

Mr. Mondale

Mr. President:

I am privileged to introduce today with Senators Nelson and Humphrey a bill to amend the Lower St. Croix River Act to provide an additional \$11,425,000 to carry out the preservation program for the riverway.

The Lower St. Croix River is in many ways unique in the nation. It is essentially the only unspoiled natural river in the United States which is adjacent to a major metropolitan area. The Lower St. Croix provides a wide variety of scenic and recreational opportunities to the residents of the Upper Midwest, including boating, swimming, canoeing, fishing, hiking, camping and simple aesthetic enjoyment. But because it borders the two States of Minnesota and Wisconsin, and flows through some 36 units of local government, the Lower St. Croix poses particularly complex problems of preservation and management.

It is therefore appropriate that the Lower St. Croix River should be protected by a program which is also rather unique. It is the only river within the National Wild and Scenic Rivers System to be preserved through a cooperative federal-state management program with administrative responsibilities shared by the Department of Interior and by the States of Minnesota and Wisconsin.

Under this program, the Department of Interior is responsible for preservation of the 27 miles of the river

between Taylors Falls and Stillwater, Minnesota; and the States have responsibility for the 25 miles extending from Stillwater downriver to Prescott, Wisconsin.

Under the leadership of Governor Wendell R. Anderson of Minnesota and Patrick J. Lucey of Wisconsin, the States have developed plans for the acquisition of scenic easements on all lands outside of incorporated communities within the State management zone. Plans are also underway to expand existing State Parks and to develop the new Afton State Park in Minnesota and the Kinnickinnic State Park in Wisconsin to accomplish the goals of preservation and public recreation. The States are therefore moving ahead responsibly toward full protection for the stretch of the river corridor falling under their jurisdiction.

When the Congress approved the Lower St. Croix River Act in 1972, it established the funding level on the basis of an estimate of \$7.275 million for acquisition and development along the 27 mile segment of the river to be administered by the Department of Interior. This funding level was considered to be adequate by the Administration and by the Congress at the time for the purchase of land and easements to protect the entire federal segment from Taylors Falls to the City of Stillwater.

However, on the basis of more detailed up-dated appraisals, the National Park Service now reports that the

\$7.275 million would only allow acquisition of land and easements along the upper 10 miles of the river from Taylors Falls to the Chisago-Washington County line. An additional 11.4 million would be required to purchase necessary land and easements so that the remaining 17 miles of the federal management zone can be preserved in perpetuity.

The legislation which Senator Nelson, Senator Humphrey and I introduce today is designed to accomplish this objective. We do not believe that preservat~~onn~~ of any of the Lower St. Croix River should be compromi~~s~~ed because of the current \$7.275 million ceiling on funding for the program. Clearly, it was the intent of Congress in passing the 1972 Act to assure perpetual protection for the river in its present condition.

Mr. President, I am hopeful that the Congress can move quickly on the proposal we introd~~d~~ce today to achieve this pressing objective.

Mr. Mondale

Mr. President:

Many Americans were deeply saddened by the death last month of Florence Parker. A native Minnesotan and a graduate of the University of Minnesota, Miss Parker was known for both her dedication as a public servant and for her lifelong devotion to the cooperative movement. An excellent biographical sketch of Miss Parker's career, written by Erma Angevine, appears in a book entitled Great American Cooperatives. I believe many of my colleagues would enjoy reading about this brilliant and very gifted woman.

Mr. President, I ask unanimous consent that the following sketch about Florence E. Parker be printed in full at this point in the Record.

Mr. Mondale

Mr. President:

I ask unanimous consent that the Senator from Florida (Mr. Chiles) be added as a cosponsor of S. 3055, a bill to amend the Federal Water Pollution Control Act in order to improve the program for research and demonstration of new techniques in lake pollution control.

Mr. President:

Agriculture Day has yet to be officially declared a national day of recognition. However, the National Agri-Marketing Association (NAMA) continues to push for one day to say thanks to the farmers, growers, ranchers, dairymen and businessmen who supply food energy on which this country operates. A motion has been introduced in both U.S. Senate and the H.U.S. House of Representatives. The resolution recently passed the Senate, but unfortunately it has not yet been approved by the House.

