of Congress regarding the environmental aspects of the pipeline.

That would be the first postulate.

If we assume that is not in the bill, then, there is a minimum of 1 year following the enactment of a bill to complete the judicial review. In all probability, we would be dealing at least with the construction season of 1975.

Mr. DOMENICI. It seems to me that many Senators are talking about the propriety of the basic bill, but are also saying, let us have the impact statement take its natural course. Some are now asking if we could impose a priority on the Federal judiciary to take jurisdiction of any impact reviews, such as we have done in workmen's compensation cases and the like in the States. Many are saying that it would be fair to let NEPA take its course and to accelerate it through the judicial system.

In order for me to say whether that makes sense in terms of the crisis or not, I am searching for some evidence that it would take a year, as the Senator has said in direct response to my question, if we placed no priority mandate on the federal system, but just passed the new law, let the Secretary have permission to grant the right-of-way, let the consortium and the Secretary go through the judiciary for review, since that was already in process but got sidetracked on the issue of the 20-foot right-of-way.

Is the Senator telling me that without mandating on the federal system it would take 1 year after we got the bill passed for the impact statement to go through the federal system?

Mr. STEVENS. I was assuming this provision was adopted. This would be a minimum expediting period. The Secretary of the Interior is under injunction. He cannot issue the right-of-way permit. I take it he would have notified the court of his intention to do so. At that time the people undoubtedly would take the case back into court. The district court has already found validity for the impact statement, so I do not think it would take too long with the expedition request that would be in the bill. They would have to go to the court of appeals and the Supreme Court, and I cannot see that that can be done in less than a year, even if it is placed on the first of each calendar.

If one would examine the Supreme

Court decision, it is easier for the Congress to deny judicial review, if it is done properly, than it is for Congress to try to set the parameters of judicial review. Chief Justice Burger clearly has stated it is possible for Congress to deny judicial review if it does so properly, under the proper circumstances, and it is dealing with a congressional finding. In the amendment we have here, we are dealing with a congressional finding that the parties have complied with the Environmental Protection Act.

What has been done with regard to the environmental aspects is a unique situation. Court delay is something that is unpredictable in terms of time, unless Congress wishes to adopt our amendment, which I hope it will do.

Mr. DOMENICI. So, to summarize the three propositions, if I understand them correctly, and let me quickly review them, they are, one, we could proceed without expediting judicial review; we could urge that the judicial review, he expedited; or we could preclude judicial review, as suggested by the amendment of the Senator and his colleague.

Mr. STEVENS. I am sure the Senator would understand that the constitutionality of the third alternative would still be subject to review by the court, and if we have done our job properly, that would not take too long. If it were not done properly, I would think it would take a year to get judicial review.

I yield to the Senator from South Carolina (Mr. HOLLINGS).

Mr. GRAVEL. Mr. President, would my colleague from Alaska yield?

Mr. STEVENS. Mr. President, I yield to my colleague from Alaska.

Mr. GRAVEL. Mr. President, I think it is appropriate for members who wish to debate a measure to be present on the floor and not to come here to present their case and then go on to other business without engaging in a colloquy. I intend to engage in a colloquy on this matter.

Mr. ROBERT C. BYRD. Mr. President, if the Senator would yield, I would have to say that the distinguished Senator from Minnesota (Mr. MONDALE) came to my desk following the last yea and nay vote and inquired as to whether there would be further action or debate on the bill today.

I told him that I knew of none. So, I think that he probably left the floor on the strength of what I told him. I think that I ought to say that in explanation of his absence from the floor at this time.

Mr. GRAVEL. I hope that on tomorrow we shall have an opportunity to go over some of the facts that he put forward. One very serious statement of the Senator's was with respect to the time element. Those points are challengeable. In fact the time sequence in question is considerably less than the time frame that we experienced with respect to the Alaskan pipeline and we are still involved in it.

I think that the proper consideration would be at least to say that the amount of time it took us is about the same time it would take the Canadians.

I would like to make reference to a chart which I will bring back on tomorrow and cover with my colleagues, the Senator from Minnesota and the Senator from Indiana.

Very simply, looking at the chart we can see the various things that have to be accomplished in that period of time and the time frames on these actions and the time frames based upon our experience in this regard.

We can start first with the very simple fact that the Canadians have said that they may start on an energy policy for their country. That energy policy—and the papers are just being filled out now—will take about a year. That means that we are looking to 1974 before the Canadians are prepared to do anything conclusive. They then have to make a decision based upon studies as to whether they are going to build the pipeline through Canada and what time frame will be involved with respect to that.

