

[In billions]

Dollars held by other nations for which gold could be demanded:

10 years ago-----	\$14.4
Now -----	29.0
Up -----	14.6

If all foreign claims were pressed, there would not be enough U.S. gold to go around. As supply dwindles, Americans more and more are wondering what's causing this drain, what can be done to protect remaining reserves.

NOTE.—Foreign gold holdings and claims against U.S. gold exclude those of the International Monetary Fund.

Source: Federal Reserve Board.

Mr. YARBOROUGH. Mr. President, in conclusion, let me say that there are almost \$2½ billion, \$1.3 billion from Latin America, most of that from Mexico, Argentine, and Venezuela, on deposit in American banks. If we tax these deposits, they can place that money in France, Germany, the Netherlands, or elsewhere, where they will not have to pay any tax on those deposits. There is a tax of 5 percent in some countries. In England there is a technical tax of 4½ percent, but they do not enforce it. If we want to drive those deposits out of U.S. banks into banks in Paris or Bonn or Rotterdam or Amsterdam, we can do it.

The point is that, regardless of where this money comes from, if we impose this tax on it, the money will flee this country and go to Paris, Bonn, London, or the Netherlands. The way to redress the problem which the distinguished Senator from Delaware speaks of is by multilateral international treaty. If we act unilaterally we are cutting off our nose to spite our face.

And in answer to the Senator's argument that we would be gutting the original purpose of the bill if we remove this provision, I repeat what I said earlier—that this provision wasn't even in the administration bill.

The ACTING PRESIDENT pro tempore. All time on the amendment has expired. The yeas and nays have been ordered.

Mr. WILLIAMS of Delaware. Mr. President, I yield 2 minutes on the bill to the Senator from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. President, I voted against this amendment in committee, and I shall vote against it today. The chairman of the committee has suggested that we may take it to conference. I voted against the amendment because many of the wealthy in Latin America send their money up to this country for deposit when they should be investing that money in their own country, instead of asking the United States for aid.

I hope the Senate will vote it down.

Mr. MANSFIELD. Mr. President, will the Senator from Delaware yield me 2 minutes?

Mr. WILLIAMS of Delaware. I yield 2 minutes on the bill to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I yield that 2 minutes to the distinguished Senator from Louisiana [Mr. ELLENDER], who has a group of colleagues and friends to bring into the Chamber.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana [Mr. ELLENDER] is recognized.

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EQUITABLE TAX TREATMENT FOR FOREIGN INVESTMENT IN THE UNITED STATES

The Senate resumed the consideration of the bill (H.R. 13103) to amend the Internal Revenue Code of 1954 to provide equitable tax treatment for foreign investment in the United States.

Mr. MANSFIELD. Mr. President, I suggest that we have the vote on the amendment, and during the course of the vote, Senators who so wish may have the opportunity to visit with their fellow parliamentarians from Sweden.

The ACTING PRESIDENT pro tempore. All time on the amendment having expired, the question is on agreeing to the amendment of the Senator from Texas. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. DIRKSEN (after having voted in the negative). On this vote I have a pair with the Senator from Montana [Mr. METCALF]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. LONG of Louisiana (after having voted in the affirmative). On this vote I have a pair with the Senator from Nebraska [Mr. CURTIS]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withdraw my vote.

Mr. LONG of Louisiana. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Indiana [Mr. BAYH], the Senator from Idaho [Mr. CHURCH], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], the Senator from Michigan [Mr. HART], the Senator from Arizona [Mr. HAYDEN], the Senator from New York [Mr. KENNEDY], the Senator from New Hampshire [Mr. McINTYRE], the Senator from Montana [Mr. METCALF], and the Senator from Utah [Mr. MOSS] are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana [Mr. BAYH] and the Senator from Mississippi [Mr. EASTLAND] would each vote "yea."