Although final Congressional adoption had not occurred, states and companies have been planning their own observances due to the urging and promoting being done by NAMA. The idea of Agriculture Day centers around the basic concept of communication. The originators thought there would be no better way of promoting greater understanding between producers and consumers than a single day through which total attention of the nation should be focused on agriculture.

A food company executive recently said that, "Every day should be Agriculture Day." No one disagrees. However, spreading the focus out over such a long period of time tends to diffuse the efforts. But, setting aside a single day gives agriculture an opportunity to present a strong cohesive picture to the nation.

On Agriculture Day the Farm sector of Agri-business and members of the National Agri-Marketing Association will be engaging in several activities. Included will be Farmers for a Day, an effort to enable farmers to take a day off. Although it might be unrealistic to try and envision city executives stepping into the farmers role for a day and doing chores for them, the mere fact that they will be going out to farms to work alongside farmers will indeed increase their understanding of the day to day routine on the farm. Other efforts on Agriculture Day will include the visiting of farms by public officials and non-Agri-business members of the business community, thus increasing their understanding of the farmer's role. And probably most important of all, homemakers and consumer groups will be welcomed into the countryside to get a grass roots look at what it requires to produce the food that they buy in the supermarket.

Much of this sounds like tokenism or symbolic gestures on the part of the non-farmers; it goes far beyond that. Agri-marketers who have headed up this campaign deserve much credit for an effort to increase non-farm understanding of food production. There is indeed a deep need for fuller understanding of the farmer's situation. Members of NAMA certainly deserve credit for their efforts in trying to more fully tell the farmer's story.

Senator_____

Dick_____

To: Senator

Fm: Gail

Tony Minnichsoffer has asked that you put a statement in the Record on Agriculture Day. This celebration was held in Minnesota a couple of weeks ago -- at the prompting of the National Agricultural Marketing Association, a group of agribusiness leaders. So far as I can tell, actual farm groups did not get involved at all. Tony drafted the attached statement.

Mr. President:

Agriculture Day has yet to be officially declared a national day of recognition. However, groups such as the National Agri-Marketing Association (NAMA) continue to push for one day to say thanks to the farmers, growers, ranchers, dairymen and businessmen who supply food energy on which this country operates. A motion for designation of Agriculture Day was recently introduced in both the U.S. Senate and the U.S. House of Representatives. The resolution recently passed the Senate, but unfortunately it has not yet been approved by the House.

Although final Congressional approval has not been granted, States, farmers and related businesses have planned and carried out their own observances with the assistance of organizations such as the NAMA. The idea of Agriculture Day centers around the basic concept of a communication. The originators thought there would be no better way of promoting greater understanding between producers and consumers than a single day through which ^{the} total attention of the nation should be focused on agriculture.

On Agriculture Day in Minnesota farmers, public officials and members of the National Agri-Marketing Association took part in a variety of activities. Included was 'Farmers for a Day,' an effort to enable urban dwellers to switch roles with farmers. The mere fact that they went out to farms to

work alongside farmers did indeed increase their understanding of the day to day routine on the farm. Other efforts on Agriculture Day included the visiting of farms by public officials and non-Agri-businesss members of the business community, thus increasing their understanding of the farmer's role. And probably most important of all, homemakers and consumers groups were welcomed into the countryside to get a grass roots look at what it requires to produce the food that they buy in the supermarket.

The individuals who have headed up this campaign deserve a great deal of credit for an effort to increase non-farm understanding of food production. There is a deep need for fuller understanding of the farmer's situation. Members of NAMA certainly deserve credit for their efforts in trying to tell the farmer's story.

EXPORT ADMINISTRATION ACT AMENDMENT

Mr. President:

I am today introducing a bill to amend the Export Administration Act to enable the United States to more effectively deal with the use of export controls as a new weapon in international politics. This bill is similar to a series of amendments which I have already offered to the Trade Reform Act, amendments which have received broad support from Administration officials and a variety of experts in international economic policy.

These amendments focus on the need to strengthen our international economic institutions and the authorities available to the President to deal with the unjustified and unreasonable imposition of export embargoes.

