

Mr. FULTON. By putting the tax on the product that is going to cause the pollution, you then have a readymade antipollutant to clean it up.

Dr. WEINBERGER. I can see some difficulties, Mr. Fulton, because almost everything that we buy and everything that we use ends up being a pollutant. The food that we buy.

Mr. FULTON. You can certainly tax detergents and not food.

Dr. WEINBERGER. This is one of the problems in terms of what one—

Mr. FULTON. With that approach, the question is on what you can do with handling milk or beer. You can do a lot more things with beer through the governmental approaches, or on cigarettes, that you can not do with milk.

If we could pick some products that were known to be pollutants, or manufacturing processes that cause extreme pollution, why not tax them? The more the pollutant the bigger the tax.

Dr. WEINBERGER. I don't think Mr. Fulton is asking for any comment from me.

Mr. FULTON. Really I am. We are looking for methods. I would do it. Would you?

Dr. WEINBERGER. I would say that the question of incentives, both positive and negative, for providing the financial resources for accomplishing pollution control, this is certainly one of them that has to be explored with all the policy and public ramifications.

Mr. FULTON. My approach is not give them two carrots, by tax reductions, but add the tax on if they pollute. Do just the opposite. Don't try to ingratiate them. What do you think of that?

Mr. DADDARIO. I would think that that is a question Dr. Weinberger is not here to answer, Mr. Fulton. He could not say yes or no.

Mr. FULTON. This is your third rescue, Dr. Weinberger.

Dr. WEINBERGER. I appreciate the help from all of the members.

Mr. DADDARIO. Dr. Weinberger, taking your charts 2 and 3, however, recognizing what you are trying to accomplish, the fact is, as I understand it, 15 out of 50 States have submitted criteria for standards which you would approve. Do we really know what all of these graphs mean? Are these lines going to go really in this direction?

Considering the fact that the entire process of standard setting is occurring with very little knowledge of either the benefits or costs from controlling pollution; are we right or wrong? Are we doing too much or too little?

Mr. Brown raised a very good point. The economics of this could very well be a controlling factor. Do we know enough to point these criteria in the right direction?

I will quote from a statement by Jack W. Carlson, who is the senior staff economist with the President's Council of Economic Advisers.

He talks about the process of standard setting and goes on to say:

Although the situation is lamentable, measurements take time and if some damage is obvious, though unmeasurable, some abatement is acceptable pending better determination of an appropriate level.

The whole thing gets kind of mixed up and because it is such a problem, we are thinking of spending some \$26 billion in the next few years. Are we operating on such a shaky base. I would like your ob-