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tional welfare. For these reasons, it is vital, and I urge that Congress approve this measure.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and section-by-section analysis will be printed in the RECORD.

The bill (S. 3412) to authorize appropriations for activities of the National Science Foundation, introduced by Mr. PROUTY, was received, read twice by its title, and ordered to be printed in the RECORD, as follows:

S. 3412

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to the National Science Foundation $498,000,000 for the fiscal year ending June 30, 1971, and such sums as may be necessary for the succeeding fiscal year, to enable it to carry out its powers and duties under the National Science Foundation Act of 1950, as amended, and under title IX of the National Defense Education Act of 1958.

SEC. 2. Appropriations made pursuant to authority provided in section 1 shall remain available for obligation, for expenditure, or for obligation and expenditure, for such period or periods as may be specified in Acts making such appropriations.

SEC. 3. Appropriations made pursuant to this Act may be used, but not to exceed $2,500 in any fiscal year, for official reception and representation expenses upon the approval or authority of the Director of the National Science Foundation, and his determination shall be final and conclusive upon the accounting officers of the Government.

SEC. 4. In addition to such sums as are authorized by section 1 hereof, not to exceed $2,000,000 is authorized to be appropriated for each of the fiscal years ending June 30, 1971, and June 30, 1972, for expenses of the National Science Foundation incurred outside the United States to be paid for in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States.

SEC. 5. This Act may be cited as the "National Science Foundation Authorization Act of 1971".

The material submitted by Mr. PROUTY is as follows:

SECTION-BY-SECTION ANALYSIS

A Bill to authorize appropriations for activities of the National Science Foundation, and for other purposes.

SECTION 1. This section authorizes appropriations for the National Science Foundation for fiscal year 1971 in the amount of $498,000,000 and for such sums as may be necessary in fiscal year 1972.

SEC. 2. This section provides that appropriations made pursuant to section 1 shall remain available for obligation and expenditure for the period of time specified in appropriation acts.

SEC. 3. This section authorizes in any fiscal year an allowance of up to $2,500 for official reception and representation expenses to be expended at the discretion of the Director.

SEC. 4. This section authorizes, in addition to the funds appropriated by section 1, an appropriation in fiscal years 1971 and 1972 of up to $2,000,000 for expenses of the National Science Foundation incurred outside of the United States, to be financed from foreign currencies which are determined to be in excess of the normal requirements of the United States.

SEC. 5. This section cites the title of the Act: "National Science Foundation Authorization Act, 1971."

S. 3417—INTRODUCTION OF A BILL TO AMEND THE GUN CONTROL ACT OF 1968

Mr. McGEE. Mr. President, I introduce, for appropriate reference, a bill to relax some of the burdensome restrictions placed upon sportsmen by the Gun Control Act of 1968.

Under the present law it is very difficult and very restrictive for a person genuinely interested in the sport of hunting or competitive match shooting to purchase a gun or ammunition in a State where he is participating in such sport and then transport or send this gun or ammunition to his home State.

My bill would exempt only firearms and ammunition "recognized as particularly suitable for sporting purposes or—of the type or class of firearm customarily used in any organized firearm match or contest" from the ban against interstate sale or shipment written into the 1968 law. Second, this amendment would only apply when such firearm or ammunition is intended for the personal use of the recipient or purchaser.

Mr. President, you will recall that the recordkeeping provisions of the Gun Control Act were eliminated for rifle and shotgun ammunition last year through the adoption of an amendment which I cosponsored. This bill which I am introducing today then is the second step toward perfecting the Gun Control Act by removing from it some of the provisions which have their most serious impact on legitimate shooters who wish only to pursue legitimate hobbies or sports. Two years of experience under the Gun Control Act have demonstrated that these control measures have the sole effect of imposing troublesome requirements on sportsmen and other law-abiding citizens but have no effect on criminals and do not seriously deter crime.

For these reasons, I opposed the 1968 Gun Control Act. Instead, I support measures which directly deter crime, such as laws which would impose mandatory additional penalties and prison terms for offenses committed while possessing or using firearms. By removing sportsmen's firearms and ammunition from the act, we would not weaken the drive against crime but we would remove unnecessary inconvenience for law-abiding citizens.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3417) to amend the Gun Control Act of 1968 to permit the interstate transportation and shipment of firearms used for sporting purposes and in target competition, introduced by Mr. McGEE, was received, read twice by its title, and referred to the Committee on the Judiciary.