It took us 4 years. Let us say that the Canadians are a little brighter than we are and are privy to the research that has been done, as we were privy to the research that was done. However, it took us 4 years. Let us say that it will take them 3 years. That puts them in 1977.

The natives in Canada last year began to assert their interest in getting the native land claims settled. They have stated—and I have had printed in the RECORD a statement by one of their leaders—that there is no way in which they can permit the construction of a pipeline through Canada until they get their land claims settled.

In our very cavalier way, we say that we will take the right-of-way and then let the Canadian people pay them for what they have coming. That is a very unfair assumption.

I think that the Canadian natives are as intelligent as our natives, and they will do exactly what the Alaskan natives did, and that is to hold the land hostage until the claim is settled.

Let us say that it took us 4 years. Let us say that they could do it in 3 years. That brings it up to 1980. Anyone who assumes that there will be no environmental objections in Canada is acting in a very naive fashion. That would be the same as saying that the Canadians are not as concerned over their environment as we are over ours. That is totally unfair.

We can only use a guess on the length of time, and that of course is the fact that it took us 3 years. However, being very conservative, I will not apportion any time that it will take the Canadians. It took us 3 years in this country, and we have not solved it yet.

With respect to the construction of the lines of the same type as the Alaskan line, I think it would be fair to say that it will not take twice the period of time. Maybe it would only take the Canadians 1 extra year. That would be 4 years. That would give the Canadians a pipeline by 1984.

I think it is unfair to say, as was stated by the Senator from Minnesota (Mr. MONDALE), that we can get a Canadian line quicker than an Alaskan line. That is really begging the question.

The only fair way in which to approach this problem is to make a comparison as to what our track record is in the same area and compare the time frame with the Canadian situation.

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

Mr. GRAVEL. I yield.

Mr. LONG. Mr. President, it will obviously take a lot longer to build a pipeline that goes for a much greater distance than to build a pipeline that goes for a much shorter distance. Is not the pipeline through Canada about twice as long?

Mr. GRAVEL. The Senator is correct.

Mr. LONG. Mr. President, it will obviously take longer to build a pipeline that goes twice as far as it would take to build one that goes only half as far.

In addition to that, we do not have an agreement with Canada.

Mr. GRAVEL. The Senator is correct. We are just starting with the Canadian decisionmaking. We have not touched these negotiations which would obviously take a year or more.

Mr. LONG. So that we can assume the Canadians will do what other nations would do, and that is to say that they have something that is very valuable to the other guy and that they want a high price for it.

That is a safe assumption. Usually when one nation wants to go across the soil of another nation, the fellow there always wants a very high price for giving the right-of-way. I suppose that if the pipeline is going to be of use to our people but not to the Canadians, they are not going to bleed a lot of oil and gas off the pipeline for their own benefit.

That gets us to the second question. What assurance can anyone give that the Canadians will not insist that every community bordering on that pipeline and that province through which that pipeline goes will not insist that, since they have a need for that product, it should be siphoned off for their benefit?

Mr. GRAVEL. I think there is a certainty they would require that. They would be derelict in their duty if they did not. We did that in Alaska. We will do it with the new pipeline that comes near Fairbanks. Why should we not expect them to do what we ourselves do?

Mr. LONG. My impression has been that it is just standard operating procedure, when someone wants to build a pipeline through your territory, if you are looking after your own personal interest, for you to say, "You want to build it across my side; I suppose I will let you build a pipeline for a fair fee, provided you will let me tap onto it and take out such as I might have a need for myself."

Is there anything unfair about that? It is just like saying, "If you are going to build a highway through my property, I would like the privilege of getting off and on and being able to get some benefit out of it myself."

Furthermore, even assuming you get the agreement, do you not have another problem, which is that most treaties have been broken, and it is always possible that when the time comes that we need the fuel the most, the fellow on the other end might say that he is going to insist on renegotiating it? Is that not one

of the problems we have with the Arab nations right now, about our oil supply?

Mr. GRAVEL. That is the best time to renegotiate, when they have a problem.

Mr. LONG. That is right. When the fuel is in short supply. And is it not true, as a matter of international law, that it is pretty well recognized that you cannot hold the smaller nations to a contract if they find it is not to their advantage?

How did we make out in the United Nations with Panama? We had a treaty that said we owned that Canal Zone in perpetuity. How many votes did we get? Can the Senator recall?

