QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ORDER OF PROCEDURE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that recognition of the distinguished Senator from Iowa (Mr. CULVER) precede recognition of the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR).

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

Under the previous order, as amended, the Senator from Iowa (Mr. CULVER) is recognized for not to exceed 15 minutes.

DIEGO GARCIA—THE ECONOMIC ALTERNATIVE TO U.S. MILITARY EXPANSION IN THE INDIAN OCEAN

Mr. CULVER. Mr. President, only a few weeks ago, we had an extended discussion in the Senate on U.S. foreign and defense policy objectives in the wake of the Vietnam debacle.

While there were profound differences of viewpoint expressed in this dialog relating to mistakes in international affairs made in the past and directions that should be followed in the future, I had the distinct impression that there was consensus on certain key points.

Looking back on Vietnam—55,000 American dead, several hundred thousand wounded, more than $150 billion spent, and the vast carnage and devastation inflicted on the countries of Southeast Asia—it was generally agreed that there was an imperative need for more thoughtful design and foresight in shaping our international policies for the future.

The need was repeatedly cited for gearing our military spending more closely to carefully thought out foreign policy objectives.

As I see it, we are now involved in testing for the first time our commitment to charting a new course in foreign affairs as we consider the proposal to expand the U.S. naval base on the island of Diego Garcia in the Indian Ocean.

I have proposed that this expansion be delayed for the present to avoid the risk of opening up a new superpower arms race in the Indian Ocean region and to provide time to try peaceful alternatives to military escalation.

It has been profoundly disturbing to me that the rationale, the rhetoric, and the insistence on haste in proceeding with this undertaking by its proponents here, in the press, and in the Pentagon have been so reminiscent of the exhortations that pushed us into deepening involvement in Vietnam over a period of two decades.

What is the compelling need for haste in beefing up our naval facilities on this remote island? Our present formidable military capabilities in this area, supplemented by the substantial strength of our allies, are overwhelmingly strong, not weak, vis-a-vis those of the Soviet Union.

The 29 littoral nations of this region are peaceful and stable, and none openly supports our proceeding with this expansion which they fear will upset the existing stability in the Indian Ocean.

Our Government has steadfastly refused to explore the potentials of the existing alternatives to military escalation. They have even refused to try the elementary and commonsense strategem of initiating negotiations with the Soviets for mutual arms restraint in that area. They say we must spend and escalate first so that we will have a bargaining chip for later negotiations from a position of greater strength. Do these words, Mr. President, have a familiar and haunting ring?

We are engaged in high-risk negotiations with the U.S.S.R. on strategic arms limitation; our President is on the eve of departing for Europe to sanction officially the boundaries of the Eastern European countries that have fallen to Soviet conquest; we are sharing our precious and hard-won space secrets with the Russians.

Why can we not at least talk to the Soviets before taking a step that will risk opening up a new arms competition with an ultimate price tag of billions? Why can we not use our economic power and expertise and our diplomatic skills to strengthen our position in the region without resorting to force?

The truth is that the Pentagon has wanted a Diego Garcia base for nearly two decades. Last year, the Senate refused to proceed with the project until it received adequate rationale. The rationale for hasty action is still inadequate and unconvincing.

The development that has been seized upon to justify the Diego Garcia expansion is the revelation that the Soviets are constructing naval support facilities in Berbera.

The battle of semantics rages as to how major a base the Russians are building.

Lost in the semantic shuffle are the two really significant points:

First, that the Soviet activity, whatever its extent, does not pose sufficient threat to our national interest to warrant the risk of opening up the superpower arms race in a vast new area of the world.

Second, that there are alternative and less provocative actions that we can take to counter the Russian initiative and preserve the strategic balance.

Week before last, I reported to the Senate on the significance of the Diego Garcia issue in the context of our overall foreign and defense policy. I pointed out the ultimate long-range cost of proceeding with naval expansion to patrol the Indian Ocean—$80 million per year in operating costs and an estimated $5 to $8 billion for new ship construction. The Diego Garcia expansion is symbolic, a likely beginning of a new phase of military expansion. I asked the question: Are we ready to make a basic change in our foreign policy, which, until now, has kept the Indian Ocean relatively free of sup power rivalry?

