

5. Can the sliding royalty scale be meaningfully laid out without a history on which to base this requirement? I think this whole area of royalty has been discussed beautifully in the hearings of this committee, and I cannot do anything further with it.

I would like to make this further statement. In our overprotectiveness we may now be setting up stringent regulations that will strangle an industry before it can evolve. Once the history of an oil shale industry has developed, a better basis for a pertinent regulation can emerge and will emerge. Regulations once set in print and established as precedent are difficult, nearly impossible, to change. Too much regulation and too much detail might well create an unworkable monster of control that could prove outmoded in its first year of operation. Let us not forget that economic incentive is a vital part of private initiative, and this aspect, too, must be protected in the contemplated development of an oil shale industry.

Mr. Chairman, I applaud the resolve of this committee in its desire to look deeply into the problems and the policy involving oil shale. In your wisdom you may find that the base of law on which administrative decisions must now be made is far too general. Such generalized authority may now be forcing our Secretary to follow an overly cautious route.

You, as the Congress, cannot dictate administrative practice except by review of existing law and the enactment of new legislative directions.

Those of us concerned about oil shale hope for the removal of the roadblocks that have kept this industry dormant for over 40 years, and we applaud the interest and the attention you are giving it. Thank you.

Senator Moss. Thank you very much, Dr. Childs, for your very fine statement. Your summary may have made it a little disjointed, but what you had to say was certainly very powerful and to the point, and we are glad to have your full statement for the record. Your background and experience and the position that you now occupy in the Colorado School of Mines, and your service on the Oil Shale Advisory Board, bid us to pay attention to your words, and we do. We are very happy to have your comments. Your closing words about the oil shale industry having been kept dormant for 40 years is certainly something that does concern this committee greatly, and we are anxious, if we can, to awaken "Sleeping Beauty" and get this industry on its feet and operating. Your advice and your comments are certainly appreciated. Thank you.

Senator Allott.

Senator ALLOTT. Well, I would like to comment on two or three things. First of all, the Colorado School of Mines Research Foundation, of course, is the entity with which the Department of the Interior contracted for the operation of the research at Anvil Points, and I think that should be mentioned.

Dr. CHILDS. I think I forgot to say, Senator Allott, that as president of the Colorado School of Mines, I am also president of the Research Foundation and hence, my deep interest in this problem.

Senator ALLOTT. Then I must say in talking with various people who have been involved in that research I have heard nothing but the