Mr. GRAVEL. No, I do not.

Mr. LONG. I think it was just two, us and England.

Mr. GRAVEL. That is probably because they were still smarting over Suez.

Mr. LONG. Yes; England could see our standpoint, because England had the same problem when Egypt decided to close down Suez. But as I recall, England is the only nation in the entire United Nations that voted with us to say that you can hold a smaller country to the contract it made with you.

You cannot really hold those people to a contract, even when they sign it. If they get a government that is not entirely friendly to you, and decide they want to do business on a different basis, they insist on renegotiating, and they show up with traditional pride and sovereignty and just decline to honor the old terms, and insist that if the pipeline is to be used at all, it be on their terms, which will have to be more favorable than the old terms.

What are we going to do about that, if they decide to do business that way?

Mr. GRAVEL. We can do nothing about it under the present situation that exists in the world.

Mr. LONG. All you can do is bend the knee, under the new rules of international law. It would be unthinkable for this country to go to war with Canada or invade that country because they would insist on renegotiating the arrangement they had.

In the last analysis, does it not get down to this, that if it is oil you are transporting across that pipeline, it would cost a little more to get the oil wherever you might want it in the United States if you have to put it on a tanker in Alaska and bring it down to the continental United States, or the old original 48 States, but while that might cost a little more, you would have the advantage that you would know you could get it there?

Mr. GRAVEL. I would not be totally in agreement that it would cost a little more. I think with the way prices are increasing in the OPEC countries, and the way prices are rising in Canada, if they tell us they are going to increase their product 25 percent, it is because we are consuming too much, not because of how they are involved. It may look that way, but when faced with the realities of what the Senator from Louisiana is suggesting, that when we give up control we give up pricing control to them as well; and if the price is what we thought it was going to be, expensive, what we thought was going to be more expensive may turn out to be the cheapest, because if you follow it all along, though everybody talks about expensive Alaskan oil, with the exception of Louisiana oil the cheapest oil in this country is going to be Alaskan oil, when this whole scenario is played out in the next decade.

Mr. LONG. Yes; and does it not get down to the simple matter that there is no nation on Earth, with the possible exception of the United States, that would even dream of having their fuel—which is theirs, they own it—their fuel, produced on their property, have to be subject to the acquiesence of some other foreign power, in order to make it available to their own citizens? Can the Senator think of any nation on Earth that would even dream of making their fuel supply, produced by their people on their land, subject to the whim or caprice of any foreign power over which they have no control, when they have it within their power to have it completely within their own domain and their own control, where they can do with it whatever they please?

Mr. GRAVEL. That is right. And that would be the unfortunate consequence of the Mondale-Bayh amendment, is that it does take just that situation, where we have some hope of satisfying our problem, and compound it by taking the triggering mechanism for satisfying the problem and putting it in the hands of the Canadians. Regardless of the fact that they are our closest friends, I think it is a ridiculous situation, because they are in business to represent their interests, and if they can use this triggering mechanism to enhance their interests, they would be foolish not to do it. If we are foolish enough to give them something, they would be twice as foolish not to use it. Right now we have an amendment to give them something, and I do not think the Canadians are so foolish that they will not use it. They will use it to their best interests, and I would have no respect for them if they did not.

Mr. LONG. We just had an amendment today, voted by an overwhelming majority of the Senate, that, insofar as fuel is available in the United States, it should be available generally to all sections of the United States and all citizens of the United States.

Mr. GRAVEL. That should be altered, because what the Mondale amendment would do is say, "We are taking a part of that American fuel which lies in Alaska, making it first available to the Canadians, and subjecting it to whatever manipulation they want to put it through, and then whatever is left over, whatever shape it is in economically, is available to the rest of the United States."

Mr. LONG. That would seem to say that we would make that available to Canada first, and then to Minnesota and the areas which it will pass through, by the pipeline, and put the people of the United States second; but in order to try to make it more advantageously available to one section of our Nation, we would fix it up so it might not be available to the United States at all. Is that about the size of it?

Mr. GRAVEL. When we get to an emergency that would probably happen.

Mr. LONG. Because if the pipeline passes through some other nation, you can never be sure they will not do what the Canadians have just done to us when they decided that they would not make Canadian oil available to the United States. Is the Senator familiar with that?

Mr. GRAVEL. Yes, I am, and they are acting in their best interests, and we should expect that. If we turn around and give them tools they can use against us, and so enhance their best interests, obviously they will use them.