Last week, I outlined to the Sena the reasons the United States shoul explore the possibilities of negotiatin with the Soviets on mutual arms re straint before proceeding along the course of military buildup in the Indian Ocean—something—that is, the effort to negotiate—which has not even been attempted since 1971.

In the course of these remarks, I suggested realistic alternatives to escalation with which to counter the influence of the Soviets in this region.

One of these alternatives, as yet untapped to any significant degree, is the potential of U.S. economic aid and technical assistance to Somalia. Whatever strength and influence the Soviets have in Somalia have been built up over a period of years by these means, as well as by military assistance.

There is every indication that the Somalis, far from wanting to be totally dependent on the Soviets, are ready and eager for U.S. economic commerce and assistance. There is every indication that a major effort on our part to deal along these lines with the receptive Somalis would appreciably improve our relations with this underdeveloped country.

When our congressional delegations recently accepted the Somalis' invitation to visit Berbera, they discovered more than the highly publicized Soviet military activity in that city.

They discovered that Somalia is in a desperate state of poverty, drought, and underdevelopment. In fact, as Senator BARTLETT reported, this was the main reason President Siad wanted the Americans to visit his country.

Somalia, a bleak, desert country, located on the horn of Africa, just above the Equator, is rated by the United Nations as one of the world's poorest and least-developed countries. Its population, estimated at 3 million, is 70 percent nomadic. The country has suffered severe drought for the past 4 years, and as the intensity of the drought mounted, the nomads lost 60 to 80 percent of their livestock, the mainstay of both their food and livelihood. An estimated 17,000 persons died from famine or related medical problems and a quarter of a million nomadic people were moved into refugee camps.

Now these herdsmen from the drought-stricken areas of the northwest are being moved into the southern region where the objective is to completely change their way of life. According to plans, about one-third will be moved into settled agriculture; one-third will become fishermen; and the remainder will revert to nomadic life. In the meantime, about 975,000 people—nearly a third of the entire population—are in need of some form of government assistance.

The Somalis are reported by Western observers to show a spirit of self-help and discipline rarely seen in poor tropical countries. They will need all the self-reliance they can command for the way to recovery for this country is strictly uphill. The per capita income is only $70 per year, making this country one of the seven most impoverished nations of the world. The Somalis do not have the re-

sources to feed themselves and, since they gained independence in 1960, have incurred heavy deficits every year. In a country where livestock was long the main industry, the land has become so parched that it will not, in the foreseeable future, sustain large flocks of camels, sheep, and cattle. There is an urgent need, with little relief in sight, for foods, medical supplies, and rehabilitation services.

Here, then, is a country that is incredibly impoverished, incredibly in need of economic and technical assistance, that also happens to be strategically located near the Red Sea access to the Suez Canal. I am not pointing a finger of blame at anyone because we all share the blame of neglect, but considering the massive programs of economic assistance and military aid we have lavished on other areas, such as Southeast Asia, where have we been so far as Somalia is concerned? On the face of it, it would seem to have been in our strategic interest to have been substantially involved. Why were we not?

President Siad, of Somalia, according to U.S. News & World Report, believes that the United States, preoccupied with military assistance to Somalia's neighbor, Ethiopia, bypassed Somalia and "misrepresented" its government as "Moscow-style Socialists," ready to become satellites of the Soviet Union.

There is no question about the fact that the Somali Government is a Marxist, revolutionary type of socialism. But whether or not it is already or committed to be a Soviet satellite is yet unresolved. A little Yankee ingenuity might change that course of history.

In this context, I am not talking about aid to Somalia on a humanitarian basis, although I deeply believe in this, too. I am talking about it in the enlightened interests of our national foreign and defense policy as well, and it is time that we realized that our national interests in these areas are not always best served by gunboat diplomacy.