Although the oil producing countries of the Middle East have now lifted their embargo on petroleum exports, their decision to withhold vital energy supplies has had a profound impact on our world economic system. It has brought us face to face with the perils posed by shortages, whether artificially or naturally induced, to the economies of both developing and industrialized nations. And it has revealed the inadequacy of existing international rules and procedures to cope with the problems of inflation and resource scarcity that constitute the primary threat to world prosperity and peace in the final quarter of the twentieth century.

The effects of the ~~production~~ cutbacks and selective embargoes imposed by the Arab oil producing nations are seen in the accelerated inflation that has gripped the highly industrialized countries in North America, Europe and Japan. They are also apparent in the acute economic problems that threaten to overwhelm resource-poor developing countries in Africa and Asia.

Old alliances and international economic institutions have proven to be shockingly weak in the face of the threat posed by the oil embargo. Instead of seeking to act cooperatively, consuming countries have shown a disturbing tendency to compete against one another for available supplies, thereby adding to the danger that monopoly suppliers of other raw materials will be encouraged to follow the example of the petroleum producers.

Obviously, nations that possess vitally needed raw materials are entitled to a fair and sufficient return for these products. Many such nations are only now beginning to enjoy the benefits of development, and they are desperately seeking the capital to diversify their economies before their supplies of non-renewable resources are exhausted.

At the same time, no nation or group of nations has the right to hold other countries hostage to their economic and political demands solely because by accident of geography they happen to possess valuable raw materials.

throughout most of the twentieth century, the world economic order has focused on the problems of surplus production. In order to prevent recession and unemployment, international rules were adopted under the General Agreement on Tariffs and Trade to assure equitable access to the world's export markets. Today we are entering a new era of shortages of energy, food and even manufactured products; and new international rules are urgently needed to assure equitable access to supplies of scarce raw materials.

The special session of the U.N. General Assembly on Raw Materials and Development demonstrates the mounting concern among both industrialized and developing countries about the perils of global scarcity and inflation. Secretary General Waldheim, in addressing the opening meeting of the U.N. Raw Materials and Development session, pointed to the six major problems affecting the availability and use of natural resources, including mass poverty, growing world population, depleted reserves of food, shortages of energy, extravagant expenditures for armaments, and spiralling inflation. As the Secretary General pointed out:

"Each of these problems -- all directly related to our natural resources -- has a direct bearing on the future peace and stability of the world. No member state can insulate itself from their effects. And, if those problems individually were not bad enough, we must recognize that they are all interconnected and interact on each other, and in so doing have a multiplier effect."

I think it is especially important to recognize the validity of Secretary General Waldheim's comment that no country can hope to isolate itself from the impact of worldwide scarcities and inflation. Especially for a highly industrialized country like the United States, it would be folly to think that we could simply slam the doors of international commerce and hope to escape the effects of economic distress among our major trading partners and the possible disaster for many countries in the developing world.

For this reason, I would like to compliment Secretary of State Henry Kissinger for what I thought was a forward looking and constructive speech before the U.N. special session. In highlighting the theme of global interdependence, and pledging the cooperation of the United States in working to solve world food, energy, trade, monetary and related problems, I believe Mr. Kissinger made an important contribution to the meeting. To be sure, the details of the Secretary of State's proposals must be specified, and extended negotiations will be required before any definitive agreements can be reached.

Yet the Congress need not wait for conclusive agreements before taking steps to enable the United States, in cooperation with other countries, to effectively address the problems of shortages and inflation.

As a first step, the Trade Reform Act, now under consideration by the Senate Finance Committee, should be amended

to focus on the problem of access to supplies of raw materials as well as access to markets for our products. The U.S. negotiations should be directed to seek to extend and strengthen the provisions of the General Agreement on Tariffs and Trade to include enforceable international sanctions against the unjustified or unreasonable use of export embargoes. Finally, -the President should be granted increased authority to respond to export embargoes against the United States in accordance with the rules and procedures adopted under the G.A.T.T.

