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CONGRESS AND FOREIGN POLICY: 1974

PREPARED FOR THE
COMMITTEE ON INTERNATIONAL
RELATIONS
U.S. HOUSE OF REPRESENTATIVES

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U.S. GOVERNMENT PRINTING OFFICE
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(II)

FOREWORD

HOUSE OF REPRESENTATIVES,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, D.C., April 15, 1975.

With the resurgence of congressional activity in foreign affairs, the need has arisen for a document which summarizes the activities of the Congress in that area.

The Committee on International Relations long has provided summaries of its own activities in documents such as the annual *Survey of Activities* and the biannual *Legislative Review Activities* report. Those documents do not, however, provide information in any comprehensive way about foreign affairs-related activities of other House committees, the Senate or the Congress as a whole.

For that reason, the Committee on International Relations has requested the Foreign Affairs Division, Congressional Research Service, to prepare this report. It provides a brief description of the many actions taken by Congress in 1974 which impact on American foreign policy.

Although this volume encompasses developments of an entire year, subsequent documents in this series will be issued periodically throughout the current year, with a cumulative volume for 1975 to be published early in 1976.

It is expected that these documents will be of assistance to the committee and its members in undertaking both legislative and oversight responsibilities in the area of foreign affairs. The report should also prove helpful to other committees and Members of Congress, as well as to scholars, the press, and the public.

THOMAS E. MORGAN, *Chairman*.

(III)

FOREWORD

HON. J. H. HARRIS, U.S. SENATOR
FROM THE STATE OF TEXAS
DALLAS, TEXAS, 1902

THE following is a statement of the facts and circumstances which have led to the preparation of this report. It is the result of a long and careful study of the subject, and is intended to be a complete and accurate statement of the facts and circumstances which have led to the preparation of this report. It is the result of a long and careful study of the subject, and is intended to be a complete and accurate statement of the facts and circumstances which have led to the preparation of this report.

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LETTER OF TRANSMITTAL

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., March 18, 1975.

HON. THOMAS E. MORGAN,
Chairman, Committee on International Relations,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: The following report, "Congress and Foreign Policy: 1974," has been prepared by the Foreign Affairs Division of the Congressional Research Service in response to your request for a summary of congressional activities relating to foreign policy during the past calendar year. The study describes congressional activities in 16 functional and geographic areas, and highlights significant events. Marjorie Niehaus, Analyst in International Relations, coordinated the research.

Sincerely,

LESTER S. JAYSON, *Director.*

LETTER OF TRANSMITTAL

The following is a copy of the report of the
Committee on the subject of the proposed
amendment to the Constitution of the State of New York.

The report of the Committee is herewith submitted to the Senate, and it is respectfully recommended that the same be referred to the Committee on the subject of the proposed amendment to the Constitution of the State of New York.

Very respectfully,
JAMES S. HARRIS

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INTRODUCTION

During 1974 Congress continued to reassert its role in the conduct of foreign policy. Among the ways in which congressional action altered the direction of foreign policy were the limitation of aid to Indochina, the cutoff of aid to Turkey, the regulation of trade with and financing for nonmarket economy countries, and the limitation of the commitment of U.S. military power.

Vietnam assistance was cut by Congress in the Defense appropriations act which provided \$700 million in military aid to South Vietnam—\$300 million less than the authorization. This act also cut the authorized number of U.S. military and civilian employees in South Vietnam by 10 percent. The Foreign Assistance Act of 1974 restricted economic assistance to South Vietnam to \$449.9 million and set a ceiling of \$377 million in total foreign assistance for Cambodia and \$70 million for Laos.

Congress showed concern for the human rights of individuals in foreign countries and for the special needs of those in the less developed countries. Section 46 of the Foreign Assistance Act required the termination or substantial reduction of security assistance to any government that grossly violates the rights of its people, and section 49 stated that a special effort should be made to provide more assistance to the least developed countries that are in Africa.

In light of Turkish use of U.S.-supplied arms and materiel during its July invasion of Cyprus, the Congress passed legislation requiring a halt to military aid to Turkey on the grounds that that country was in violation of the Foreign Assistance Act of 1961 and the Foreign Military Sales Act. The President was permitted to delay the cutoff until February 5, 1975.

Congressional action on economic legislation had substantial impact on U.S. foreign policy. In the Trade Act of 1974 trade benefits for the Soviet Union, as a result of congressional insistence, were made conditional upon more liberal Soviet emigration policies. For the extension of nondiscriminatory treatment to the Communist countries Congress also required bilateral trade agreements to be approved by a concurrent resolution of Congress. Congressional demand for closer oversight of the Export-Import Bank's operations resulted in a \$300 million ceiling on its total loans and guaranties to finance exports to the Soviet Union. The Export-Import Bank amendments stipulated that any loan to a Communist country of \$50 million or more required a separate determination by the President that the loan was in the national interest.

One of the most vital areas in which Congress attempted to strengthen its role in shaping foreign policy was in the building and commitment of U.S. military power. Although it passed the largest defense appropriations act in the nation's history (\$82.6 billion), Congress had cut the request by \$4.5 billion. Congress also terminated the Formosa Resolution which had granted the President the authority

to use U.S. forces for the defense of Formosa (Taiwan), and curtailed the development of a naval base on the island of Diego Garcia in the Indian Ocean.

The Congress participated in several major developments in the field of chemical and biological weapons throughout 1974. Both the 1972 biological weapons ban and the 1925 Geneva Protocol were approved by the Senate, following a change in policy by the administration which had been influenced by Congress. The Congress also passed nuclear agreement controls legislation (Public Law 93-485) which provided Congress with veto power over international agreements concerning U.S. nuclear technology cooperation.

This report, Congress and Foreign Policy: 1974, is a descriptive account of congressional activities in 16 areas, highlighting those events of special significance because of importance or uniqueness

STATE DEPARTMENT AND RELATED AGENCIES¹

The main legislative activity during 1974 affecting the State Department, the U.S. Information Agency (USIA), and the Peace Corps concerned the passage of authorization and appropriations bills containing important policy provisions as well as funding.

State Department and USIA authorizations.—In contrast to prior separation of appropriations authorization bills for the State Department and U.S. Information Agency, conferees of the House Foreign Affairs and Senate Foreign Relations Committees agreed to merge the two authorizations in the State Department/USIA Authorization Act, Fiscal Year 1975 (Public Law 93-475).

The administration's request for authorizations of \$792,530,000 for the State Department and \$242,638,000 for USIA (a total of \$1,035,213,000) was subjected to significant cuts in both congressional committees, with final approval in conference of \$741,901,000 and \$239,538,000 (a total of \$981,439,000).

Following are provisions which emerged from consideration of the legislation.

1. *Publication of Political Contributions of Certain Nominees.*—Section 4(a) stipulated that all political contributions made by ambassadorial nominees and their families be published in the Congressional Record. The Department of State Authorization Act for 1974 (Public Law 93-126) had required nominees to file a report of such contributions with the Senate Foreign Relations Committee and Speaker of the House of Representatives.

2. *Limitation on Payments to International Organizations and Conferences.*—Section 8 of the 1975 act authorized for three international organizations payments in excess of 25 percent of the total annual assessment in spite of prior legislation (Public Law 92-544) which had set 25 percent as an upper limit for U.S. contributions. The three were the International Civil Aviation Organization (ICAO), United Nations Educational, Scientific, and Cultural Organization (UNESCO), and the World Health Organization (WHO).

3. *Death Gratuities and Protection of Foreign Service Personnel.*—Increasing concern over terrorist acts and other threats to the personal safety of officials of the Foreign Service and U.S. mission at the United Nations led to a number of initiatives to augment the protection of U.S. Government employees in these two areas. The House Foreign Affairs Committee offered an amendment to section 10 subsequently enacted as section 14 authorizing the Secretary of State to make *ex gratia* payments of 1 year's salary to dependent survivors of those personnel whose deaths overseas were caused by terrorist acts or accidents in the line of duty. The House committee also included \$250,000 in its recommended amount for the "Administration of Foreign Affairs" (sec. 2(a)(1) of Public Law 93-475) for the specific

¹ Prepared by Luella Sue Christopher, Foreign Affairs Analyst.

purpose of providing protection for the U.S. Ambassador to the United Nations and other key personnel of the mission.

4. *Travel Expenses of Student-Dependents of State Department/USIA Employees.*—In recognition of the special hardships imposed upon many Foreign Service children because of constant moving and separation from their families and friends, section 13 of the act authorized government payment for one annual round trip, rather than one trip per 4 years, for student-dependents of State Department or USIA employees stationed abroad.

5. *International Materials Bureau.*—“Recent obvious inadequacies in the predictive and planning capabilities of the U.S. Government in the area of food and raw materials” gave impetus to section 14 stating the sense of the Congress that an International Materials Bureau be created within the State Department to review, on a continuing basis, the supply, demand, and price of such materials, as well as the effect of government programs and policies on the creation or alleviation of shortages.

6. *U.S. Assistance to South Vietnam.*—In an expression of dissatisfaction with annual requests to Congress for larger sums of aid to South Vietnam, the act declared it to be the sense of the Congress that the Secretary of State submit a detailed plan concerning future U.S. military and economic assistance to Congress, including “a specific timetable for the phased reduction of such assistance to the point where the United States will cease to be the principal source of funds and material for South Vietnam’s self-defense and economic viability” (sec. 15(a)(1)).