ADDITIONAL COSPONSORS OF A BILL AND A JOINT RESOLUTION

S. 2948

Mr. HATFIELD. Mr. President, on behalf of the Senator from Tennessee (Mr. BAKER), I ask unanimous consent that, at the next printing, the name of the Senator from Delaware (Mr. BOGGS) be added as a cosponsor of S. 2948, to restore balance in the federal form of government in the United States; to provide both the encouragement and resources for State and local government officials to exercise leadership in solving their own problems; to achieve a better allocation of total public resources; and to provide for the sharing with State and local governments of a portion of the tax revenue received by the United States.

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

SENATE JOINT RESOLUTION 61

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Minnesota (Mr. MCCARTHY), I ask unanimous consent that, at the next printing, the name of the Senator from Nevada (Mr. CANNON) be added as a cosponsor of Senate Joint Resolution 61, amending the Constitution of the United States relative to equal rights for men and women.

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

SENATE RESOLUTION 356—RESOLUTION REPORTED AUTHORIZING THE PRINTING OF ADDITIONAL COPIES OF REPORT ENTITLED "ORGANIZED CRIME CONTROL ACT OF 1969"

Mr. McCLELLAN, from the Committee on the Judiciary, reported the following original resolution (S. Res. 356); which was referred to the Committee on Rules and Administration:

S. RES. 356

Resolved, That there be printed 1200 additional copies of the report entitled "Organized Crime Control Act of 1969" (S. Rep. No. 91–617) for the use of the Committee on the Judiciary.

SENATE RESOLUTION 357—SUBMISSION OF A RESOLUTION CALLING FOR A MORE BALANCED SET OF ANTI-INFLATIONARY POLICIES

Mr. MONDALE. Mr. President, there is no need for anyone to dwell for long on the floor of this Senate deploring the continuing and destructive rate of inflation.

Last year the Consumer Price Index rose by 6.1 percent. That is a loss in a single year of nearly $10 from the real purchasing power of every weekly paycheck of $150—an erosion of over $60 from the real worth of every $1,000 in savings.

But the simple rise in prices—which, after all, means that at least some people must be getting higher incomes—is not in itself the only problem. The real evil of inflation, rather, lies in the social and economic distortions it creates.

Inflation has been called the cruelest tax. It is, indeed, a tax, but it is more pernicious than any tax ever devised by government.

It falls most heavily on those least able to pay—the poor, the aged, and all others living on a relatively fixed income. In fact, even the wage earner can no longer keep up with inflation, as weekly real take-home pay declined throughout the last 3 months of 1969.

It robs the savings—especially of those who do not have the wealth and the financial expertise to store savings in real property or in other forms which can "hedge" against inflation.

It weakens our productive capacity, distorts the allocation of our resources, and worsens our balance of payments as American goods become priced out of the world market.

Surely, all know these problems and we all deplore inflation. Yet we are not stopping inflation.

For a while, the persistence of steadily rising prices could be attributed—with some charity—to a "new administration," which had not yet had time to grapple with economic problems. More reasonably, the persistence of inflation could be attributed to a natural "lag" which separates the initiation of the "cure" and the actual results as seen in a stabilization and then a lowering of the various price indices.

But prices have not yet even leveled off—they have actually continued rising at an accelerated pace. Whereas the overall increase in the Consumer Price Index last year was 6.1 percent, the increase in prices during December was at a 7.2-percent annual rate. Prices rose by 0.4 percent in October, another 0.5 percent in November, and another 0.6 percent in December. And only recently, we learned that the wholesale price index jumped by its biggest increase in a year—at an incredible annual rate of 8.4 percent.

We acknowledge that the President inherited an inflationary economy. But inflation in 1968 was 4.7 percent—serious, yet not as serious as the 6.1 percent which the current administration achieved in their first year of office.

This is not simply the result of a lag. It is clear and simple evidence that current anti-inflationary policies are ineffectual.