The Export Administration Act, like the Trade Bill, should be amended to address the new economic conditions we face. The events of the past year clearly demonstrate that export control policies can have profound international as well as domestic consequences. While in some cases export controls may be fully justified, before they are imposed careful consideration should be given to their effects on countries that depend on us for supplies and on the future availability of the imports we need, as well as on the supply and price of items that may be subject to controls.

Already the United States is dependent upon imports for six of the 13 major raw materials required by our industries. By 1985 experts predict that we will be dependent on imports for 13 of these materials. In some cases, producing countries have already established organizations, modeled after the oil cartel, to consider matters related to production and prices of their resources. Unless the United States and other

countries join to consider the problems of raw materials, scarcity in a climate of cooperation, there is the increasing potential for economic blackmail by producing nations. As Fred Bergsten recently pointed out:

"Four countries control more than 80 percent of the exportable supply of world copper, two countries account for more than 60 percent of world tin exports, and four countries raise that total close to 95 percent. Four countries combine for more than 50 percent of the world supply of natural rubber. Four countries possess over one-half of the world supply of bauxite. And a handful of countries are coming to dominate each of the regional markets for timber."

With a proper understanding of the interdependence of producing and consuming nations, steps can be taken toward international agreements on resources which would seek to optimize the economic benefits for all nations involved.

The bill I introduce today is designed to update the Export Administration Act to provide new recognition of the international implications of our export control policies and of the need for world agreements to prevent the unjustified or unreasonable use of export embargoes. It would also strengthen the President's authority to respond to export embargoes that are directed against the United States.

My proposal would first update the findings of the Export Administration Act by adding two new sections, declaring

that in time of worldwide shortages all countries benefit from policies which discourage the unreasonable imposition of export embargoes, and that it is in the interest of the United States to work with other nations in developing enforceable international rules to prevent the unjustified use of embargoes.

Secondly my bill would amend the declaration of policy to provide that it is the policy of the United States to use export controls to the extent necessary to seek an adjustment in the economic policies or actions of countries which deny us equitable access to their goods.

Third, this measure would clarify and broaden the tools available to the President to respond to export embargoes against the United States by providing that he may deny economic and military aid, credits and investment guarantees and may restrict private direct or indirect investment by U.S. companies in countries that impose such embargoes.

Fourth, my proposal would provide that if international agreements are achieved and multilateral sanctions are authorized to prevent the unjustified use of export embargoes, the President shall exercise the new retaliatory authorities granted in conformity with such agreements.

Finally, the bill would require that the President provide an appropriate opportunity for the presentation of public views and, upon request, for public hearings before he institutes retaliatory action against offending countries.

I recognize that a number of other proposals have been introduced by the Administration and by my colleagues in the Senate to modify the Export Administration Act in accordance with the changes I have proposed in the Trade Bill. I think these proposals are both useful and constructive; however, three specific concerns have prompted me to introduce a separate bill. Specifically, I believe it is essential that the Export Administration Act reflect the strong support of the Congress for cooperative international solutions, rather than strictly unilateral action in response to the problem posed by unreasonable export embargoes. I believe we must provide the strongest possible leadership on behalf of world cooperation in matters of access to natural resources. Secondly, I think it is essential that we give the President the best available tools in bargaining to achieve world agreements and ensuring that the United States is not victimized by discriminatory trade embargoes. And third, I think we must take care to build effective procedural safeguards into the Act so that retaliatory authorities cannot be needlessly or arbitrarily invoked.

I am hopeful that the Senate Committee on Banking and Currency in the consideration of the Export Administration Act will give careful thought to these suggestions. The issues that must be resolved are among the most complex we have faced in recent decades. As Secretary of State Kissinger recently told the UN General Assembly:

"Not since the 1930's has the economic system of the world faced such a test. The disruptions of the oil price rises, the threat of global inflation, the cycle of contraction of exports and protectionist restrictions, the massive shift of the world's financial flows and the likely concentration of invested surplus oil revenues in a few countries -- all threaten to smother the once-proud dreams of universal progress with stagnation and despair."

"A new commitment is required by both developed and developing nations to an open trading system, a flexible but stable monetary system and a positive climate for the flow of resources both public and private."