7. *Reduction of Certain Personnel Abroad.*—Section 15(a) also stated the sense of Congress that the number of overseas personnel in the executive branch, except for State Department, USIA, CIA, Department of Defense, and Peace Corps volunteers, plus Defense Department personnel assigned to military attaché activities, assistance advisory groups, or aid missions, should be substantially reduced (sec. 15(b)). Progress reports were to be made in 6 months on both the plans for personnel cutbacks and aid to South Vietnam.

8. *Repeal of the Formosa Resolution.*—Section 3 repealed the Formosa Resolution of 1955, a joint resolution enacted as a demonstration of support for the President and the Republic of China which granted authority to the President to employ U.S. Armed Forces as he deemed necessary to protect Formosa and the Pescadores, an island group off the southeast corner of mainland China.

9. *Assignments to Public Organizations.*—Section 9(a) of the Foreign Service Act of 1946 was amended to provide a period of 2 years, between the 8th and 15th years of service, during which Foreign Service Officers would be assigned to a state or local government, faculty of a public school or community college, or some other public organization designated by the Secretary of State. The new service requirement, intended to broaden the perspective of officers through experience at the grassroots level, expanded the existing authority of the Secretary of State to assign officers to duty elsewhere in the Government or in international organizations.

10. *Increased Funds for Educational Exchange.*—S. 3473 had added \$100,000 to the administration’s request for \$65,014,000 to support an invitational performance in Australia by the World Youth Sym-

phony Orchestra of Interlochen, Mich. The special recommendation represented a divergence from customary State Department exchange programs in that it involved the participation of precollege age youth. The overall figure was further increased to \$75 million by the House committee as a gesture of support for a stronger exchange-of-persons program which in turn might serve as a catalyst for private efforts.

11. *Soviet Jewish Refugees in Israel*.—S. 3473 had recommended \$50 million in assistance to Soviet refugees, emphasizing that such State Department funds not be used in any way which provided preferred status on facilities to persons migrating from the Soviet Union over other persons migrating to Israel. The House, noting that the authorization was intended to assist Israel in meeting the “extraordinary burdens placed upon its economy” by the resettlement of Soviet Jews, nevertheless reduced the authorization to \$40 million, a figure retained in conference as a separate line-item.

12. *USIA Utilization of Funds Without Additional Legislation*.—The House Foreign Affairs Committee introduced an amendment to the United States Information and Educational Exchange Act of 1948 permitting USIA to utilize funds for its activities that might become available under limited circumstances without additional approval in advance by Congress. The committee cited the example of reparations paid by a foreign government to USIA for damages to Agency property, which would then become expendable by the Agency at its discretion without further authorization. Senate conferees agreed to inclusion of the proviso.

State Department and USIA Appropriations.—Conferees of the House and Senate Appropriations Committees on September 19, 1974, reported significant cuts in the amounts requested by the administration for the State Department and related agencies. As enacted on October 5 (Public Law 93-433), \$705,692,000 was appropriated for the State Department—\$6,906,000 more than voted by the House on August 1 and \$1,034,000 less than that approved by the Senate on August 22, but surpassing the fiscal year 1974 appropriation of \$679,732,000. The final State Department appropriations, with fiscal year 1974 figures in parentheses, included: \$401,419,000 for “Administration of Foreign Affairs” (\$346,715,000); \$226,561,000 for “International Organizations and Conferences” (\$216,182,000); \$16,312,000 for “International Commissions” (\$12,973,000); and \$61,400,000 for “Educational Exchange” (\$57,556,000). Within the third category, \$5,658,000 was allocated for the International Commission of Control and Supervision in Vietnam.

A sum of \$238,009,000 was appropriated for USIA—\$1,529,000 less than passed by the House but \$2 million more than that voted by the Senate—nevertheless surpassing the \$220,914,000 appropriated for fiscal year 1974. The final USIA appropriations, with fiscal year 1974 figures in parentheses, included: \$218,462,000 for “Salaries and Expenses” (\$209,062,000); \$6,770,000 for “Special International Exhibitions” (\$10,852,000); and \$4,440,000 for “Acquisition and Construction of Radio Facilities” (\$1 million). The overall appropriation also incorporated an additional sum of \$8,377,000 for payments in foreign currencies which the Treasury Department determined to be needed beyond the standard requirements of the USIA budget.

House and Senate Appropriations Committee conferees also agreed to appropriations of \$49,800,000 for the Board for International Broadcasting, and \$1,594,000 for the Commission on the Organization of the Government for the Conduct of Foreign Policy.

Peace Corps Authorization.—In a year marked by the largest opposition to the Peace Corps Authorization ever registered in the House, \$82,256,000 was authorized to be appropriated in fiscal 1975 by the Peace Corps Act amendments in Public Law 93-302, approved June 1, 1974. The figure represented an increase of \$5,255,000 over the authorization of \$77,001,000 contained in legislation enacted in the previous year. In its report accompanying the fiscal 1975 authorization bill, the House Foreign Affairs Committee cited continuing requests by host countries for skilled, job-experienced volunteers as justification for the proposed modest increases in volunteer trainees and volunteers in the field. For 39 of the 68 developing countries, the Peace Corps represented the only form of U.S. bilateral assistance, according to Representative Michael J. Harrington, whose proposal to raise the overall authorization to the fiscal 1968 level of \$115,700,000 was subsequently rejected in the House.

The fiscal 1975 authorization, in addition to designating \$82,256,000 for operational expenses, called for: (1) an extra \$1 million for increases in salary, pay, retirement, or other employee benefits; (2) the transfer of \$315,000 from sums appropriated to the Peace Corps for fiscal 1975 to the readjustment allowance account of ACTION; (3) the waiver of claims resulting from erroneous payments of readjustment allowances to Peace Corps volunteers between March 1, 1961 and February 28, 1973; and (4) the exemption of disbursing and certifying officers of the Peace Corps and ACTION from liability for these erroneous payments, except in cases of fraud.

Faced with House disagreement, the Senate receded from an amendment bolstering monthly allowances for volunteers with the understanding that ACTION would study the use and purposes of the Peace Corps readjustment allowance and VISTA stipend and time its report to coincide with consideration of fiscal 1976 authorization. The House had considered but defeated comparable amendments.

No fiscal year 1975 appropriation for the Peace Corps was passed in 1974. The agency has been operating at the level appropriated for fiscal year 1974 (\$77 million) plus 90 percent of its space costs, under continuing resolutions.

FOREIGN ASSISTANCE¹

The two major issues concerning Congress and foreign aid in 1974 were, in the spring, the administration's proposal to create a new Middle East Special Requirements Fund and to provide aid to Egypt. In the fall the major issue in Congress was the conflict over a legislated cutoff of military aid to Turkey in response to the Turkish invasion of Cyprus. The conflict over the Turkish aid cutoff resulted in the vetoing of two continuing appropriations because of executive branch opposition to the terms of the cutoff. The foreign aid authorization that eventually passed contained several limitations on military assistance and foreign military sales, and listed the specific amounts authorized for individual aid programs in South Vietnam, Laos and Cambodia. Both the detailed limitations and the line item designations were in keeping with recent congressional actions designed to limit the discretion granted to the executive branch in implementing the economic and military assistance programs.

One result of the World Food Conference held in Rome was a demand by several members of Congress for increases in the U.S. Food For Peace Program. While no changes were made in Public Law 480 because of the nature of its programing, in increasing the authorization for food and nutrition in the Foreign Assistance Act to \$500 million, Congress did respond to the needs of the less developed countries for increased food supplies. The increase was first requested by the administration in the spring.

In spite of the change in emphasis in the Foreign Assistance Act made in 1973 designed to focus on critical problems affecting the lives of the majority of people in the developing countries, it is difficult to tell whether the program enjoyed any greater support in Congress in 1974. Except for a few years at the beginning of the Mutual Security Program, and again during the early years of the Foreign Assistance Act, the aid program has never enjoyed overwhelming support. In the recent past, many members have ended their support for aid, because of their disenchantment with the war in Vietnam, their belief that the aid program was too militarily oriented, domestic economic problems and other factors. In the last year, the actions of the members of the Organization of Petroleum Exporting Countries (OPEC) regarding oil prices and supplies, and of other less developed countries at the Sixth Special United Nations General Assembly, held in the spring of 1974, further eroded support for development assistance.

The Foreign Assistance Act of 1974 was passed in December 1974. As there was insufficient time left after the passage of the authorization to consider an appropriations bill, the 93d Congress adjourned with the foreign assistance program funded under a continuing appropriation. This marked the fourth consecutive year that no foreign aid appropriation bill was signed before the end of December. The foreign

¹ Prepared by Theodore Galdi, Analyst in International Relations.

assistance appropriation for fiscal year 1974 (Public Law 93-240), was signed on January 2, 1974, the fiscal year 1973 appropriation was funded under a continuing resolution for the entire fiscal year, and the foreign assistance appropriation for fiscal year 1972 was finally passed in March of 1972.

IDA Replenishment.—On January 23, 1974, the House defeated the authorization for the Fourth Replenishment of the International Development Association. The defeat of H.R. 11354 by a 248 to 155 vote appeared to be based upon four concerns. First, Congress had appropriated, in the previous session, the final \$320 million installment of the \$1.1 billion third IDA replenishment. Several members expressed concern that a \$1.5 billion authorization request was submitted too soon after the final appropriation for the third replenishment had been approved. Second, it was felt by some that the IDA replenishment would aggravate the pressure on the dollar in international monetary markets. Third, some members expressed concern that it was impossible for Americans to obtain loans domestically at the low rates IDA gave its borrowers. Finally, some members felt that since the U.S. national debt had increased almost 20 percent in the last 4 years, additional foreign aid would accelerate the creation of further deficits.