But this is not all. These current policies may well be even worse than ineffectual. The cure may be as disastrous as the disease, itself. Specifically, the policies by which we are now fighting inflation—and, by implication, the absence of policies which the administration has conspicuously chosen to neglect—may be causing social and economic dislocations and hardship nearly as serious as the inflation, itself.

The current administration has focused almost exclusively on the "money market"—that is, on the highest interest rates in over 100 years—to combat inflation. The theory behind this policy is that high rates of interest will cut down on investment spending and thereby moderate upward pressures on prices.

Certainly, to a degree this is true. Higher interest and tighter money do have some restraining influence on some kinds of investors.

However, they do not stop the major corporate investor, who finances internally or else is relatively unconcerned by the market rate of interest.

They do not stop consumer spending where unsolicited credit cards and "easy payment terms" lead people to borrow more and more, regardless of finance charges.

High interest rates do not stop Government waste—such as the nearly $21 billion in cost overruns reported in the Pentagon by the General Accounting Office.

And, overall, higher interest rates have not stopped inflation—witness, again, the situation today where inflation has been accelerating for the last 3 months—reaching over 0.6 percent in December alone—even as our "money market" policy moves us to the very edge of a recession.

Astronomical interest rates do, however, make it virtually impossible for the average man to buy a home.

They do severely cripple the construction industry, and move us further and further away from the housing goals of the 1970's.

And they do put an intolerable burden on municipal governments and school boards which must continue to borrow money to meet desperate local needs, or turn to the even more tragic alternative of raising local property taxes.

I am not alone in these observations. While some economists have differed as to the timing of monetary ease, economists of all political and economic persuasions are now convinced that we need a change from our current policy of placing all faith in monetary restraint.

Milton Friedman, the famous "monetarist" of the Chicago school and with whom I have probably shared more disagreements than agreements, has been calling for monetary policies which would lower interest rates.

Walter Heller, the chief architect and popularizer of the new economics said over a month ago that—

> A recession of damaging social and economic consequences may be just around the corner if the Federal Reserve does not relent.

In a more recent statement before a joint session of the American Economics Association and the American Agricultural Economics Association, Dr. Heller asked:

> Has our economic slowdown gone far enough and its fiscal policy going to be tight enough to permit some monetary easing? The answer is yes . . . to ease today is the better part of economic and social valor.

In the administration, itself, Secretary of Labor Shultz has called for an easing of monetary restraint.

Finally, at least two of the seven Governors of the Federal Reserve Board—in whose hands we place decision to maintain or lower interest rates—have publicly called for some resolution of monetary restraint and a better balance of anti-inflation policies.

What interest rates have done is to place a grossly unfair burden of a largely ineffectual fight against inflation upon the homebuilding industry and a few other selective sectors of the economy.

We all know that the current shortage of housing is one of our severest domestic problems. Only with 2.6 million new starts a year can we begin to meet the crisis of this next decade and meet the goal of 26 million units in the 1970's.

But housing starts are down today from a rate of 1.7 million to a low of 1.4 million new starts.

A $20,000 home on a 30-year mortgage would incur interest costs alone of $26,000 at a rate of 6¾ percent which only a very short time ago was thought to be a fairly high rate of interest.

Last year, with mortgage money, at best, at 7½ percent, this home buyer would have signed up to pay $30,300 in interest charges alone over the 30 years and now, with FHA and VA rates at an astronomical 8½ percent, the home buyer will add $35,400 to his principle of $20,000 to make a grand repayment over 30 years of $55,400.

Between 6¾ and 8½ percent is a matter of nearly $25 a month, and $9,000 over the span of 30 years.

It is no wonder that the average family finds they simply cannot afford the home for which they have saved for so many years. It is no wonder that the construction industries, the savings and loan industry and others involved in this sector should feel a terribly unfair share of the burden of restraint. And it is no wonder that long-range planners are at a loss to say where people can be kept in the next 10 years unless we begin finally to move toward—or at least to stop retreating from—our goal of decent housing for all Americans by the end of the 1970's.

Current anti-inflationary policies threaten more than the construction industry. Within the philosophy of restraint and austerity is the willingness to accept increases in unemployment as the price for restraining prices.

But who pays this price? Not the businessman or banker who are calling for us to restrain the economy. Not the economists, Government officials, or politicians who similarly express willingness to accept this trade.

It is the worker who stands to lose—his overtime, his normal workweek, and even his job.