I believe we should make such a commitment; and strictly on the basis of our own self-interest, we must do so if we are to enjoy security and prosperity in the coming years. My bill is offered in the hopes of encouraging a climate of international cooperation in dealing with one of the most difficult issues before the Congress and the world community. I am hopeful that my colleagues in the Senate will carefully review and endorse this needed measure.

Mr. President, I ask unanimous consent that the full text of my proposal be printed at this point in the Record.

Mr. Mondale

Mr. President:

Senator Humphrey and I are today reintroducing legislation which we offered last December to preserve and upgrade ~~the~~ quality of rail services to rural America.

During the ~~debate~~ on the Rail Services Act of 1973, Senator Humphrey and I proposed two amendments, one to mandate a comprehensive study of the impact of branch line abandonments on our nation's economic, social and environmental requirements, and to provide federal assistance to continue service along essential lines which would otherwise be discontinued. Our second amendment would have placed a two year moratorium on railroad abandonments pending completion of the study and the implementation of State and local programs to effectively ~~utilize~~ federal rail service continuation grants. These amendments were adopted by the Senate, but unfortunately, they were dropped from the bill during conference committee.

Today, we are introducing our amendments in the form of a clean bill, the Rural Rail Preservation Act of 1974.

The need for such legislation is even more critical today than it was just a few months ago. Since then, 24 new applications for branch line abandonments have been filed with the Interstate Commerce Commission, bringing the total number of cases now pending to 197. If each of these abandonments is ultimately granted by ~~the~~ Commission -- and since 1960 the I.C.C. has approved more than 97 percent of the

requests they have received -- rural America stands to lose more than 3,300 miles of track.

During 1974 our nation's farmers will be expanding their production of wheat by 15 percent and of corn by 15 percent. Growing world demand for food means that our agricultural communities will need ever greater quantities of seed, fertilizer, machinery; and they will be shipping unprecedented quantities of grain to market.

Even at somewhat lower production levels in 1973, rural areas throughout the midwest and virtually every other region in the country suffered costly delays and bottlenecks in seeking to move their commodities to market and to bring in supplies of fertilizer for spring planting. These problems are not getting better; they are getting worse, and if we do not find ways to solve them, consumers in the years ahead will also suffer from higher prices for the food they eat.

Incredibly, the Administration's solution to this problem is not to provide assistance to rural communities to preserve and improve the quality of transportation services; it is rather to accelerate the pace of branch line abandonments.

Over the past three years alone, rail abandonments have resulted in the loss of 7,800 miles of track to rural communities. Now, in an effort to further accelerate the pace of abandonments, the I.C.C. is attempting to expedite abandonments on lines which handle a volume of fewer than 34 carloads per year

mile each year. According to a study by the Iowa State government, the new 34 car rule could result in the loss of 19 percent of the State's nearly 7,500 miles of rail line through abandonment. Other states face equal or more severe problems with the 34 car rule.

Instead of hastening the demise of America's rural transportation system, the federal government ought to be moving to upgrade that system. Steps should be taken to modernize rail lines that would be profitable if only track and roadbed were restored to an adequate condition.

Beyond the issues of food production and the impact on rural growth and development, there are other major reasons why our policy of accelerating rail abandonments should be re-examined.

First, there is the question of energy use. Studies show that trains can move each ton of freight for from 1/4 to 1/7 the amount of fuel required by trucks. At a time when our nation faces an energy crisis, we ought to be encouraging, not abandoning, fuel-efficient methods of transportation.

Second, in terms of environmental quality, trains generate less pollution and require less land than alternative means of transportation.

Third, in terms of our nation's social goals, I believe we ought to carefully evaluate the effects of a policy which makes it even more difficult for people to earn a decent living

in the countryside. We ought to find out the impact of abandonments on employment and business opportunities for rural community residents. We ought to examine the costs to railroad employees and others who are affected.