In hearings on the Senate bill (S. 2665), Treasury Secretary Shultz stressed the importance of the fourth replenishment to overall U.S. policy toward less developed countries. S. 2665 was reported favorably by the Senate Foreign Relations Committee on May 9 with amendments authorizing the \$1.5 billion replenishment in four annual \$375 million installments. On May 29, by a vote of 55 to 27, the bill was passed with an amendment by Senator Dominick repealing the U.S. prohibitions against holding gold.

On June 18, Representative Patman, chairman of the House Banking and Currency Committee, introduced H.R. 15465, with an additional amendment directing the U.S. Governor of the World Bank to vote against any IDA loans or credits to any country which developed any nuclear explosive device unless that country was, or became, a signatory to the Nuclear Non-Proliferation Treaty. The IDA replenishment bill, including the gold ownership provision and the Patman amendment, was passed by the House on July 2, 1974, by a vote of 225 to 140. The bill became Public Law 93-373 on August 14, 1974. Several analysts agreed that had the gold ownership provision not been part of the bill, the IDA replenishment might have been defeated in the House again.

Foreign Disaster Assistance Act of 1974.—During the Senate debate on the Foreign Assistance Act of 1973, Senator Humphrey had stated his intention to introduce as an amendment to the Foreign Assistance Act a new section on disaster relief to the African Sahel region, Pakistan, and Nicaragua. Instead, he submitted the disaster relief authorization as a separate bill, S. 2521, which was not acted upon during the remainder of the first session of the 93d Congress. However, the fiscal year 1974 foreign assistance appropriation, Public Law 93-240, appropriated \$150 million for disaster relief in Pakistan, the Sahel, and Nicaragua, "upon enactment of authorizing legislation."

On January 30, 1974, Foreign Affairs Committee Chairman Morgan, by request, introduced H.R. 12412, the Foreign Disaster Assistance

Act of 1974, to provide the necessary authorization. The bill as reported by the Foreign Affairs Committee authorized a total of \$115 million for famine and disaster assistance and was broken down by country as follows: Pakistan, \$50 million; Nicaragua, \$15 million; the African Sahel, \$50 million. The bill passed the House 276-124 on March 28, 1974.

The Senate bill passed on May 15, 1974, included all drought stricken African countries, increased the authorization for Africa to \$85 million, and the total to \$150 million, and included rehabilitation and reconstruction as proper uses in addition to disaster relief.

The bill that emerged from conference contained essentially the provisions of the Senate version and became Public Law 93-333 on July 8, 1974. (See section on Africa.)

Supplemental Aid to South Vietnam.—In the first 3 months of 1974, the debate on the future of aid to South Vietnam continued unabated. The administration's concern over the impact of rising world commodity prices on the volume of goods supplied to Southeast Asia through U.S. aid programs was made evident in the authorization for a \$54 million supplemental appropriation requested on March 18, 1974 in H.R. 14013. The Agency for International Development (AID) contended that since the prices of the principal commodities financed by the commodity import program, namely food grains, fertilizer, and petroleum products, had doubled and in many instances tripled in the last year, the projected amounts to be delivered had been reduced drastically. On April 10, 1974, H.R. 14013 passed the House, 375-22; and on May 4, 1974, passed the Senate 85-1, becoming Public Law 93-305. It authorized, among other sums, a \$49 million supplemental appropriation for South Vietnam.

Foreign Assistance Act of 1974.—On April 24, the administration submitted to Congress its fiscal year 1975 request for foreign aid. The \$5.1 billion package of economic and military assistance was \$872 million larger than the amount requested in the fiscal year 1975 budget presented to Congress in February. Major increases over the 1975 budget request were for Foreign Military Credit Sales, up \$240 million to \$555 million; Security Supporting Assistance up \$322 million to \$385 million; and Indochina Postwar Reconstruction, up \$150 million to \$939 million. A new Middle East Special Requirements Fund of \$100 million and an additional \$60 million for military assistance grants were also requested.

Because the Foreign Assistance Act of 1973 authorized economic assistance for 2 years, S. 3394 contained authorizations only for new programs or increased amounts beyond those authorized in 1973. In addition to the increases over the budget requests noted above, the 1975 budget itself requested increases over the amounts authorized in the 1973 Foreign Assistance Act of \$255 million for the Food and Nutrition category of Functional Development Assistance, and \$3.9 million for the U.N. Development Program.

On August 13 the Senate Foreign Relations Committee ordered S. 3394 favorably reported. Major provisions of the Senate bill included: (1) a spending ceiling for South Vietnam of \$1.28 billion; for Cambodia \$347 million; and for Laos, \$100 million; (2) a ceiling on U.S. direct hire and contract personnel in South Vietnam of 4,000 to be reached within 6 months after the enactment of the bill and to be further reduced to 3,000 by the end of fiscal year 1975; and (3) phasing

completely out, over a 3-year period, military grant aid and U.S. military missions to foreign countries. The Foreign Relations Committee bill authorized \$2.52 billion for foreign assistance compared with the administration's request of \$3.25 billion.

On October 2, after adopting several major amendments, the Senate recommitted S. 3394 to the Foreign Relations Committee 41-39, mainly on the votes of administration supporters who objected to the amendments.

On October 25, the House Foreign Affairs Committee reported H.R. 17234 which made the following major changes: (1) economic aid to Indochina for fiscal year 1975 was set at \$573 million; (2) the Food and Nutrition section of the Act was increased from \$291 to \$471 million; (3) money for population programs was increased from \$145 to \$165 million; (4) the military assistance authorization was increased from \$512 to \$745 million; and (5) the ceiling on Foreign Military Credit Sales was increased from \$730 to \$872.5 million.

On November 27, the Senate Foreign Relations Committee reported out a revised version of S. 3394 to replace the bill recommitted on October 2. The revised bill contained no prohibition of aid to Turkey. The \$2.7 billion authorization included \$250 million in economic aid for Egypt, \$339 million for Israel, and \$100 million in a Special Middle East Fund that might eventually be used for Syria. Israel was also scheduled to receive \$200 million in military credits and \$100 million grant in military aid. The 1975 military aid program to Korea was set at \$133 million, and a provision to phase out the military aid program entirely by 1977 was included. A ceiling of \$1.26 billion was set for all forms of aid to South Vietnam, and a similar ceiling for Cambodia was set at \$377 million. Of the functional development categories, the authorization for Food and Nutrition was increased \$291 million to \$537 million and the Population Planning authorization was increased from \$145 million to \$165 million.

On December 4, the Senate passed S. 3394 by a vote of 46-45. Except for the addition of amendments prohibiting U.S. military aid to Turkey 30 days after the 94th Congress convened, and continuing military assistance funding to South Vietnam through the Department of Defense budget for another year, the bill as passed was basically unchanged from that reported out on November 2.

On December 11, the House passed H.R. 17234 by a vote of 201 to 190. Major amendments were added; (1) providing for a complete cutoff of military aid to Turkey unless the President certified that Turkey was in compliance with U.S. aid legislation; (2) limiting military aid to South Korea to \$145 million until the President certified that progress was being made in expanding human rights in that country; (3) deleting \$85 million earmarked for fertilizer procurement in South Vietnam; (4) limiting total aid to Cambodia to \$377 million and military aid for that country to \$200 million; (5) authorizing an additional \$25 million for famine and disaster relief on Cyprus, and; (6) prohibiting all aid to UNESCO until that organization refrained from adopting political resolutions.

On December 17, 1974, S. 3394 was reported out of conference. The Foreign Assistance Act of 1974 became Public Law 93-559 on December 30, 1974.

In the major provisions of the final bill, the House and Senate agreed to a compromise authorization of \$500 million for food and

nutrition for fiscal year 1975; prohibited the procurement of fertilizer for South Vietnam for fiscal year 1975 and limited the amount for South Vietnam to one-third of the funds for future fertilizer procurement; increased the authorization for International Organizations and Programs from \$150 million to \$165 million, while agreeing to a separate provision prohibiting expenditures for UNESCO until the President certified that UNESCO had taken steps to correct political actions it had recently taken in regard to Israel; increased the authorization for the Military Assistance Program to \$600 million; agreed to an earmarking of \$300 million in military credit sales for Israel; agreed to final postponement of the return of the authorization for military aid for South Vietnam to the Foreign Assistance Act until July 30, 1976; authorized \$660 million for Security Supporting Assistance for fiscal year 1975, with \$324 million for Israel, \$250 million for Egypt, and \$77 million for Jordan; suspended all military aid to Turkey upon enactment of the bill with the proviso that the President could lift the suspension until February 5, 1975; authorized \$40 million for famine and disaster relief in fiscal year 1975, earmarking \$25 million for Cyprus; limited aid to Chile to \$25 million with the proviso that none of it could be used for military related activities; earmarked by country the amounts in the \$617 million authorization for Indochina Postwar Reconstruction; earmarked by program amounts for assistance to South Vietnam, Cambodia, and Laos; created a new Middle East Part (Part IV) in the Foreign Assistance Act authorizing funds for use in the Middle East and earmarking by program the amounts authorized; and amended several provisions of the Foreign Military Sales Act.

Foreign Assistance Appropriations.—After the Foreign Assistance and Related Appropriation Act for fiscal year 1974 had expired on June 30, 1974, the funding of the foreign assistance program was accomplished through a series of joint resolutions making continuing appropriations. Under Public Law 93-324, foreign assistance appropriations were carried forward from the end of the fiscal year until September 30, 1974.