The Somalis avow their determination to preserve their sovereignty against encroachments by any foreign power. The irony is that if we assume, Mr. President, that the Somalis are permanently tied to the Soviets and proceed on this thesis to expand on Diego Garcia, an obvious escalation in the Indian Ocean—it will become a self-fulfilling prophecy—our action will further isolate the Somalis and move them deeper into the orbit of Soviet influence.

After achieving independence in the 1960's, the new government in Somalia sought military and economic assistance from the United States. They sought help from Britain, West Germany, and Italy, all in the Western alliance, and all for little or no avail. The Soviet Union volunteered, moved into the vacuum.

President Siad summarized it the best, I think, when he said:

> The man who is drowning does not question those who would extend a helping hand. We are drowning.

In Somalia's recent time of crisis, brought on by the cumulative effect of 4 years of drought, the Soviet Union provided major assistance, giving the Somalis 165 trucks and lending 12 large transport planes to transport the nomads to the south. The United States contributed 1,500 tons of biscuits and 15,000 tons of grain. Our assistance, amounting to about $9 million, was in the form of emergency aid.

Regular U.S. aid to Somalia was cut off in 1971. It was cut off, Mr. President, in part, because of a new policy of concentrating aid in fewer countries and also because of the legal provisions prohibiting regular aid to nations whose ships traded with Cuba and North Vietnam.

We heard about that law, and many of us felt it was unwise at the time and proposed in Congress for many years as contrary to our national self-interest. But nevertheless, impoverished Somalia has no ships itself, but, like other small tropical countries, had sold the rights for the use of their flag as a "flag of convenience" to other nations through a Paris agent. The Somalis have told the United States that they have ordered their Paris agent to get them out of the flag of convenience shipping arrangement, but the traffic to forbidden countries has not changed or declined yet. The North Vietnam prohibition is now viewed as a dead letter, and the Organization of American States may soon change hemipshere policy on Cuba, but the Cuban section is still on the books.

In any event, our country could lift the ban on aid to Somalia without legislative action since the law setting the ban contains authority for the President to waive embargo on providing aid if it is deemed "in the national interest."

For many years, the Soviets have been the major suppliers to the Somalis of economic aid and technical assistance, as well as supplying their military weapons and advisers. It is, however, dangerous to assume from this that the Somalis have surrendered their sovereignty by giving the Russians carte blanche for unlimited military expansion of their own on Somali territory.

Disregarding the likelihood of offending their Soviet benefactors, the Somalis have made clear-cut, good-faith overtures to the United States.

Last November, President Siad visited President Ford and offered to permit the U.S. Navy to visit Somali ports.

I think that is rather instructive, Mr. President, in view of all the furor that has been created about the Soviet presence in that Port of Berbera in the country of Somali. Last November the President of that country, who was here in Washington, extended an invitation for the U.S. Navy to visit that country and use those port facilities that everyone is so excited about now.

On June 17 of this year, the Somali Ambassador met with Deputy Secretary of Defense Clements, and guess what he did on that occasion? The Ambasador of Somali offered "right of port" visits to the U.S. Navy later this summer to Somali and to Berbera. I hope that an agreement on such visits can soon be reached between the U.S. Government, on the one hand, and the Somali Government on the other, because I think it should be understood by everyone in the Senate and in this country that there is that opportunity, and we certainly should accept that generous invitation.

There is no guarantee that a positive response on the part of our Government to these invitations will strengthen our influence in Somalia or diminish that of the Soviets. But the option of seeking better economic and diplomatic relations is another no-risk, low-cost alternative to building new naval facilities and extending the superpower arms race to the Indian Ocean.

If we assume, Mr. President, that Somalia is permanently tied to the Soviet Union and rule out peaceful initiatives available to us with which to counter the influence of the Soviets in that country, we will be making a most tragic mistake.

Mr. President, I propose the following specific moves to improve our economic and diplomatic relations with Somalia as a sensible alternative to provocative military escalation in the Indian Ocean region:

First. The United States should, without delay, lift present restrictions on economic and technical aid to Somalia. If the President does not see fit to lift this embargo, as he is empowered to do, Congress should take action.

Second. A policy should be inaugurated of U.S. ship visits to Somalia leading toward generally improved political relations.