Mr. LONG. Some time ago we were discussing the desirability of having our own requirements of fuel available here. It had to do with the depletion allowances and various other matters.

The Senator from Wisconsin (Mr. PROXMIRE) was contending that we could rely upon Canadian oil to the same extent as we could rely upon American oil.

I hope the Senator will read the RECORD and see if he is still of the same opinion, now that Canada has just told us we cannot have their oil, they find they can use it all themselves, so if it is all the same to us, it is no longer available to the United States.

Mr. GRAVEL. Right; and that is not an unusual position. In other words, they are a sovereign power. They have not had any great Canadian oil discoveries, so they are saying, "We have got only enough to take care of ourselves." They are building a line that will go across Canada to supply their eastern markets. So it is certainly unreasonable for us to assume that they will deny their people oil for our benefit. It is not unreasonable to assume that we will get a piece of that oil. In fact, I would term it Yankee arrogance that because we are big and we need the oil, and they have got some, that they will share it with us automatically. That is ridiculous. We would not share it with them if the situation were reversed. So I think that their decision is the proper one, and that is, they do not plan to export any appreciable amounts of oil. If someone is relying on Canada to export oil to us and would be developing any policy of this Nation based upon getting oil from Canada, they must have some other information or knowledge about oil reserves that the rest of the world does not know about.

Mr. LONG. I do not know what it is that makes some people think that other nations like Canada, which is a good example—exist only for the benefit of the United States. They do not think the same way. I applaud them for having pride in their own nation. I could not agree more with the Senator that Canada is a sovereign nation. I do not believe that I will ever be heard to scream with anguish when we find that these nations look after their own national interest first. They should do so.

If Canada wanted to become a part of the United States, it had every opportunity to do so. The welcome mat has been out for many years, so much so that it is plain by now that the sovereign nation of Canada does not care to be a state of the United States, or 5 or 6 or 10 states.

If one could disabuse himself to the idea that those people exist for our benefit, he would recognize that each nation, if it can, makes its own arrangements to serve its own people independent of

whether some other foreign nation would have it that way or not.

So I agree with the Senator in saying that the Alaskan pipeline should be built. The suggestion that we should build one across Canada before we build one across our own territory in order to make that oil available to the people of the United States is, in my judgment, pretty ridiculous.

Mr. GRAVEL. Mr. President, I want to thank my colleague from Louisiana very much for this colloquy. Tomorrow, my colleague Mr. STEVENS and I will engage Senators MONDALE and BAYH in colloquy on this very important issue for the Nation.

I also want to thank the distinguished majority whip for his indulgence in accommodating us and arranging for this time.

Mr. President, I yield the floor at this time.

Mr. ROBERT C. BYRD. Mr. President, the Senator from Alaska is very welcome.

THE BREZHNEV VISIT

Mr. STEVENS. Mr. President, on behalf of the Senator from Texas (Mr. TOWER), I ask unanimous consent to have a statement by him printed in the RECORD, together with an article.

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

STATEMENT BY SENATOR TOWER

I have received considerable correspondence from my constituents since the recent American summit between President Nixon and Soviet General Secretary Brezhnev, much of which opposes a relaxation of the tension between our two countries which marked the Cold War era. In good conscience, however, I must support the President's initiatives in ending the simmering hostility that characterized earlier Soviet-American relations. While I feel we should approach all negotiations cautiously, we, nevertheless, have the responsibility to seek every reasonable avenue toward peace.

A recent editorial by William Randolph Hearst, Jr. conveys this theme of negotiation with caution. I commend Bill Hearst's comments to my colleagues as an eloquent observation on the Brezhnev visit, which I add at this point.

THE BREZHNEV VISIT

(By William Randolph Hearst, Jr.)

It was a little more than 18 years ago (January '55 to be exact) when I first met the number one man of world communism. He was the short, bold, beady-eyed Nikita Khrushchev. The scene was the First Secretary's office in the Communist Party headquarters in Moscow.

The other night I met his successor and ex-protege. He is—of course—the powerfully built, dark-visaged, rather handsome Leonid Brezhnev. This time the scene was the house of the President of the United States, Number One man of the free world.

Some of you regular readers of this literary effort of mine may recall that in '55 I received what was tantamount to an invitation from on high to visit Moscow—something my father had been dead set against my doing in my war correspondent years during World War II.