On October 10, 1974, one week prior to the beginning of the congressional recess for the 1974 elections, President Ford vetoed House Joint Resolution 1131, a continuing resolution funding, among other programs, the foreign assistance program. The President objected to a provision that would have cut off military aid to Turkey immediately. The veto was sustained by the House on October 10. A new continuing appropriation, House Joint Resolution 1163, was immediately introduced, and passed by both Houses on October 16. House Joint Resolution 1163 was also vetoed because of objections to language concerning the aid cutoff to Turkey. The veto was sustained on October 17, and a third continuing resolution, House Joint Resolution 1167, was introduced and passed by both Houses the same day. This bill, which continued appropriations for several agencies until the sine die adjournment of the 93d Congress, suspended the effective date of the aid cutoff to Turkey until December 10. House Joint Resolution 1167 became Public Law 93-448 on October 17.

House Joint Resolution 1178, continued appropriations for the foreign assistance program until February 28, 1975, extending the suspension date for military assistance to Turkey to February 5, 1975. It became Public Law 93-570 on December 31, 1974.

INTERNATIONAL TRADE AND INTERNATIONAL ECONOMIC POLICY¹

The second session of the 93d Congress addressed a number of complex issues in the field of international trade and international economic policy. Worldwide economic recession and inflation, coupled with the dramatic outflow of American dollars to pay for foreign oil, intensified congressional efforts to establish an orderly international economic system.

Commensurate with this objective, the Congress considered legislation directed at reorganizing U.S. economic policy at home and abroad. These measures included: (1) evaluating the Council on International Economic Policy (CIEP); (2) initiating a comprehensive study of foreign investment in the United States; (3) reevaluating the activities of the Overseas Private Investment Corporation (OPIC); (4) restructuring United States export control policy; (5) creating the Commodity Futures Trading Commission (CFTC); (6) revising the Export-Import Bank's activities; (7) enacting a comprehensive trade reform package; and (8) investigating the implications of the petroleum crisis and the multinational corporations for U.S. foreign policy.

The Council on International Economic Policy (CIEP).—Congressional interest in executive branch organization for international economic policy came into focus during a discussion of the CIEP authorizations for fiscal years 1975 and 1976. Some Members of Congress questioned the need for so many diverse executive agencies (approximately 57) dealing with international economic policy. Possible coordination between CIEP and the Special Trade Representative's (STR's) office was discussed.

On May 9, 1974, the Senate voted down S. 2086 which authorized 1975 and 1976 appropriations to continue the President's Council on International Economic Policy (CIEP). The CIEP authorization was attached to legislation that would have continued limited Federal authority to control wages and prices.

On May 29 the House Committee on Banking and Currency reported favorably H.R. 13839 (H. Rept. 93-1066) authorizing the CIEP appropriations. On June 13 the House passed the bill, by a 175-168 vote, and the Senate accepted the House version, by a voice vote, on June 19, 1974. The administration requested an open-ended authorization through fiscal year 1977, but the House Banking and Currency Committee limited the amount to \$1.8 million. It was thought that a 1-year authorization would aid the committees in their annual review of the CIEP activities.

1974 Foreign Investment Study Act.—A trend toward increased foreign acquisition or control of United States based corporations in the last few years raised the issue of whether or not there should be restrictions on investments in American companies by foreigners.

¹ Prepared by John A. Costa, Analyst in International Relations.

During the 93d Congress numerous bills were proposed to establish a National Foreign Investment Control Commission and/or a joint congressional Committee on Foreign Investment Control in the United States.

Senator Daniel Inouye introduced S. 2840 on December 20, 1973, to authorize a study of foreign direct and portfolio investment in the United States, in response to what he noted as being a record high trend of foreign investment in the United States. The Senate Subcommittee on Foreign Commerce and Tourism of the Committee on Commerce completed hearings on S. 2840 in early March 1974. The House Subcommittee on Foreign Economic Policy of the Committee on Foreign Affairs had also held hearings during January and February 1974 on foreign investment in the United States. According to some members, the hearings made it clear that existing information on foreign investment was insufficient and that it was impossible to determine its implications for the United States with any degree of precision, or set a rational policy course.

The Senate passed S. 2840 on June 13, 1974, which provided that the Commerce Department study foreign direct investment (defined as ownership by foreigners of 25 percent or more of a firm's voting stock) and the Treasury Department study foreign portfolio investment (defined as ownership of less than 25 percent). The studies were to include the nature, scope, magnitude and rate of foreign investment, and its impact on the American economy and on U.S. policy. The Senate Commerce Committee instructed the two departments to give special attention to recommendations for improving data collection and keeping statistics up to date, and to submit an interim report to Congress within 18 months and a final report in 2½ years. The bill authorized \$3 million for the study.

The House Committee on Foreign Affairs recommended similar legislation, H.R. 15487 (H. Rept. 93-1183), to the House on July 9, 1974. Two amendments were adopted before House passage of H.R. 15487. One amendment shortened the study from 30 to 18 months, with an interim report due in 12 rather than 18 months. A second amendment protected the data gathered in the study from disclosure on an individual basis.

On August 21 the House passed S. 2840 after amending it to contain provisions of the House bill. On October 9 the Senate accepted House modifications with amendments designed to assure that private information about individual investors gathered by the study would not be released to the public. Final action on S. 2840 came when the House on October 10, by voice vote, accepted clarifying Senate amendments and cleared the bill for Presidential approval (Public Law 93-479).

The Overseas Private Investment Corporation (OPIC).—In 1969 the Overseas Private Investment Corporation was established by the Congress in order to promote and support the active participation of American private enterprise in assisting economic growth in the less developed countries. Through the years, however, congressional skepticism increased concerning OPIC's primary function of directly insuring American private investment abroad against political risks. Early in 1974 the Senate Foreign Relations Committee moved to terminate major OPIC activities. On February 5, 1974, the committee reported S. 2957 (S. Rept. 93-676) to phase out OPIC insurance and finance operations during a 6-year transition period. The report con-

cluded that OPIC's investment guarantee program was not a significant aid to the development of the poorer countries and that the present program increased the risk of U.S. involvement in the internal affairs of other countries. The majority opinion stressed that the business of directly writing insurance should be handled by private industry or by international institutions. OPIC was to stop directly writing expropriation and inconvertibility insurance by December 31, 1979, and war risk insurance by December 31, 1980. Direct finance programs were also to be shifted out of OPIC, which was to assume only a reinsurance role. Six committee members dissented from the report.

On May 2, 1974, the House Foreign Affairs Committee reported H.R. 13973 (H. Rept. 93-1026), to authorize OPIC to phase out its direct insurance financial operations. Although the House bill was less restrictive than the Senate bill, it required that OPIC begin turning over its insurance functions to the private sector and move into the role of reinsurer.

As reported by the conference committee in July 1974, S. 2957 extended OPIC's authorities through December 31, 1977; set deadlines of December 31, 1979, for ending its writing of expropriation and inconvertibility insurance; December 31, 1980, for war risk insurance; and January 1, 1981, for assuming a role as reinsurer only; set target dates for OPIC to share its insurance role with the private sector; placed prohibitions on assistance to firms if it were determined their investment abroad was likely to cause significant reductions in their employees in the United States; provided for preferential treatment for small businesses and projects in less developed countries; limited the annual amount of reinsurance to be issued to \$600 million in any year and \$7.5 billion in the aggregate; extended OPIC's agricultural credit program to December 31, 1977; and set December 31, 1979, as the deadline for transfer by the President to other agencies of other OPIC activities including direct investment, credit and development and investment encouragement.

On the future of OPIC operations in Indochina, conferees stated that OPIC should inform the House Foreign Affairs Committee and Senate Foreign Relations Committee of its plan for a resumption of operations there. However, OPIC was not to insure any large private U.S. investments in Indochina unless there was significant private participation in the insurance program or until its secured specific instructions from Congress.

On August 8, the House agreed to the conference report by voice vote without discussion. Similar action took place in the Senate on August 13. The President signed the legislation into law (Public Law 93-390) on August 27, 1974.

Export Controls.—Concern with shortages of numerous materials and commodities in recent years was evident in both the House and Senate action on the Export Administration Act (Public Law 93-500). The Senate Banking, Housing and Urban Affairs Committee reported S. 3792 by voice vote on July 22 (S. Rept. 93-1024) which broadened existing law by allowing for the imposition of export controls by the Commerce Department's Export Administration to counter both the inflationary impact of foreign demand and the excessive drain of scarce materials from the domestic economy.

The Senate, July 31, by a 79-7 roll call, passed S. 3792 with amendments. The Senate-passed bill contained provisions to provide for

better forecasting of potential shortages and prevent the export of materials and commodities that are in short supply. One amendment authorized the General Accounting Office (GAO) to review the export control activities of the Commerce Department on commodities in short supply domestically.

Disclosures that U.S. firms were planning to display and offer for sale sophisticated police and surveillance equipment at a Moscow trade show prompted an amendment to establish new procedures and regulations for licensing of exports of police, law enforcement, and security equipment. The Secretary of Commerce was to consult with the Attorney General, Secretary of Treasury, and Secretary of State prior to the issuance of said license. This amendment, however, was deleted in the conference committee.

The Housing Banking and Currency Committee approved H.R. 15264, by voice vote, on June 19 (H. Rept. 93-1122), to allow more flexible use of export controls to deal with domestic economic conditions. Both the House Banking and Currency and the Senate Banking, Housing and Urban Affairs Committee deleted the word "abnormal" from the existing law, arguing that abnormal demand was difficult to gauge and had been an impediment to effective use of export controls.

