

The CHAIRMAN. I am not myself interested in any of the personal matters, but I am interested in the broad problem here of helping to bring about improved regulation.

Mr. MORGAN. I understand, sir.

The CHAIRMAN. You are a young man.

Mr. MORGAN. I thank you for the kind words, sir. I am not sure you are accurate.

The CHAIRMAN. You can understand my statement when you realize my age at this stage in comparison to yours. But you have had 25 years of experience in this field of regulation, you say?

Mr. MORGAN. Let me add that that is not continuous experience, sir. The experience covers a span of 25 years, but it is not continuous in this field.

The CHAIRMAN. But you have had long experience?

Mr. MORGAN. Yes, sir.

The CHAIRMAN. Now, am I to understand that you have decided that there is not enough imagination in dealing with the problems of regulatory agencies, even though you have convictions, that you have become discouraged and perhaps disgusted and given up hope that you can accomplish what in your mind you feel would be best in carrying out the laws, and just decided you would get out; is that a fair statement or not?

Mr. MORGAN. Well, I wouldn't put it quite that way. But there is a question, and there has been increasingly a question in the minds of students of regulatory affairs over the past few years, as to whether utilities can actually be regulated in the manner envisaged by the authors of the legislation under which they are supposed to be regulated.

And this in part is what I was talking about in my letter to the President. We live in an age which enables enormous pressures to be generated, and as I said, focused with great skill on the agencies of Government that are supposed to control certain sectors of industry.

Now, I am sure I don't have to tell the members of the subcommittee who have dealt with regulatory matters for many years that the regulated sector of industry is very different from the unregulated. As I said in my letter, it has enormous privileges which become rights when they are granted by law as they are. And those industries are very quick, as they should be, to take advantage, full advantage and prompt advantage, of all the rights that they have. They are not so quick to accept the responsibilities that go along with those advantages.

The CHAIRMAN. Are you talking about the industries?

Mr. MORGAN. Yes, sir.

And the pioneer legislators who enacted the laws expected the regulatory agencies to be firm, and it is necessary for them to be so, and to be prompt to seeing to it that the other side of this compact between the regulated utilities and the public is carried out. If the agencies are not firm, if they are not prompt, if they don't move on their own initiative to investigate and to hand down orders, the natural expectation is, gentlemen, that the executives of those industries, competing with each other for the top jobs and for the favor of stockholders, will be forced by the very pressures of cor-