Already, real take-home pay has dropped as worker's hours have been cut at the same time as prices have risen. Taking into account the shorter workweek as well as the rising cost of living, the average American today is worse off in real terms than he was 4 years ago.

Even more, this unfair and unnecessary burden of unemployment will be felt by the "last hired"—largely the young, the unskilled, and the minorities. It is from their paychecks, their self-respect, and their futures that the current stabilizing policies seem prepared to pay for the cost of restraint.

Recent data supplied by the Department of Labor indicate that a 1-percent increase in unemployment—from 3.5 to 4.5 percent:

Would have just under a 1-percent increase in white, adult unemployment.

Would increase unemployment among black adult males from 3.9 to 7.0 percent.

Would increase unemployment among teenage whites from 11.4 to 12.4 percent.

And would increase unemployment among teenage blacks from 22.9 to 26.2 percent.

It is a serious and tragic mistake to feel that we must accept unemployment as the price for stopping inflation. But to place the burden of inflation—and the burden of restraint—upon the poor, and the black would be intolerable.

So far, all the administration has planned is for some job training. While training is important and even essential, it begs the central problem of rising unemployment which is, very simply, no jobs. We must have, in addition to training, a program which can actually provide worthwhile jobs to those who may fall victim to the policies of restraint.

What I am arguing for is simply a more reasonable mix of anti-inflationary policies. Rather than put all of our hopes into aggregate monetary and fiscal policies, we should supplement and complement monetary and fiscal policy with an entire range of selective policies:

First. The administration must immediately undertake to roll back interest rates. While I recognize the semi-independence of the Fed, we must assume that the administration has some reasonable influence over the policies of a newly appointed chairman. More important, the administration should consider the possible use of Public Law 91-151 passed by the Congress last session and enabling the President to institute selective credit controls.

Second. We can do much more to promote economy in Government, particularly in Pentagon procurement policies. Recent studies by the Joint Economic Committee have supported additional budget cuts of $10 billion which would still merely get at waste, and would not jeopardize our commitments here or abroad. Better procurement policies, with competitive bidding and standardized accounting procedures would also help toward this end. Fiscal discipline is surely necessary, but this can well be undertaken in areas of clear and unjustified waste, and should not have to detract from human programs and other pressing social needs.

Third. There is a whole host of other Government wastes which can be cut as anti-inflationary policy: The oil depletion allowance, oil import quotas, price supports to wealthy farmers in excess of $20,000, various restrictive tariffs, clumsy payments procedures in such programs as medicare, and medicaid, and many others.

Fourth. We must seek to carefully coordinate economic policy with programs in manpower training, job creation, and public service employment. Only in this way can we keep the young, the black, the poor, and the unskilled, from having to bear all of the actual burden of restraint. At the same time, of course, we must pursue a mix of anti-inflationary policies which do not threaten significant increases in unemployment.

Fifth. Finally, and perhaps the most important, the administration must abandon its avowed policy of "hands off all price and wage decisions." Dr. Arthur Okun, with the most recent data, has demonstrated quite conclusively that this decision by the current administration not to become involved in "the marketplace" was not a "neutral" position, but was, quite the contrary, a very positive "go ahead" to many of the generally noncompetitive basic industries. Dr. Okun calculates, in fact, that this indirect "go ahead" was, by itself, responsible for between one-half and 1 percent of the extra inflation in wholesale industrial prices.

Our economy cannot run all by itself. We are too interdependent. The public has too great a stake in price and wage decisions. Competition in many sectors is too imperfect, too limited. And the Government, itself, has too great an impact on prices and wages.

For all of these reasons, the administration can no longer abdicate responsibility for participating actively in price and wage decisions which affect the public interest.

Mr. President, in light of these grave problems:

The obvious ineffectiveness of our current anti-inflationary policies, and

The obvious social and economic distortions which our current policies are creating;

I am submitting a Senate resolution which I ask, by unanimous consent, be printed at the close of these remarks.

This resolution states the sense of the Senate that:

First. A more balanced set of anti-inflationary policies must be pursued, and

Second.That the Senate must examine the peculiar nature of inflation in different sectors of the economy—such as basic industries, food, housing, medical care, and the money market—and draw recommendations for a policy mix based on the extent, causes, and most appropriate cures for these different forms of inflation.