On October 2, 1974, House-Senate conferees filed a report (H. Rept. 93-1412) on S. 3792. It was the intent of the conferees that export controls be applied when foreign demand is determined to be a significant cause of inflation, not necessarily a major cause. In addition the conferees decided to extend the Export Administration Act for 2 years, rather than 3 as provided by the Senate. Citing deficiencies in current reporting requirements, future export control reports were to include an analysis and assessment of the domestic and international impact of export control decisions.

The conference committee bill also revised the review procedure for export of high technology goods. The Secretary of Defense was directed to review proposed exports of goods and technology to certain countries in order to determine whether such exports significantly increase the military capability of such countries and to recommend to the President that exports which would make a significant increase be disapproved. The President may then overrule the Secretary provided that the President submits to the Congress a statement indicating his decision, together with the recommendation of the Secretary.

The conferees noted that U.S. export controls complement the promotion of international cooperation and overall U.S. foreign policy interests. The bill was approved October 29, 1974 (Public Law 93-500).

The Commodity Futures Trading Commission Act.—Because recent food shortages and increased consumer demand had sent commodity prices upward, the Congress in 1974 acted to strengthen and expand Federal regulation of commodity futures trading through establishment of a new five-member Commodities Futures Trading Commission (CFTC), (Public Law 93-463). CFTC was to regulate the commodity exchanges, as well as seek injunctions against traders who attempt to manipulate the market. The legislation came in response to the additional number of speculators trading in futures. As much as \$500 billion in future contracts changed hands in 1973.

Significant opposition to regulation of all futures trading was voiced by the exchanges which trade in world commodities. During hearings

in 1974, witnesses contended that added costs of complying with new rules would cause foreign traders to desert U.S. exchanges in favor of foreign exchanges.

On April 4 the House Agriculture Committee reported H.R. 13113 (H. Rept. 93-975), to replace the Agriculture Department's Commodity Exchange Authority (CEA), set up under the 1936 Commodity Exchange Act, with the CFTC. The committee recommended that the CFTC have broad new Federal powers to prescribe and enforce regulations for the nation's 16 commodities exchanges. The bill represented the first complete overhaul of the Commodity Exchange Act since its inception. On April 11, 1974, by a 281-43 vote, the House passed H.R. 13113, without significant change to the committee recommendations.

On August 29, the Senate Agriculture and Forestry Subcommittee on Agricultural Research and General Legislation reported H.R. 13113 (S. Rept. 93-1131). While the House-passed bill set up a group of part-time appointees to the commission with some ties to the Agriculture Department, the Senate committee bill called for a totally autonomous, full-time commission. On September 9 the Senate by voice vote passed H.R. 13113, after agreeing to two technical amendments. The conference committee bill provided for: (1) an autonomous commission of five full-time public members; (2) a liaison office between the Agriculture Department and the new Commodity Futures Trading Commission; (3) submission of budget and legislative requests to the President and the Office of Management and Budget (OMB), as well as the House and Senate Appropriations and Agriculture Committees; (4) authorization for the commission to seek court injunctions against violations of commodity trading laws or regulations, or attempts to restrain commodity trading, as well as request assistance from the attorney general; and (5) authorization for the commission to intervene in contract markets to restore orderly trading under emergency conditions. The legislation was approved October 23, 1974 (Public Law 93-463).

The Export-Import Bank (Eximbank).—The Eximbank authorization expired on June 30, 1974, but three continuing resolutions extended its operations until November 30, 1974, pending the outcome of the 4-year authorization bill (H.R. 15977). No additional continuing resolutions were enacted after November 30, necessitating swift action on the Eximbank authorization bill. The Senate's demand for closer congressional oversight of the Eximbank's operations, regarding exports to the Soviet Union, prolonged congressional passage of the bill.

The final version of H.R. 15977 was cleared December 19, 1974, when the Senate by a 71-24 vote accepted a third House-Senate conference version. It was approved January 4, 1975 (Public Law 93-646). In its final form the Eximbank legislation included the following provisions:

(1) A \$300 million ceiling was placed on total Eximbank loans and guaranties to finance exports to the Soviet Union. Any higher ceiling was to be approved by a congressional concurrent resolution.

(2) Eximbank's operations are subject to Federal budget ceilings as of October 1, 1976.

(3) Any loan to a Communist nation of \$50 million or more required a separate determination by the President that the loan was in the national interest.

(4) The Bank was directed, when considering a loan, to take into account the possible adverse effects on U.S. employment, U.S. industry, and the supply of scarce materials.

(5) Eximbank financing for fossil-fuel research and exploration was limited to \$40 million, and financing for actual development of Soviet fossil-fuel resources was prohibited.

(6) The Bank was required to notify Congress at least 25 legislative days before approving any transaction of \$25 million or more to finance the export of equipment or services for research and exploration of fossil fuel energy resources in the Soviet Union.

The 1974 Trade Act.—Numerous trade reform measures were discussed by the 93d Congress, all having an impact on the language of the Trade Act of 1974 (Public Law 93-618). The administration transmitted to the Congress the proposed "Trade Reform Act of 1973" on April 10, 1973. The Senate and House did not reconcile differences on their respective versions of the trade bill until the last day of the 93d Congress, December 20, 1974.

In the 1974 Trade Act the House and Senate endeavored to meet the current realities of international trade in the interdependent world, while at the same time to take appropriate measures to safeguard the domestic economy from discriminatory trade. The legislation also sought to remove U.S. discriminatory trade policy vis-a-vis Eastern Europe and the People's Republic of China.

While the House approved the administration's trade reform legislation, H.R. 10710, as early as December 11, 1973, the trade reform measure was delayed in the Senate Finance Committee over an amendment to the House bill which would deny trade credits and concessions to the Soviet Union unless that nation relaxed restrictions on Jewish emigration. The Senate Finance Committee completed hearings on the administration's proposed trade bill on April 10, 1974. In late May President Nixon personally requested the committee chairman, Senator Russell Long, to give the trade bill high priority. The administration stressed that the trade bill would: (1) promote détente with the Soviet Union; (2) lay the ground work for broad talks with Western Europe, Japan and other countries; and (3) offer duty-free entry on many of the products of the poorer nations in Latin America, Asia, and Africa.

An agreement was announced October 18, 1974, between the administration and sponsors (Senator Henry Jackson and Representative Charles Vanik) of the amendment barring trade concessions to the Soviet Union until it permitted free emigration of Jewish citizens. Secretary of State Henry Kissinger testified December 3, 1974, on the compromise agreement before the Senate Finance Committee. (See section on Soviet Union.) With the Jewish emigration problem resolved the Senate Finance Committee reported the trade reform legislation (S. Rept. 93-1298) on November 26, 1974.

The Senate on December 13, 1974, voted 71-19 to invoke cloture on the trade reform bill (H.R. 10710), and passed it by a vote of 77-4, almost a year to the day after House passage. The Senate added numerous amendments, including one offered by Senator Jackson embodying the compromise on most-favored-nation trade status for the Soviet Union and on its emigration practices. (See section on the Soviet Union.)

The House and Senate completed action on the final day of the 93rd Congress, December 20, 1974, 1 day after the House-Senate conferees

filed their report on H.R. 10710 (H. Rept. 93-1644). The major provisions of the 1974 Trade Act include: (1) authority for 5 years for the President to enter into trade agreements, proclaim tariff changes and negotiate nontariff barriers; (2) authority for the President to renegotiate the General Agreement on Tariffs and Trade (GATT); (3) authority for the President to increase tariffs by 20 percent of the 1973 rates or 150 percent of the 1934 rates, whichever is higher, to deal with trade surpluses; (4) authority to grant most-favored-nation (MFN) status to Communist countries that do not restrict emigration, with the Senate's waiver provision (see section on the Soviet Union); (5) congressional approval and disapproval procedures for various kinds of trade actions; (6) renaming the U.S. Tariff Commission as the U.S. International Trade Commission, with major changes in its role and an upgrading of the Office of the Special Representative for Trade Negotiations; (7) relaxed criteria for industries to receive relief from import competition; (8) assistance programs for companies, workers, and communities adversely affected by imports; (9) Presidential authority to retaliate against import restrictions imposed by foreign countries; (10) Presidential authority to extend duty-free preferential treatment to imports from certain developing countries; (11) mandatory exclusion of preferential treatment for all countries which are members of the Organization of Petroleum Exporting Countries (OPEC) or any other arrangement which has the effect of withholding supplies of vital commodities from the world market or of raising prices to unreasonable levels which seriously disrupt the world economy, unless the country is party to a trade agreement; (12) creation of an East-West Foreign Trade Board; and (13) an aggregate ceiling of \$300 million on U.S. loans, guaranties and insurance to Communist countries without congressional approval.

Multinational Corporations and the Petroleum Crisis.—The Senate Foreign Relations Subcommittee on Multinational Corporations conducted hearings in 1974 on the relationship of the major U.S. petroleum companies to U.S. foreign policy. Former Justice Department anti-trust lawyers described a series of secret oil agreements made with the implicit support of American officials. Representatives of the major oil companies also testified on their role in the Middle East.

On February 21, 1974, the subcommittee disclosed previously classified documents indicating that several major American oil companies secretly agreed to limit oil production in the Middle East and to fix prices in order to avoid a glut of oil on world markets. The committee print is entitled "The International Petroleum Cartel, the Iranian Consortium and U.S. National Security."

Petroleum Imports on American Flagships.—With the dramatic rise of imported oil to the United States, the Congress passed H.R. 8193 on December 16, 1974, to guarantee that a percentage of all imported petroleum products be carried on American flagships, but President Ford vetoed the legislation on December 30, 1974. Proponents of the measure claimed that it would reduce American dependency on foreign ships and create thousands of jobs for American workers. However, opposition from the administration focused on the inflationary impact of cargo preference and its impact on U.S. foreign policy and national security. In particular, the administration and oil industry feared increased oil prices or retaliation by nations now transporting their oil to the United States.