However, the suggestion that my application for a visa would be favorably received was made by a representative of the Russian Embassy in Washington, who would never have undertaken the responsibility on his own. Coupled with it was an assurance that things in Russia were different than under the infamous Joseph Stalin.

The Russians, upon my insistence, reluctantly agreed to two of my closest friends and wisest newspaper colleagues accompanying me—Joe Kingsbury Smith, who had spent years covering the diplomatic front here and abroad, and my late, great reporter and editor friend, Frank Conniff. We had been war correspondents together, and his knowledge of recent Russian history ideally fitted him to round out our so-called task force.

As it turned out, you may recall, we interviewed the then four top rulers of Russia and were present at the changing of the Soviet head of government; Premier Malenkov was retired, and Bulganin took his place.

Our interviews—which Pravda printed on page one and in full—with Nikita Khrushchev, head of the Communist party, Bulganin, the new premier, Molotov, then foreign minister, and Marshal Zhukov, a great army general and defense minister, later won us the Pulitzer Prize for distinguished international reporting.

Khrushchev used both of these expressions with any Western newspaperman or even diplomats. In addition, we met and interviewed for the first time, Svetlana, Stalin's daughter. We had the same experience with the Patriarch of the Russian Orthodox Church, the great composer, Dimitri Shostakovich, and the stars of the famed Bolshoi Ballet Corps.

I think it can be truthfully said that following the iron rule of Stalin, the policy of the Russians under Khrushchev began to change from a closed society to a somewhat more open one. I believe we were the first ones to hear from their topside the two expressions "peaceful coexistence" and "collective leadership" (as opposed to a single dictator-type).

Khrushchev used both of these expressions several times in our 3½ hour interview with him, and while we couldn't be sure then, it turned out he was telling the truth.

While quite unlike in appearance, certainly the governmental philosophy and psychology of both Khrushchev and Brezhnev are quite similar. They are out to, as Dale Carnegie put it, "win friends and influence people."

Many knowledgeable people, while hoping that our two nations could develop a really trustworthy, friendly relationship, are going to take a bit more convincing than just the words and smile and affable attitudes of one man. I must include myself in this group. The Soviets' record for keeping their word is not a good one although they would justify anything they did as being in the best interests of communism and therefore entirely justifiable in their eyes.

This is not, of course, the spirit in which we enter agreements and will remain (and probably should remain) a reason for our not feeling totally at ease or confident that they could ever be a trusted ally.

The fundamental difference is a matter of our Christian ethic versus their devotion to the advancement of communism. To them, the end justifies the means.

With us, if we make a bad bargain, we feel ethically bound to keep it until we honorably discharge it or openly announce our intention of no longer keeping it.

We must always bear in mind that Communists will honor agreements only as long as their leaders consider it serves their interests to do so. This is dogma with them.

That, however, is no reason why we should not make agreements with them—as long as the agreements serve our interests, too.

Thus I welcome the atmosphere and results of the Nixon-Brezhnev summit meeting. One cannot help but feel a sense of relief when the leaders of the world's two most powerful nations, each of which possesses the nuclear capacity not only to destroy the other but to wipe out the human race, are concluding agreements for improved relations, for further limitation of nuclear weapons and for closer cooperation, especially in the economic field.

What a pleasant change from the dangerous worrisome days of the Cold War when Stalin brought us to the brink of war over the Berlin blockade and, later, when Khrushchev did the same thing over the installation of Soviet missiles on our Cuban doorstep.

When the history of this era is recorded fifty years hence, I believe the great achievements of President Nixon in establishing better relations with Russia and Communist China and getting America militarily out of the Vietnam conflict will far outshadow in importance the Watergate political scandals which are getting so much attention now.

In attending, with my wife, Austine, the official state dinner at the White House for the Soviet leader, we were pleased to note how well the President looked. He was in excellent form and good spirits all evening.

As for Brezhnev, I found the burly, bushy-browed No. 1 ruler of Russia had considerably more warmth than I had expected. He was obviously doing his best to be affable, but the charm is there when he wants to put it on. He has humor and the gift of gab. He is not the clown that Khrushchev appeared to be at times.

When I reminded him, through his interpreter, Viktor Sukhodrev, who was also present at my second meeting in Moscow with Khrushchev, that it was through the Hearst Task Force that the latter had first advocated the peaceful co-existence policy, he beamed and said: "We are allies." His knowledge and use of English is so restricted that I'm inclined to think he meant "friends" but "allies" is the word he used.