We must cease fighting old inflation with the wrong policies. The sheer pressure of excess demand has been taken out of the economy. What remains is an inflationary psychology, a momentum of price and wage increases in certain key sectors, and other structural problems. A simplistic policy of monetary restraint is not enough. We need to seek new, flexible, and pragmatic policies. It is to encourage and facilitate this that I submit my resolution, on behalf of myself and Senators CRANSTON, GRAVEL, HART, INOUYE, MANSFIELD, MOSS, and RANDOLPH.

The ACTING PRESIDENT pro tempore. The resolution will be received and appropriately referred.

The resolution (S. Res. 357) was referred to the Committee on Banking and Currency, as follows:

S. RES. 357

Whereas the United States is currently experiencing a rate of inflation which amounted to a 6.1 percent increase in the Consumer Price Index in 1969, which steadily accelerated through the last quarter of that year, and which currently shows no sign of a significant moderation;

Whereas such a rate of inflation is known to weaken our production base, distort the allocation of resources, and worsen the international balance of payments;

Whereas such a rate of inflation is known to redistribute income, placing the greatest burden upon those with fixed or relatively fixed incomes, with proportionately higher expenses in such areas as medical payments, or with proportionately more of their assets held in money form;

Whereas this inflation has been accompanied by a rise in interest rates to their highest level in over one hundred years;

Whereas these high interest rates have had a severe impact on selected sectors of the economy, principally upon the construction industry, municipal governments and independent school districts, farmers, and small businesses;

Whereas the economy showed no real growth in the last quarter of 1969 adjusting for price increases, indicating that the United States may be on the verge of the first economic recession in nine years;

Whereas past and current efforts to control inflation have been directed almost exclusively toward the "aggregate economy," relying principally upon high interest rates and tight money, and, to a lesser degree, upon achieving a surplus in the Federal budget;

Whereas these anti-inflationary policies have paid insufficient attention to the very substantial differences in the extent and cause of, and in the most effective cures for, inflation with respect to various sectors of the economy such as: housing, food, medical care, basic industries, and others; and

Whereas this reliance upon aggregate policies of restraint with a principal concentration upon high interest rates and tight money has not brought inflation under control, but has severely distorted the economy, damaged the housing industry, and currently threatens to lead into a recession and intolerable increases in unemployment: Now, therefore, be it

Resolved by the Senate, That it is the sense of the Senate that the Administration, with the cooperation of the Congress, should seek a more balanced set of anti-inflationary policies to the end of combatting inflation and bringing down interest rates while spreading the burden of restraint more equitably among all sectors of the economy and the population, through such policies as:

1. Taking a direct interest in price and wage movements in key sectors of the economy, and taking steps to resist increases which, in the light of profits, productivity, increased costs of living, and the degree of competition in the sector, appear to be unjustified and contrary to the public interest;

2. Making use of discretionary credit controls and other such policies as provided by law to control investment spending without placing an excessive burden upon the housing industry;

3. Seeking to coordinate economic policy with programs in manpower training and public service employment to reduce the unemployment-inflation tradeoff;

4. Examining the possible inflationary impact of the government policies with respect to procurement, stockpile management, subsidies, trade restrictions, and others; and be it further

Resolved, That it is the sense of the Senate that the Congress should examine price and wage movements in such key sectors of the economy as: Basic industries, housing, food, medical care, education and other public expenditures, and the money market for answers to the following questions:

1. What has been the extent of inflation in that sector?

2. What has been the social and economic impact of inflation in that sector?

3. What have been the apparent causes of inflation in that sector?

4. How susceptible has that sector been to aggregate fiscal and monetary restraint?

5. What policy consequences can be drawn from the above information with respect to the optimal "mix" of anti-inflationary policies?

AMENDMENT OF LABOR-MANAGEMENT RELATIONS ACT, 1947 RELATING TO EMPLOYER CONTRIBUTIONS FOR JOINT INDUSTRY PROMOTION OF PRODUCTS IN CERTAIN INSTANCES

AMENDMENT NO. 485

Mr. FANNIN submitted an amendment, intended to be proposed by him, to the bill (S. 1369) to amend section 302(c) of the Labor-Management Rela-