ARMS CONTROL AND DISARMAMENT¹

During 1974, much congressional attention was given to the role of the U.S. Arms Control and Disarmament Agency (ACDA), the strategic arms limitation talks (SALT), the U.S. nuclear testing programs, chemical and biological (CB) weapons, and nuclear assistance and nonproliferation.

Consideration of ACDA's authorization bill and a separate inquiry by the House Foreign Affairs Committee examined the basic question of what purposes a government arms control agency should serve. Is it merely a negotiating arms of administration policy which is developed by other agencies, or should it have a significant voice in formulating that policy? What course of action is available to it when ACDA policies may differ with those elsewhere in the administration? Beyond these, should an arms control agency serve as that branch of the government which provides a particular perspective on an issue, to the point where it may affect a basic national security decision, such as the acquisition of a major weapons system? The congressional reexamination of ACDA appeared generally aimed toward action which would better enable the Agency to carry out its legislatively approved functions.

A significant opportunity for Congress to exert influence on strategic arms control negotiations is presented when relevant treaties or executive agreements relating to that subject must be submitted to Congress for approval. The administration has been mindful of congressional attitudes as witnessed by its private briefings for members and committees and its public responses to at least some congressional critics. But by the time an international agreement reaches the Congress, it generally has become an all-or-nothing situation, calling for rejection or approval. The prospect that congressional action can influence the direction or nuance of a particular policy is greatly diminished or almost lost once a treaty has been concluded. The Jackson amendment to the approval of the 1972 SALT interim agreement was evidently taken into consideration during SALT II, but this was a case of congressional actions affecting future negotiations rather than a present treaty. Resolutions such as Senate Resolution 448, proposed by Senators Kennedy, Mondale, and Mathias, to call on the President to lower the ceilings agreed to in the Vladivostok accord, are a method of expressing the sense of Congress, but their impact can be only persuasive, since they lack the force of law. Resolutions and hearings of the 93d Congress in its second session did contribute to the public discussion of the arms control problems and prospects facing the country.

Various efforts to influence U.S. policy in the negotiation of a comprehensive nuclear weapons test ban had been made by Congress when the threshold test ban was signed in 1974. A major criticism of the latter was that, since there was virtually no differences between

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explosions for peaceful purposes and those for weapons purposes, limitation on weapons tests only, as found in the threshold test ban, had little meaning for arms control. The negative reaction to the treaty in Congress appeared to have been largely responsible for the administration's decision not to submit it to the Senate and to try to negotiate a more acceptable agreement.

Related action involved the administration request for supplemental funds for an accelerated nuclear weapons testing program in anticipation of the entry into force of the threshold test ban in 1976. The Congress reduced funds for this purpose, in a move which seemed to point up a recognition of a need to reconcile national actions with a commitment to the goals of an international agreement.

The Congress participated in several major developments in the field of chemical and biological (CB) weapons throughout 1974. Both the 1972 biological weapons ban and the 1925 Geneva Protocol were approved by the Senate, following an administration change in policy which renounced the U.S. use of riot control agents and herbicides in warfare, except under very limited circumstances. Many Members of Congress had sought such a policy change in the past. The resolution of the conflict over the Geneva Protocol between the Congress and the administration seemed to indicate that the Congress can influence a major change in executive policy. The extent of that influence might be questioned in light of the fact that Congress had little impact on executive CB policy when the United States was using riot control agents and herbicides for combat purposes in Indochina. Once U.S. practice had stopped, congressional pressures may have provided the needed impetus for the executive's reversal of its policy. The final decision on whether the United States would fund development of binary nerve gases did rest with the Congress. It refused appropriations for these gases in fiscal year 1975.

The actions of the Congress in 1974 concerning nuclear assistance to other countries and nonproliferation illustrated two different aspects of legislative power. First the offer of U.S. nuclear assistance to two countries (Egypt and Israel) in a potentially volatile geographic area suggested, in a view of many in Congress, certain incongruities with the U.S. commitment to nonproliferation of nuclear weapons. The Congress sought information on the impact of the spread of peaceful nuclear technology on the problem of proliferation, and the adequacy of safeguards, through its hearings, and it took various precautionary actions. Secondly, in the absence of a legislative control over a particular type of policy action, as was the case with the existing atomic energy legislation, the Congress legislated changes which would ensure a role for the legislative branch.

On both the transfer of conventional arms and weather modification, the Congress made positive efforts to influence the U.S. position on the international level.

Role of ACDA.—Consideration of the ACDA's authorization bill prompted a number of legislative moves. Probably the most controversial was the Harrington amendment, which would have required ACDA to make an arms control "impact" statement to the Congress within 30 days after the ACDA Director had determined that a major weapons systems was being developed or deployed by the United States. Reported favorably by the House Foreign Affairs Committee, the amendment failed on the House floor. The debate on the Harring-

ton amendment raised the question whether the "impact" statement might infringe on the oversight responsibilities of congressional committees, as well as possibly giving ACDA too much power over other Government agencies. Senator Nelson proposed a similar amendment to the Senate bill but the Foreign Relations Committee deferred action on it, and suggested further study of the matter. However, in a move to improve oversight, the Congress approved only a 1-year authorization (Public Law 93-332) of \$10.1 million for ACDA, as opposed to the previous 2-year authorization. An appropriation of \$9,250,000 for the Agency was contained in Public Law 93-433.

In September the Subcommittee on National Security Policy and Scientific Developments of the House Foreign Affairs Committee issued a staff study on ACDA which raised questions regarding the agency's effectiveness in policymaking and negotiating. Using the study as a basis for its inquiry, the subcommittee conducted extensive hearings on ACDA during September and October, drawing on many former government officials who had been associated either with arms control or matters of national security. The subcommittee's report to the full committee had been scheduled for early in the 94th Congress.

SALT.—There was little progress in the strategic arms limitation talks until late 1974, although various issues associated with SALT arose in the Congress.

The SALT negotiations took place at various levels. The United States and Soviet teams of negotiators met in Geneva from February 19–March 19 and from September 18–November 5. Secretary of State Kissinger met with Soviet leaders both in Moscow and in Washington. At the Nixon-Brezhnev summit in Moscow in July, a protocol to the 1972 ABM treaty was concluded, which eliminated the option under the earlier agreement to build a second ABM site. It was submitted to the Senate in September. In addition, at the summit meeting a threshold test ban treaty was signed (discussed below), an unexpected development from SALT. Finally, two agreements on procedure concluded by the Standing Consultative Commission were signed. They entered into force upon signature.

Following the Ford-Brezhnev summit in Vladivostok in November, there occurred a major breakthrough in limiting strategic arms. In an exchange of aide-memoires, the two countries agreed to negotiate a treaty to limit the total number of strategic delivery vehicles to 2,400 for each country and to allow 1,320 of these to be equipped with multiple independently targettable reentry vehicles (MIRVs). The ceilings were to apply for the period 1977–85, after the SALT I interim agreement was terminated. Negotiations for reductions from these levels could convene at any time, a provision established as a result of changes after the formal exchange of aide memoires (see below). It is planned that the treaty, to be concluded by the negotiators in Geneva, will be signed in 1975.

Other SALT-related developments during 1974 included: (1) the disclosure in June that the United States and the Soviet Union had concluded secret understandings to clarify certain points in the 1972 SALT agreements; and (2) United States and Soviet allegations of possible noncompliance with the 1972 SALT agreements, the subject of a U.S.-requested meeting of the Standing Consultative Commission to be held in 1975.

Although there was little formal congressional activity which had a direct bearing on SALT, the subject did not go unnoticed during the second session of the 93d Congress. The annual consideration of defense money bills usually has provided a forum in which arms control issues are raised. In considering these bills in 1974, the Congress examined the question of pursuing "counterforce" strategy, a new element in U.S. defense policy as enunciated in Defense Secretary Schlesinger's annual posture statement. There were several unsuccessful amendments in both houses which sought to eliminate funds for counterforce research, on the grounds that it might adversely affect the efforts in SALT.

There were various reactions in Congress to the Vladivostok accord. Senators Kennedy, Mondale, and Mathias introduced Senate Resolution 448, which supported the accord, but called on the President to attempt to negotiate lower ceilings in the final agreement. Though the resolution was introduced too late for action during the 93d Congress, the sponsors pledged to introduce it early in the 94th and to seek Senate approval. One critic of the agreement, Senator Jackson, announced his plans to hold hearings on the issues raised by the Vladivostok accord, and suggested that he might spearhead a movement to reject the final agreement, on the grounds that the ceilings are too high. Members of Congress also criticized the provision in the aide-memoire which stated that further negotiation should begin no later than 1980-81 on arms reductions after 1985, because it seemed to preclude the possibility of earlier reductions. Secretary Kissinger subsequently established that the wording has been changed to permit reductions to be negotiated at any time.

Hearings relating to SALT were held by a variety of committees during 1974. These included joint hearings on nuclear weapons policy by two subcommittees of the Senate Foreign Relations Committee, and those of a special subcommittee on arms control of the House Armed Services Committee. The subcommittee issued a report in early December, which surveyed U.S. arms control and disarmament activities, as well as the U.S. policymaking machinery in this area.

