

law went into effect about the following August. As a practical matter, it was retroactive, and it went into effect the same day for every corporation in America.

All the amendment says is that companies doing business in American possessions such as the Virgin Islands, Puerto Rico, Guam, and American Samoa receive the same treatment as companies doing business in the United States. We have negotiated tax treaties with first one underdeveloped nation and then another, saying that American people doing business there get the same tax treatment which this amendment provides for our own island possessions. It is customary, when you pass a tax bill, to make its effective date either January 1 or the end of the fiscal year.

The PRESIDING OFFICER. The Senate will be in order.

Mr. LONG of Louisiana. Mr. President, I have explained these other items in great detail, and I shall not go into them now, because Senators wish to vote. I am prepared to explain it in greater detail after the vote is over.

Mr. WILLIAMS of Delaware. Mr. President, may I have 2 minutes?

The PRESIDING OFFICER. The Senator from Delaware.

Mr. WILLIAMS of Delaware. I do not wish to leave the RECORD confused. The effective date, as applied to the Virgin Islands refers to buildings completed after December 31, 1965, but the tax credit is allowed on machinery which went into the buildings in 1963 and 1964, or prior to that date. This bill provides a retroactive \$2 million tax reduction for one company only—Harvey Aluminum Co. Why?

In that connection, I ask unanimous consent to have printed in the RECORD at this point a list of contributions officers of this company made to the President's Club. In addition, the record shows that Harvey Aluminum was the purchaser of a \$15,000 full-page ad in the 1965 Democratic ad book.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Sept. 1-Dec. 31, 1965:

H. Harvey, 19200 Southwest Ave., Torrence, Calif.....	\$1,000
L. M. Harvey, 19200 Southwest Ave., Torrence, Calif.....	1,000
L. A. Harvey, 19200 Southwest Ave., Torrence, Calif.....	1,000

Mr. WILLIAMS of Delaware. Mr. President, I wish to read into the RECORD a short quotation which seems to be particularly appropriate at this time when Congress seems to be in such an extravagant mood. This statement was made 175 years ago by Dr. Alexander Tytler, professor of general history, of the University of Edinburgh. I think it would be well for Senators to take heed to these words. This statement was

made at the time when our Government was first established, and was Dr. Tytler's comment upon this new democracy:

A Democracy cannot exist as a permanent form of government. It can only exist until the voters discover that they can vote themselves largess out of the public treasury. From that moment on the majority always votes for the candidate promising the most benefits from the public treasury, with the result that a democracy will always collapse from a loose fiscal policy (burden of large public debt), always to be followed by a dictatorship.

Mr. President, I hope Congress will take heed to this statement before we go too far down the road of taking care of special interests in special interest legislation on the eve of elections. It would be well to remember that as Members of the Senate we are supposed to pass tax legislation which benefits the American people as a whole and not just the few who happen to have a special pipeline into the Treasury.

Mr. MURPHY. Mr. President, all Americans are concerned about the astronomical cost of presidential elections. Private citizens, journalists, legislators, historians, political scientists, and other students of government have all recognized that presidential campaign costs have gotten out of line and that ways must be found to reduce them. A great deal of this added cost has resulted from the use of television.

It seems clear that unless Congress acts, the already astronomical campaign costs of television and radio will continue to soar. The Federal Communications Commission estimated that the total campaign expenditures for local, State, and national offices amounted to \$200 million in 1964. This figure represents a 25 percent increase from 1960. For television and radio alone, the Federal Communications Commission estimated for 1964 a cost that amounted to \$35 million, and the Broadcasting magazine estimated that the combined radio and television costs for 1964 was \$40 million, of which approximately one-half was for presidential election.

Mr. President, there is little question that the networks and stations using the airways occupy a special trust and owe

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a special duty to the American people. They are issued a license by the Federal Communications Commission and must serve the general public. In my judgment, both the Congress and the FCC should explore the possibility of requiring networks and stations to make available free time to the major parties on an equal time basis. I am convinced that the networks would be willing to do this and by so doing not only will they help to reduce the astronomical campaign costs but also would help to formalize the presentation of candidates and issues