Third. A number of basic economic aid and technical assistance programs should be decided upon and put into effect at the earliest possible time. I am not talking about lavishing untargeted largesse on the Somalis in the name of charity. I am talking about implementing carefully selected, unquestionably needed aid and assistance programs in the name of our own national self-interest. Nothing comes cheap these days, but it is amazing how much can be accomplished with programs of this nature for a fraction of what it will cost to expand our naval facilities at Diego Garcia.

A number of possible programs come to mind to meet the vast needs of this underdeveloped country.

Livestock replacement for those nomads who have lost their cattle, camels, and goats is an obvious possibility. Technical assistance for small-scale farming is also obviously needed.

Other agricultural projects offer potential. At the time U.S. aid to Somalia was cut off, the University of Wyoming had a big project underway to develop a new strain of rice which would grow in Somalia. The country now imports 50 percent of its rice.

One of the greatest needs is for irrigation projects in the Shebelli and Giuba River basins in southern Somalia. In this context, I think consideration should be given to providing aid which would help Ethiopia as well as Somalia, since both countries would benefit from such a river project. Our goal should be regional stability, and, insofar as possible, considering traditional differences between these countries, we should try to develop projects that foster cooperation.

Another perennial need in these dry areas is for well-drilling projects.

Mr. President, my position on Diego

Garcia is not one of unalterable opposition to the proposed base expansion. I am simply asking that our Government try the less costly, less dangerous alternatives before proceeding along this line of escalation which could well eventuate in our deploying a full-scale navy in the Indian Ocean at a cost of $800 million yearly for operations and from $5 to $8 billion for ship and aircraft procurement. I am saying, let us try negotiations with the Soviets for mutual arms restraints in the area, let us try diplomatic initiatives before plunging ahead into a new phase of the superpower arms race. As I have pointed out, our present military position in the Indian Ocean is one of solid strength, not weakness, as compared to the Soviet Union, so haste with regard to the expansion on Diego Garcia is not essential. We have time to look before we leap.

Finally, Mr. President, the trauma of our long and tragic involvement in Vietnam is fresh in our memories.

It is not entirely clear at this point whether we learned enough from that experience to avoid making the same mistakes in the future.

If not, the Indian Ocean of tomorrow could easily become a replica of the Southeast Asia of yesterday so far as American military involvement is concerned.

Mr. President, I ask unanimous consent to have printed in the RECORD an article reporting an interview with President Siad, which appeared in the July 21 issue of US. News & World Report, and a most cogent analysis of the Diego Garcia issue by Barry Blechman of the Brookings Institution, which appeared in the July 20 Washington Post.

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

ESTABLISHING A BASE ON DIEGO GARCIA

(By Barry M. Blechman)

In a move typical of legislative decision-making, the Congress almost (but not quite) voted last year to build American naval and air facilities on the island of Diego Garcia in the Indian Ocean. An amendment to the appropriation specified that the $29 million authorized for the project was not to be spent until the President certified that the base was essential to the U.S. national interest. The President's assurance was transmitted earlier this year. Now, the Congress must reaffirm its previous decision. Unfortunately, the past month's shell game concerning the Soviet base at Berbera, in the Somali Republic, has diverted attention from the more important factors that should dominate the decision.

On June 10, Secretary of Defense James R. Schlesinger presented the Senate Armed Services Committee with high altitude reconnaissance photos purporting to show military construction at Berbera. These facilities were said to include an airfield, barracks, petroleum storage tanks, a communications site, and, most significant, a large building designed to assemble, store and service surface-to-surface and air-to-surface missiles.

Much to the surprise of most observers, the Somalis point-blank denied the charge. The facilities were their own, they said, and the sophisticated missile assembly building . . . well, that was actually a meat-packing plant. Indeed, the Somalis made their denial plausible by inviting the media and members of the Congress to come and see for themselves.

The Somalis' motive in this rather bizarre incident is not apparent. But in any case, their bluff—if that is what it was—was called. Several groups of Americans, including members of the House Armed Services Committee and Sen. Dewey F. Bartlett, visited Berbera over the July 4 weekend and found the installation virtually as it was described by Mr. Schlesinger.