Threshold Test Ban Treaty.—As noted above, this agreement came out of the July United States-Soviet summit meeting. Its terms prohibit underground nuclear weapons testing above a certain threshold (150 kilotons) of explosive power. There are provisions for exchange of technical data and for matters affecting verification. Its terms call for entry into force on March 31, 1976, and do not affect peaceful nuclear explosions, a subject of further discussions. These talks were held through October and November 1974 in Moscow, without resolving the question of limiting peaceful nuclear explosions. Senate approval of the pact was by no means assured.

Congressional interest in a comprehensive test ban goes back a number of years, with the most recent action being the favorable Foreign Relations Committee report in 1973 of a resolution calling on the President to seek a ban on all testing. Because the Congress and others did not react favorably to the threshold test ban, it was reported, the administration did not submit it to the Senate. Press reports indicated that in an effort to answer the treaty's critics the administration would aim for the terms of the ban to apply to peaceful explosions as well as those for weapons purposes, a goal the Moscow talks failed to achieve.

In the meantime, the President requested a \$73 million supple-

mental authorization of appropriations for the Atomic Energy Commission (AEC). Part of the funds were intended for an accelerated testing program in order to develop three new warheads before the scheduled entry into force of the threshold test ban. Consideration of the legislation set off a debate regarding the effect on the U.S. position of pursuing an active testing program and signing an international agreement such as the threshold test ban. Critics of the accelerated testing program succeeded in cutting the requested funds in half, to \$22.25 million, in both the authorization and appropriations bills. (Public Law 93-576 and Public Law 93-554).

Chemical and Biological Weapons.—Questions have been raised in the Congress for several years regarding U.S. policies on this question, both in the arms control area, and in the area of their use in U.S. military operations in Indochina. As was the case with strategic weapons, the Congress had an opportunity to express its views on CB weapons during its annual consideration of the defense procurement authorization and appropriations bills. The funds in question were those earmarked for binary nerve gases. These employ the technique of storing two harmless gases which become lethal when combined during weapons use. Both the House and Senate approved modest cuts in the authorization bill for binaries, but eliminated the funds for them entirely in the appropriations bill. ACDA Director Ikle had voiced opposition to the Army development of binaries, and the Foreign Affairs Committee had recommended deferring procurement in its report on House Resolution 1258 (see below).

The House was active in the movement to influence U.S. policy on international efforts to control CB weapons. The National Security Policy Subcommittee conducted several days of hearings, which led to the favorable report of House Resolution 1258, urging a reexamination of U.S. policy and ratification of the 1925 Geneva Protocol. The issue of whether or not its prohibition included riot control agents (tear and similar gases) and herbicides had been a major obstacle to its approval. The administration position had been that it did not apply to these agents, and many Members of Congress disagreed. The resolution passed the House in August.

In December, the Foreign Relations Committee opened hearings on two CB treaties: the Geneva Protocol, which had been pending before it since 1970, and the 1972 Biological Weapons Ban, which prohibits the production and stockpiling of these agents. ACDA Director Ikle's testimony described a change in administration policy, which, although it did not address the scope of the Geneva Protocol, renounced the U.S. use of riot control agents and herbicides in war, except under very limited circumstances. The favorable committee report on the Geneva Protocol made note of this policy. Both treaties were approved unanimously by the Senate on December 16.

Nuclear Assistance and Nonproliferation.—A major issue in the Congress arose over the offer of U.S. assistance in the field of nuclear technology to both Egypt and Israel, during President Nixon's visits there in June. The primary concern in Congress was the arms control implications: whether safeguards were adequate to prevent diversion to weapons use, and whether such moves might contribute ultimately to the proliferation of nuclear weapons. These fears were reinforced by the peaceful explosion of a nuclear device in May by India, using nuclear material provided through an agreement with Canada for cooperation in peaceful uses.

Congressional concern was expressed through a number of different pieces of legislation. One was S. 3698 (H.R. 15582), which sought to amend the Atomic Energy Act with the provision that any proposed agreements or amendments to an agreement with another country regarding U.S. nuclear cooperation would not become effective if within 60 days the Congress passed a concurrent resolution stating in substance that it did not favor such an agreement. Previously, pertinent legislation only required the President to submit the text of the agreement to the Joint Atomic Energy Committee for 30 days prior to its entry into force. There appears to have been no method provided by law by which the Congress could approve or reject an agreement for cooperation. The bill became law on October 26 (Public Law 93-485).

Related legislation included the following: (1) An amendment to S. 2665, the bill for increased U.S. participation in the International Development Association, which requires a U.S. vote against a loan to a country which had developed a nuclear explosives device, but was not a party to the Nuclear Nonproliferation Treaty (Public Law 93-373); (2) Atomic Energy Omnibus legislation (S. 3669), with provision for congressional review of any increase in nuclear material being transferred to a group of nations (Public Law 93-377); (3) an amendment to the Export Administration Act (S. 3792) requiring a Presidential report on the adequacy of safeguards for nuclear material (Public Law 93-500); (4) H.R. 16609, the supplemental authorization of appropriations for the AEC (see threshold test ban section, above), which increased the requested \$18 million for improving safeguards to \$23 million (Public Law 93-516, however, the appropriations bill allotted only \$12.4 million for this purpose, Public Law 93-554). In a related move, the AEC proposed stricter regulations for the transport of plutonium, to prevent sabotage or nuclear theft; (5) an amendment to the Foreign Assistance Act which prohibits the use of foreign assistance funds for activities relevant to the operation of a nuclear powerplant in Egypt or Israel (Public Law 93-559); and (6) the requirement for an annual report to each House from members of the Joint Atomic Energy Committee on the development, use, and control of nuclear energy for the common defense and security (Public Law 93-514).

The arms control issues raised by the offers of nuclear assistance were sharpened by the fact that the Review Conference of the Nuclear Nonproliferation Treaty (NPT), as provided in Article 8 of that document, is scheduled to convene in May 1975. Two preparatory conferences were held in 1974. In addition, at a meeting of the members of the International Atomic Energy Agency (IAEA), which administers safeguards under the NPT, the United States received assurances from India that American nuclear assistance to that country would not be used for nuclear explosions.

In two separate resolutions, the U.N. General Assembly endorsed the idea of establishing nuclear free zones in the Middle East and in South Asia.

Other Arms Control Issues.—The question of the need to limit the transfer of conventional arms arose during 1974. Early in the year, the House Foreign Affairs Committee published the ACDA report to the Congress on "The International Transfer of Conventional Arms," which had been required by previous legislation. In addition, an amendment to the Foreign Assistance Act (Public Law 93-559) urges

the President to propose to the Conference of the Committee on Disarmament that it consider the question of limiting conventional arms transfers and requiring a report from the President 6 months after enactment on steps taken to carry out the provision.

U.S. weather modification activities were the subject of hearings released in May by the Senate Foreign Relations Committee. Primarily cloud-seeding to increase rainfall had been used in 1967 and 1968 as an adjunct to U.S. military activities in Indochina. In 1973, the Senate passed a resolution which called for the conclusion of a treaty which would ban the use of weather modification as a weapon of war. The House Foreign Affairs Committee held hearings on similar resolutions in September 1974. One of the joint communiques of the Moscow summit in July included a United States-Soviet pledge to seek a ban on weather modification. The U.N. General Assembly adopted a resolution in December which urged the conclusion of such a ban. This was one of 21 separate resolutions dealing with arms control and disarmament which were adopted by the General Assembly.

THE DEFENSE BUDGET¹

One of the major ways in which Congress helps shape national security and foreign policy is through its action on the defense budget. Viewed as a whole, the defense budget requests which were submitted to Congress in February 1974, represented a sharp accentuation of trends that have been apparent for the last few years, but there were also several new considerations arising from the Middle East conflict, renewed concerns over Soviet military capabilities and intentions, and the state of the U.S. economy. The fiscal year 1975 Department of Defense budget request came to \$92.6 billion in total obligational authority, including military construction and military assistance funds, and Department of Defense supplemental requests for fiscal year 1974 totaled \$6.2 billion.

Some continuing trends highlighted in 1974 were the following:

(1) The rising cost of personnel and weapons accounted for a substantial part of the defense budget.

(2) Despite the fact that U.S. forces have been drastically reduced in number since 1968, the cost of national defense in 1974 was the highest in history when measured in terms of *current dollar* outlays, although measured in dollars of constant value national defense funds were sharply reduced in real terms.

(3) U.S. strategic air defense forces, which have been cut by 80 percent over the last decade, were to be virtually eliminated in fiscal year 1975-76 owing to a reevaluation of the overall strategic situation and a reappraisal of the threat posed by enemy bombers.

At the time, three important new elements had a major impact on the defense budget during 1974:

(1) The effect of the Middle East conflict was manifested primarily in the supplemental request for 1974. About half of the funds requested were earmarked for programs to improve the readiness of U.S. forces—i.e., to correct deficiencies that became apparent during the October 1973 Arab-Israeli War and to replenish stocks of weapons and equipment which were drawn down to assist Israel.

(2) One of the most controversial aspects of the 1975 defense budget involved an apparent shift in strategic policy when Secretary of Defense Schlesinger declared a need for strategic weapons capable of striking selected military targets in the Soviet Union. Statements by Secretary Schlesinger outlining this strategy and stressing the need to develop missile warheads of greater yield, improved accuracy, and greater maneuverability provoked considerable debate in Congress and the press.

(3) Just as the fiscal year 1975 Federal budget represented a reversal of economic policy on the part of the administration in order to head off increasing unemployment, so the defense budget included certain items which Department of Defense witnesses stated in congressional hearings were expected to stimulate the economy.

¹ Prepared by Bert H. Cooper, Analyst in National Defense.