The bill which Senator Humphrey and I introduce today does not argue that all railroad abandonments are wrong. We are not saying that every branch line must be preserved indefinitely. However, we do believe that before our nation is irrevocably committed to a policy of widespread rail abandonments, we ought to take a careful look at where we are going. Our bill would provide the mechanism to determine the costs, benefits and alternatives to rail abandonments, not just to rural America but to our nation as a whole. If we find that the total costs of abandoning a branch line exceed the benefits, our proposal would enable States and local communities to assure that service will be continued. The Regional Rail Reorganization Act of 1973 provides federal assistance to State and local governments for up to 70 percent of the cost of keeping essential branch lines in operation if they are located in the Northeast Rail Emergency Region. The bill which Senator Humphrey and I introduce today would extend this same program throughout the nation to help all communities that are threatened by the abandonment of rail service. It would also raise the authorization to carry out the program from \$100,000,000 to \$200,000,000 per year.

Finally, to provide time for study of our rural transportation network and to enable State and local governments to set up programs to utilize rail service continuation grants, our bill would provide for a temporary 2-year moratorium on rail abandonments. This moratorium could be waved whenever an an abandonment request is not opposed by any State, county, or municipality served by the line.

As evidence of the strong State and local support for this measure, I ask unanimous consent that a resolution, adopted by the Minnesota State Legislature on February 25th, and an editorial from the St. Paul Pioneer Press be printed in full at this point in the Record along with the text of the bill.

(Note: Please insert Senator Humphrey's statement directly after Senator Mondale's before the text of the bill, the articles and editorials.)

Mr. President:

Cattle farmers in the United States are today facing what is probably the worst economic crisis since the Great Depression. Producers are losing an average of from \$100 to \$200 per head on their livestock. For a farmer marketing two hundred head of cattle this works out to a loss of \$20,000 to \$40,000.

Already this crisis has lasted for a half year after prices received by farmers dropped by a third when the price ceiling on beef was lifted. Although the market began to show some recovery at the beginning of the year, these modest gains were wiped out as cattle once again backed up in the feedlots during the truck strike.

As a result of the prolonged depression at the farm level, many cattle feeders are being forced to drastically cut back on replacement livestock, and some are being forced out of business altogether. Unless some action is taken, this disaster at the farm level may soon become a disaster at the supermarket level with shortages and sharply higher prices for beef.

To avert such a disaster, the Minnesota Farmers Union recently proposed that a program of low interest emergency loans be created to assist cattle feeders who have suffered losses of at least \$5,000 but who, despite these losses,

are willing to try to re-enter the highly volatile livestock market. Such a program would, of course, be confined only to family farmers and not to tax-loss or large-scale commercial operations.

Consumers may legitimately question the merits of a proposal to help cattle farmers when many cannot afford to pay the current retail price for beef to feed their families. Supermarket prices for beef have not declined in proportion to the precipitous drop at the farm level. If this had happened, increased demand for meat might have adjusted farm prices to a level which would have allowed operators to stay in business. I have joined with a number of other members of the Midwest Caucus of Democratic Senators in urging the Federal Trade Commission to examine the price spreads for beef as part of its investigation of the food industry.

Nevertheless, any readjustment in retail prices prompted by the Federal Trade Commission's findings would come too late to save the many farmers who are now suffering crippling losses.

That is why I recently wired the Secretary of Agriculture to urge that the Department of Agriculture give its immediate and very serious consideration to the Minnesota Farmers Union proposal. I would hope that this constructive proposal would also be carefully reviewed by my colleagues in the Senate.

Mr. President, I ask unanimous consent that the Farmers Union telegram, news release and my wire to Agriculture Secretary Earl Butz be printed in full at this point in the Record.

Of Thee I Sing

Mr. President:

At a time when the political and economic problems of our nation have drained the optimism of many an American, I believe we ought to take a moment to regain spirit and strength to meet these challenges. We ought to recount the many blessings we enjoy and be thankful for the wealth that is part of our country's heritage.

Today's New York Times carries an article written by Msgr. Vincent A. Yzermans, who is pastor of the St. Rose of Lima Church in Freeport, Minnesota. This column, entitled "Of Thee I Sing", in an almost poetic fashion captures the essence of that vitality and confidence that have enable the American people to survive and prosper in the face of war and poverty.

I commend this article to my colleagues in the Senate, and I ask unanimous consent that it be printed in full at this point in the Record.



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