But the point is that the decision on Diego Garcia should not hinge on this charade. By permitting it to do so, the Congress has fallen into the Pentagon's well-laid trap. The question of how U.S. interests are threatened by a Soviet Indian Ocean base unmatched by one of our own has been left unanswered; the instinct is to react to any Soviet initiative. Thus, Mr. Schlesinger's decision to release the reconnaissance photos was well-timed; it diverted attention from the more important questions. What advantages would the United States gain by developing its own base in the Indian Ocean? And what costs are implied by such a step.

The proposal for Diego Garcia is relatively modest. There would be a runway capable of handling giant C-5A transports and KC-135 tankers. The harbor would be dredged to accommodate aircraft carriers. And fuel storage sufficient to supply a carrier taskforce operating in the region for up to 30 days would be constructed. These facilities would make it easier (and cheaper) to operate U.S. naval forces in the Indian Ocean during peacetime. According to the administration, peacetime naval deployments—which have been increasing in frequency since 1971—are important to maintain U.S. influence in the region.

Moreover, in the event of a crisis, the United States could deploy naval forces to the Indian Ocean more quickly and without depending on long and relatively vulnerable supply lines running back to Subic Bay in the Philippines—the closest existing U.S. base. This is important to give the President freedom of action in the event of various "contingencies." The latter coy term refers mainly to the eventuality of a new Arab oil embargo, which, if effective enough, the United States might wish to end through the use of military force.

These are significant military advantages. But in reaching its decision on Diego Garcia, the Congress must weigh these gains against the political and budgetary costs of the base. And the latter are not insignificant either.

A U.S. base at Diego Garcia would constitute another step toward increased competition with the Soviet Union in the Indian Ocean, a region relatively remote from both superpowers. The fact that the U.S.S.R. already has taken a comparable step does not compel us to follow suit. Rivalry in the Indian Ocean diverts limited U.S. military resources from more pressing needs, such as the Mediterranean. It means a real, if slight, increase in the risk that the United States would get drawn into some future conflict in the region. It means the continued approbation of most of the nations of the region, including such erstwhile allies as Australia, which would much prefer if both the United States and the Soviet Union would stay out of their backyards. And finally, it means another step toward the establishment of a requirement in U.S. military planning for the maintenance of a permanent U.S. fleet in the region; a move that, in the absence of cuts in U.S. naval deployments elsewhere, could imply incremental defense expenditures on the order of $5 to $8 billion for ship and aircraft procurement and $800 million per year in operating cost.

The obvious, if remote, solution to the incipient superpower competition in the Indian Ocean is a formal treaty in which both the United States and the Soviet Union agree to limit their naval deployments there. Such an agreement was briefly discussed in 1971. Prospects may improve in the future. In the meantime, the Indian Ocean should not be conceded to the Soviet Navy; but the periodic deployment of warships from the U.S. Seventh Fleet, which operates in the Western Pacific, should be sufficient to remind local nations of U.S. interests in the region and of its global military capabilities.

More permanent steps, however, such as the proposed base on Diego Garcia, are another matter. Judgments on them must rest on independent assessments of U.S. national security interests, not on precedents set by the Soviet Union. And in my view, the case for a U.S. base in the Indian Ocean is not convincing. For the present, at least, the costs would seem to outweigh the gains.

FROM SOMALIA'S PRESIDENT: "WE ARE NOT IN SOVIET'S POCKET"

(What follows are the highlights of a three-hour conversation with Somalia's President Mohamed Siad Barre:)

Soviet military bases. There is no Soviet military equipment in my country under Russian control. Berbera is our port, and we are building a free zone there.

We believe the Indian Ocean must become a zone of peace, with no bases for foreign powers anywhere. Foreign bases are provocative, and we condemn them. We believe that sovereignty is sacrificed when rights to a base are given. If there were no foreign bases in the world, there would be peace.

Russian air rights. I deny that Russian planes ever landed here during the recent Soviet naval exercises. Berbera doesn't have an airfield big enough to take planes of that size. The Soviets have never asked for such privileges, and if they did they couldn't continue to be our friends.