Keeping in mind that this is the same man who ruthlessly crushed the Czechoslovakian freedom movement in 1968, he now seems genuinely interested in the maintenance of peaceful and normal relations with the United States.

Russia desperately needs American economic and technical aid to help it overcome the structural weakness of its economy. From the standpoint of economic progress and advancement toward a modern, industrialized state, the Communist system has proved a dismal failure in the Soviet Union. Neither under Stalin, Khrushchev nor Brezhnev have the Soviets been able to solve their agricultural problems.

Another major reason why Brezhnev is trying to cozy-up to Uncle Sam is the bitter hostility that exists between the rulers of Russia and Communist China, which one day will have a population of one billion people, will seek to regain the resource-rich and sparsely inhabited areas of Siberia that the czars stole many years ago.

Brezhnev wants the United States to get involved in the development of the vast oil and natural gas resources in Siberia. Undoubtedly he thinks that if America has a big enough stake in that area and becomes dependent upon it to help overcome its future energy shortages, it would exert a restraining influence on China.

If we can sell— even on long-term credit— our goods and technological know-how to Russia and get in return more gas to run our cars, providing at the same time a vested interest for the Soviets to keep the peace with us, I'm all for it.

Just let's not fool ourselves that the Cold War is completely over or that the Soviet leaders have abandoned the ultimate aim of achieving, perhaps by measures short of all-

out nuclear war, Communist domination of the world.

SENATE RESOLUTION 141—EXPENSES OF INQUIRIES AND INVESTIGATIONS, FISCAL YEAR 1973

Mr. HOLLINGS. Mr. President I send to the desk a resolution and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER (Mr. HASKELL). The clerk will report the resolution.

The legislative clerk read as follows:

Resolved, That the Secretary of the Senate is authorized to utilize $350,000.00 of any fiscal year 1973 appropriation for the purpose of paying expenses from the appropriation "Expenses of Inquiries and Investigations, fiscal year 1973," such sum to be restored from funds appropriated for said appropriation in the Legislative Branch Appropriation Act, 1974.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina? The Chair hears none and the Senate will proceed to the consideration of the resolution.

Mr. HOLLINGS. Mr. President, this resolution is being sponsored by me as chairman of the Legislative Appropriation Subcommittee with the concurrence of Senator COTTON, the ranking minority member of the subcommittee. It has been cleared with the majority leader and the minority leader.

This resolution authorizes the Secretary of the Senate to utilize not to exceed $350,000 of unobligated balances of appropriations for fiscal year 1973 to pay for expenses incurred under the appropriation for inquiries and investigations which appropriations account has been exhausted.

These funds will be reimbursed when the regular annual Appropriations Act for the legislative branch for fiscal year 1974 is enacted.

Mr. President, at this point I ask unanimous consent that there be printed in the RECORD a letter from the distinguished Financial Clerk William A. Ridgely, as justification for the requested transfer.

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

U.S. SENATE,
OFFICE OF THE SECRETARY,
Washington, D.C., July 6, 1973.

Hon. ERNEST F. HOLLINGS,
Chairman, Subcommittee on Legislative Appropriations, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: A current review and analysis of the condition of the appropriation "Expenses of Inquiries and Investigations," fiscal years 1973, reveals a very critical situation which requires immediate additional funding.

Therefore, I recommend for the consideration of your subcommittee, for inclusion in the Legislative Branch Appropriation Act for fiscal year 1974, an item for an additional $500,000.00 for the appropriation "Expenses of Inquiries and Investigations," fiscal year 1973.

As will be noted below, the amount requested provides a small margin in the event obligations for fiscal year 1973 are higher than those estimated amounts on which I have determined the deficit.

The analysis of this account reveals that a total of $12,124,785.00 has been available in this appropriation (including $511,460 for the Committee on Appropriations), of which $276,240 is included in the Second Supplemental Appropriations for fiscal year 1973. To date, the unexpended balance is $104,604.82.

Vouchers in process for payment approximate $232,505.36 and our records reflect payments in the amount of $324,899.33, after the close of fiscal year 1972, which indicates at this time an estimated total obligation of $557,404.69. This amount less the unexpended balance of $104,604.82 results in an estimated net deficit of $452,799.87. This deficit is predicated on the expectation that the estimated payments to be made after the close of fiscal year 1973 will at least equal the amount paid after the close of fiscal year 1972. Our records for the past two (2) fiscal years sustain this expectation.