Russian advisers. I am not sure how many are here, but certainly under a thousand. There are more Chinese here building roads than Russians.

Kremlin's influence. Of course, the Soviets have given us much help, and we are grateful for that. They have been teaching us, and giving us arms and technicians. During the drought and when we were resettling refugees, they came to our assistance with planes and trucks manned by Russians.

Does this mean we are in their pocket? No. If the U.S.A. sent me 10 planes, the pilots could be American. Would this suggest I am in the American pocket?

Have we sold our freedom or sovereignty? No, sir. I am poor but I am free. A Soviet socialist cannot tell me about Somalian problems, which must be put in an African context. I know and have suffered under colonialism, and I don't want to go back to it. Freedom is my dearest value.

My country is neutral and will do everything possible to maintain an equal distance between the two blocs.

Relations with the U.S. I believe we have been misrepresented and misunderstood in America. When I was in Washington I tried to clear the air with President Ford. As a sign of good will, I agreed that American warships could visit my ports and I would make every facility available to them. This offer was made in a spirit of friendship. But as long as your country continues to make untrue accusations against Somalia, how can I justify a naval visit?

Nevertheless, we have no reason to quarrel with the U.S. On the contrary, we need your help. As President Ford is my witness, I am interested in friendship. I know my enemies, and the U.S.A. is not one. So, despite the propaganda against us, I have authorized the visit of American naval ships.

Mr. MANSFIELD. Mr. President, if the Senator from Virginia will yield me a minute, I commend the distinguished Senator from Iowa on his statement. I wish to emphasize what he has said, that

the Somali Government has not once but several times offered the use of the Port of Berbera to the United States for visiting and other factors.

I just have become aware of a study issued by the Carnegie Foundation which I hope the Senator will have access to—all things being equal and no roadblocks in the way—before we take up the Diego Garcia measure on Monday.

I commend the Senator on his statement.

Mr. CULVER. I thank the distinguished Senator from Montana.

Mr. MANSFIELD. Mr. President, will the distinguished Senator from Virginia yield to me further?

Mr. HARRY F. BYRD, JR. I yield.

GEN. ROBERT E. LEE

Mr. MANSFIELD. Mr. President, yesterday, I had intended to commend the distinguished Senator from Virginia, but what I could not do yesterday, I want to do today. I congratulate him on his years-long effort in behalf of the restoration of the citizenship of the great Confederate and U.S. general, Robert E. Lee.

It took a long time; it took a lot of doing; it took persistence; it took determination. In my opinion, the credit—the real credit—should go to the distinguished Senator from Virginia, who has been so much in the forefront on this subject.

I am delighted that the other day the culmination of the efforts of the Senator from Virginia reached the heights desired by Senator BYRD and that very shortly this matter will be attended to, as it should have been years ago. I commend the Senator.

Mr. HARRY F. BYRD, JR. Mr. President, the Senator from Montana is most kind and generous, and the Senator from Virginia greatly appreciates his comments this morning.

The Senator from Montana, the majority leader, was a cosponsor of this resolution, and I think that is a major reason why it was enacted.

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

Mr. HARRY F. BYRD, JR. I yield.

Mr. HELMS. Mr. President, I join the distinguished majority leader in commending the Senator from Virginia.

This was an action long overdue. As Senator MANSFIELD said, it took perserverance on the part of the distinguished Senator from Virginia. I, for one, appreciate his efforts, and I was delighted to join him, as best I could, in those efforts.

Mr. HARRY F. BYRD, JR. I am grateful, indeed, to the able Senator from North Carolina for his generous comments.

FULL REPRESENTATION FOR THE STATE OF MONTANA

Mr. HARRY F. BYRD, JR. Mr. President, at this early hour this morning in the Senate, the great State of Montana is fully represented. A Senator from Montana is presiding over the Senate, and a Senator from Montana is on the floor as the majority leader of the Senate. Between them, they represent 30 percent of the total Members present at this early hour.

BREAKING THE ENERGY IMPASSE

Mr. HARRY F. BYRD, JR. Mr. President, the Nation is faced with a serious challenge, because of the inability of the President and the Congress to reach an agreement on energy policy.

I believe that the time has come—indeed, the time is overdue—to cast aside partisan differences and differences in economic theory, and strive for a reasonable compromise.

In that spirit, I am today proposing steps which I hope can lead to a break in the present impasse between the President and the Congress.

Here is the background:

The President has vetoed legislation which would extend petroleum price control authority.

At the same time, the House of Representatives has disapproved the President's plan for a phaseout of the controls over the price of "old" oil over a period of 30 months.

Existing authority for price controls expires August 31. As a result of the President's veto and the action of the House, all oil prices could soar toward the level set by the OPEC cartel beginning on that date.

I think the economic consequences of such a development would be most serious.

The Republican leader in the House said yesterday that this would send oil prices "through the roof."

Worse, this development would be taking place without any affirmative vote in the Congress or any positive action by the President—merely as a result of the automatic expiration of an existing law.

This is not policy. It is paralysis.

I share the reluctance of the Congress to remove all controls on petroleum prices, because this would mean a sharp upward swing in the cost of living and a serious impediment to economic recovery.

At the same time, I share the President's conviction that elimination of controls over a suitable period of time provides an appropriate incentive for production and, in the long run, for lower prices—because of lessened dependence on high-priced OPEC oil.

Therefore, I believe we must seek the grounds for a reasonable compromise.

Here is my proposal:

First, the Congress should pass, and the President should sign, a simple extension of oil price control authority, with no other provisions. Perhaps the Senate-passed bill, S. 1849, could serve this purpose: The only provisions included in that legislation, other than extension of price and allocation authority, are an extension of the authority of the Federal Energy Administration to issue orders requiring conversion of plants to coal as a primary fuel; and a directive to FEA to report on price trends in coal.

Second, the President should submit to the Congress a new price decontrol plan for "old" oil. I suggest that the President may wish to propose a partial decontrol, perhaps removing restrictions on 50 percent of old oil production. The phaseout time could be about 2 to 3 years. Alternatively, he could set a higher price ceiling, in the neighborhood of $8 a barrel, for "old" oil. These are merely suggestions—one of the many proposals along this line that could be satisfactory, it seems to me.

Third, the tax-writing committees of the Congress should begin immediate consideration of a windfall profits tax. To assure that such price increases as are authorized provide some incentive for increased production, a "plowback" provision should be included, exempting from the windfall profits tax sums which the oil companies devote to expanding production in the United States.

This combination of measures, in my view, offers a real chance to avoid an unjustifiable skyrocketing of energy prices, and at the same time lays the groundwork for a long-term policy which will encourage the domestic production needed to lessen our dependence on OPEC.

These are by no means the only steps which should be taken in energy policy. We need, for example, a sound conservation policy and an intensive research and development effort. But legislation already is on the books or in the works in these areas, and the immediate need is to solve the dilemma on oil prices.

For too long, we have failed to set a course in energy policy. Instead, we have been drifting on the political seas.

I urge the President and my colleagues in the Congress to work together on this difficult problem, in the interest of all the people.

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

The ACTING PRESIDENT pro tempore. The Senator from Virginia has 4 minutes remaining.

Mr. HARRY F. BYRD, JR. I yield to the distinguished Senator from Delaware.

Mr. ROTH. I thank the Senator from Virginia for yielding to me. I compliment him on his statesmanlike comments on the energy crisis. I regret that, because of the hour, a number of others who were going to join us cannot do so, because they have other engagements, but I feel very strongly, as does the Senator from Virginia, that now is the time for action in the energy area and that we do, I think, have the makings of a compromise available.

Mr. President, I am concerned, however, that the President and Congress, judging by the action on the House side yesterday, continue to be in a stalemate on the energy program. I am concerned, because the American people are the the ones who are going to suffer, because of the continuing inaction. The House has rejected the President's 30-month decontrol plan and, of course, the President has vetoed the plan to extend the present system of price controls.

Yesterday the House rejected by a close vote—220 to 202—a compromise measure