The analysis reveals that the gross payrolls alone for general investigations have increased during the past four (4) months from $935,354.51 for the month of March to $1,056,302.21 for the month of June. The annualization of the June payrolls totals an amount that exceeds the budgeted amount for this appropriation for fiscal year 1974. Other expenses paid from this appropriation for general investigations have averaged $153,157.19 during the same four (4) month period. Therefore, the annualized expenditure rate is $14,513,514.00 (based on the June payroll and the average monthly expenditure for other expenses).

The annual amount currently authorized for salaries and expenses for general investigations under this appropriation now totals $15,984,848.00. These authorizations are provided for by the Legislative Reorganization Act for expenses (other than salaries) of Standing Committees and by Senate Resolutions for salaries and expenses of Subcommittees, Special and Select Committees.

I am aware that it is more appropriate to present such a request for consideration in a Supplemental Appropriation Bill, but the urgency of the matter is such that I am compelled to present my request for your consideration at the earliest possible time.

If there is any further information or details I can furnish your Committee regarding this request, I would be pleased to comply.

Respectfully,
WILLIAM A. RIDGELY,
Financial Clerk, U.S. Senate.

Mr. HOLLINGS. Mr. President, I ask for the adoption of the resolution.

The resolution (S. Res. 141) was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H.R. 7528) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

ORDER FOR RECOGNITION OF SENATOR McGOVERN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, on tomorrow, after the majority leader and the minority leader or their designees have been recognized under the standing order, the distinguished Senior Senator from South Dakota (Mr. McGOVERN) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER (Mr. HASKELL). Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW AND RESUMPTION OF THE UNFINISHED BUSINESS THEREAFTER

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, following the remarks of the distinguished Senator from South Dakota (Mr. McGOVERN) tomorrow, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes; at the conclusion of which the Senate resumed its consideration of the unfinished business.

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

ORDER FOR RECOGNITION OF SENATOR ROBERT C. BYRD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, at the time the Senate resumes the consideration of the unfinished business tomorrow, I be recognized at that time to call up an amendment.

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

ORDER FOR CONSIDERATION OF S. 1083

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent—and this matter has been cleared on both sides of the aisle—that at such time as S. 1083, to amend certain provisions of Federal law relating to explosives, is called up and made the pending business before the Senate, there be a time limitation of 2 hours for debate on the bill, to be equally divided between the Senator from New York (Mr. JAVITS) and the Senator from Massachusetts (Mr. KENNEDY) or his designee; and that there be a limitation of one-half hour on any amendment, debatable motion, or appeal, the time to be controlled and divided in the usual form and the agreement to be in the usual form.

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

Mr. ROBERT C. BYRD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

ORDER FOR ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate complete its business today, it stand in adjournment until 10:30 a.m. tomorrow.

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

ORDER FOR RECOGNITION OF SENATOR BAYH

Mr. ROBERT C. BYRD. Mr. President, I think I should ask unanimous consent that upon the disposition of the amendment by Mr. JACKSON tomorrow, the Senate resume consideration of the Mondale amendment and that at that time Mr. BAYH be recognized.

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

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

Mr. ROBERT C. BYRD. I yield.

Mr. STEVENS. It is my understanding that there is an equal time agreement. If the Senator from Indiana is recognized at 1 o'clock, is there any time limit in terms of bringing the equal division of time into play? For how long is the Senator from Indiana to be recognized tomorrow afternoon? Until he has completed? Perhaps this is not subject to the unanimous-consent agreement, but it is something in which I am interested.

Mr. ROBERT C. BYRD. The Senator has asked a pertinent question.

There is a time limitation on the Mondale amendment, and the time is equally divided.

I would say, in answer to the Senator, that conceivably the Senator from Indiana, with the amount of time that remains under the control of the author of the amendment, if he sought to do so—and I have no indication that he intends to do so—could, after securing the floor, speak without yielding the floor at least until the conclusion of the time allotted under the control of the authors of the amendment.

Assuming that that occurred—and I do not anticipate that it will occur—the Senators in opposition to the amendment would have no assurance of getting the floor until that time had expired. Once they got the floor, they would then have the right to control the floor as long into the evening as they wished to have it on the time allotted to them.

Mr. STEVENS. That is the reason why I asked the question. May I inquire of the Chair how much time remains on the Mondale amendment?

The PRESIDING OFFICER. Senator MONDALE has control of 3 hours and 40 minutes. Senator JACKSON has control of 4 hours and 14 minutes.

Mr. ROBERT C. BYRD. Which explains why the Senate is starting out tomorrow on the unfinished business, rather than taking up a first-track item in the early part of the day.

I do not believe that those in opposition to the amendment will have a problem in getting the floor at a reasonably early hour during the afternoon. But under the agreement, it is possible that Mr. Bayh, when he got the floor, if he so desired, could keep the floor at considerable length before yielding.

Mr. STEVENS. Then, under the agreement, on Friday morning we are to come in at 11 o'clock and vote at 1 p.m. So there would be 2 hours on Friday morning.

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. STEVENS. If my understanding is correct, if Senator MONDALE wishes to have at least half of that time left, the proponents will have to yield the floor after 2 hours and 40 minutes tomorrow.

Mr. ROBERT C. BYRD. The Senator is correct, unless on tomorrow we reached an understanding that the time on Friday would be equally divided regardless of how much time is used up to the close of business tomorrow.

The PRESIDING OFFICER. The Chair would like to inquire out of whose time is this time coming?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time that has been utilized following the giving up of the floor by the Senator from Alaska (Mr. GRAVEL) not be charged against either side.

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

Mr. ROBERT C. BYRD. Now, Mr. President, does that order change the amount of time remaining to both sides?

The PRESIDING OFFICER. The information stands as given.

Mr. ROBERT C. BYRD. Would the Chair mind repeating that, please?

The PRESIDING OFFICER. The Senator from Minnesota (Mr. MONDALE) has 3 hours and 40 minutes remaining and the Senator from Washington (Mr. JACKSON) has 4 hours and 14 minutes remaining.

Mr. ROBERT C. BYRD. I thank the Presiding Officer.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 10:30 a.m.

After the two leaders or their designees have been recognized under the standing order, the distinguished senior Senator from South Dakota (Mr. MCGOVERN) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business, of not to exceed 15 minutes, with statements therein limited to 3 minutes.

At the conclusion of the period for the transaction of routine morning business, the Senate will resume its consideration of the unfinished business, the rights-of-way across Federal lands bill; and at that time the junior Senator from West Virginia (Mr. ROBERT C. BYRD) will be recognized for the purpose of calling up his amendment. There is a good likelihood that a yea-and-nay vote will occur on that amendment.

At no later than 12 p.m. tomorrow, the distinguished manager of the bill (Mr. JACKSON) will be recognized to call up his second amendment, on which there is a 30-minute limitation. Under the previous order, that amendment was to have been called up today. Whether or not there will be a yea-and-nay vote on Mr. JACKSON's amendment, I am not prepared to say. Upon the disposition of the Jackson amendment and no later than 1 p.m. tomorrow, under the order previously entered, the distinguished Senator from Indiana (Mr. BAYH) will be recognized, and a resumption of debate will ensue on the Mondale-Bayh amendment.

Votes could occur on amendments to that amendment tomorrow afternoon; and by unanimous consent, the amendment can be set aside at any time and other business or other amendments considered, on which rollcall votes could be had.

So, to repeat: Yea-and-nay votes will occur on tomorrow.

ADJOURNMENT TO 10:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10:30 o'clock a.m. tomorrow.

The motion was agreed to; and at 6:21 p.m. the Senate adjourned until tomorrow, Thursday, June 12, 1973, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate July 11, 1973:

NATIONAL LIBRARY OF MEDICINE

The following-named persons to be members of the Board of Regents, National Library of Medicine, Public Health Service, for terms of 4 years from August 3, 1972:

Ethel Weinberg, of Pennsylvania, vice George William Teuscher, term expired.

Eddie G. Smith, Jr., of the District of Columbia, vice Max Michael, Jr., term expired.

IN THE ARMY

The following-named officers to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Hal Bruce Jennings Jr., [redacted] Army of the United States (major general, U. S. Army).

Maj. Gen. Richard Ray Taylor, [redacted] Army of the United States (colonel, U. S. Army) for appointment as the Surgeon General, U. S. Army, with the grade of lieutenant general, under the provisions of title 10, United States Code, section 3036.

IN THE NAVY

Comdr. Paul J. Weitz, Jr., U.S. Navy, for permanent promotion to the grade of captain in the Navy in accordance with article II, section 2, clause 2 of the Constitution.

CONFIRMATION

Executive nomination confirmed by the Senate July 11, 1973:

COUNCIL OF ECONOMIC ADVISERS

Gary L. Seevers, of Virginia, to be a member of the Council of Economic Advisers.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)