Other highly controversial defense budget issues involving U.S. foreign policy which the Congress debated during 1974 were questions surrounding continued military assistance to South Vietnam and the proposed expansion of military facilities on the British-owned island of Diego Garcia in the Indian Ocean. Military assistance funds for South Vietnam in fiscal year 1975 were authorized at \$1 billion, of which only \$700 million were appropriated by the Congress. In the case of Diego Garcia, some \$18 million of the \$32.3 million requested were authorized but were later deleted from the fiscal year 1975 military construction appropriations bill. The details of both of these issues are discussed below.

In 1974, defense budget legislation which had major significance for U.S. foreign policy included the 1975 Department of Defense Appropriation Act (Public Law 93-437), the 1975 military procurement authorization act (Public Law 93-365), the 1974 Department of Defense Supplemental Appropriation Authorization Act (Public Law 93-307), the Second Supplemental Appropriation Act for fiscal year 1974 (Public Law 93-305), the 1975 military construction authorization act (Public Law 93-552), and the 1975 Military Construction Appropriation Act (Public Law 93-636). This legislation is analyzed below.

Department of Defense Appropriations.—In 1974, the administration requested \$87.1 billion in the fiscal year 1975 Defense appropriations bill (H.R. 16243, Public Law 93-437). The House version of H.R. 16243, passed on August 6, 1974, provided \$83.4 billion, compared to \$82.1 billion provided in the bill passed by the Senate on August 21, 1974. As reported by the House Appropriations Committee, the bill would have provided \$83.3 billion in new obligational authority and \$410 million in transfers from other accounts, amounting to \$83.7 billion in total obligational authority. The amount recommended by the committee was subsequently reduced by two floor amendments in the House which deleted \$300 million for military assistance to South Vietnam and \$5.8 million in funds for procurement of binary nerve gas. The House version of the bill made no substantial cuts in major weapons programs, with the exception of two Navy programs. It deleted all funds requested for the Sea Control Ship and the Navy/Marine Corps Advanced Fighter Prototype (VFAX) aircraft.

The Senate Appropriations Committee report on H.R. 16243 recommended a total appropriation of \$82.1 billion, including \$514 million in transfer authority. Its recommendation was about \$5 billion less than the administration's amended request of \$87.1 billion and \$1.3 billion under the House figure. The committee reduced funds for the S-3A Anti-Submarine Warfare aircraft, the F-15, the F-111, the B-1, and the A-10 aircraft, the Airborne Warning and Control System (AWACS), and Air Force and Navy cruise missile programs. It deleted all funds requested for the Sea Control Ship, the advanced tanker, and the Pershing surface-to-air missile. As passed by the Senate, its version of H.R. 16243 provided \$81.6 billion in new obligational authority and \$514 million in transfer funds, totalling \$82.1 billion in total obligational authority.

The conference report on the bill which was passed by the Congress on September 23-24, 1974, and enacted into law on October 8, 1974, as Public Law 93-437, provided \$82.6 billion in total obligational authority for the Department of Defense in fiscal year 1975. This figure was

\$4.5 billion below the Defense Department's amended budget request. The largest reductions effected by congressional action were as follows. \$2.6 billion for procurement, \$1.7 billion for operation and maintenance, and \$745 million for research and development.

Despite an overall reduction in procurement funds, no major weapon system was eliminated or sharply reduced. Specific provisions of the Defense appropriations act that were most directly related to U.S. foreign policy were those which (1) provided funds for some 2,130,000 active duty military personnel and 925,000 military reserves; (2) required the withdrawal of 12,500 overseas troops by May 31, 1975; (3) provided \$700 million for military aid to South Vietnam; (4) barred the transfer of war materials to foreign governments without specific authorization under U.S. laws; and (5) provided funds for improving the accuracy and yield of strategic missiles.

Military Procurement Authorizations.—In 1974, the Defense Department asked Congress to authorize \$23.1 billion in new appropriations for the development and procurement of weapons through the 1975 military procurement authorizations bill (H.R. 14592, Public Law 93-365), which also authorized the fiscal year-end personnel strengths of the Armed Services. On May 22, 1974, the House passed its version of H.R. 14592 authorizing \$22.6 billion for weapons and reducing the strength of the armed forces by 2,810. On June 11, 1974, the Senate authorized \$21.8 billion for weapons—\$800 million less than the House and \$1.3 billion less than the Defense Department request—and cut the active duty military manpower requests of each of the Services by about 2 percent for an overall reduction in troop strength of 49,000.

The conference report on H.R. 14592 which was enacted into law on August 5, 1974, as Public Law 93-365 authorized \$22.2 billion, of which \$35.7 million was to come from reimbursements for foreign military sales. This authorization was almost a billion dollars less than the amount requested.

The major cuts in funds for weapons research, development, and procurement involved the Airborne Warning and Control System (AWACS), the B-1 bomber, the Sea Control Ship, the Patrol Frigate, and the improved submarine-launched ballistic missile (SLBM) system known as the SSBN-X. With respect to AWACS procurement funds, the Senate had approved the full amount requested (\$548.9 million) for the proposed 12-aircraft program, while the House chose to limit the fiscal year 1975 purchase to 6 aircraft. The conferees decided to delete 6 aircraft, authorizing \$328.7 million for an initial 6-aircraft purchase and an additional \$42 million for advance procurement for the 6 aircraft tentatively programed for procurement in fiscal year 1976. As for the B-1 bomber, the Air Force had requested \$499 million to buy 4 prototype aircraft. The conference committee authorized \$455 million for the purchase of 3 prototypes, with the fourth to be procured after the first successful B-1 flight test.

The conferees agreed with the Senate decision to defer initial development work on an improved, small-scale, and less costly SLBM system known as SSBN-X, agreeing with the Senate view that "a delay of 1 or 2 years in the initiation of the SSBN-X program would also permit the lessons learned in developing the Trident system to be applied to the SSBN-X." The conference committee also eliminated funds for four of the seven patrol frigates sought by the Navy—a

reduction of about \$250 million—and cut the \$143 million request for the Sea Control Ship by \$126.9 million, allowing an authorization of \$16 million for this program.

One of the most controversial issues taken up in conference was a Senate-approved reduction of 49,000 in the strength of the active duty components of the armed forces by the end of fiscal year 1975. The House conferees were adamant that reductions of such magnitude “could not be made without seriously affecting the capabilities of our forces.” After considerable debate over this issue, the conferees agreed to the strength authorizations provided in the House bill, which reduced military manpower by only 2,810.

While both the House and the Senate again defeated efforts to legislate substantial cutbacks in the number of U.S. military personnel stationed overseas, the conferees agreed to a Senate provision which stipulated that the noncombat component of U.S. military strength in Europe be reduced by 18,000 by June 30, 1976. However, at the same time, the legislation authorized the Secretary of Defense to increase the combat components in Europe by an amount equal to reductions made in noncombat personnel.

The largest single reduction was in the administration’s \$1.6 billion request for military assistance to South Vietnam. The conferees agreed on an authorization ceiling of \$1 billion for support of the South Vietnamese armed forces in fiscal year 1975. The House bill had originally recommended \$1.1 billion, while the Senate version would have provided an authorization of \$900 million in this category. Only \$700 million of this authorization was appropriated, however, in the Defense Appropriations Act, as was noted above.

Supplemental Authorizations and Appropriations.—The fiscal year 1975 defense budget request was accompanied by a \$6.2 billion supplemental request for fiscal year 1974. Of the \$6.2 billion in the supplemental request, \$3.4 billion was for increases in pay and retirement benefits. The balance of \$2.8 billion was justified by the Defense Department as needed to improve the readiness of U.S. forces in the aftermath of the Middle East war, to cover fuel price increases, and to replace weapons and equipment given as emergency assistance to Israel. Readiness measures included improving U.S. airlift capacity, stepping up production and procurement of certain weapon systems which proved to be particularly effective in combat, and expediting force modernization of both the general purpose and strategic forces.

Only \$1.3 billion of the \$6.2 billion supplemental request required new authorization through Department of Defense supplemental authorization bill (H.R. 12565, Public Law 93-307). On April 4, the House authorized \$1.1 billion, while the Senate version, passed on May 6, provided only \$415.5 million, with an additional transfer authority of \$155.8 million, making a total obligational authority of \$571.3 million. The final version of the bill as enacted into law on June 8, 1974, authorized \$769 million in supplemental funds for fiscal year 1974. This figure was \$488 million less than requested by the Department of Defense.

The funds authorized in H.R. 12565 were appropriated through the Second Supplemental Appropriation Act (H.R. 14013, Public Law 93-305), which like the authorizing legislation was passed by Congress on June 4-5 and enacted on June 8, 1974. This supplemental appropriation act provided an additional \$4.7 billion for the Defense De-

partment in fiscal year 1974. This figure was \$1.5 billion less than the request. Nevertheless, the annual Defense Department appropriation combined with this supplemental appropriation totalled \$78.9 billion for fiscal year 1974, compared to \$77.3 billion which the administration had originally requested.

The most controversial aspects of the supplemental request were the proposal to expand facilities on Diego Garcia and the request to raise the ceiling for Military Assistance Service Funded (MASF) obligations for South Vietnam and Laos. The Departments of the Navy and Air Force requested an authorization of \$32.3 million for the expansion of facilities on Diego Garcia, a program that was aimed at increasing the island's logistic capabilities to the point where the facility could support limited U.S. military operations in the Indian Ocean area. This request was approved by the House but was subsequently denied by the Senate. With the understanding that the project would be given careful consideration by the Senate during its review of the 1975 military construction bill, the House conferees accepted the Senate's recommendation.

The administration had also requested that the Authorization and Appropriations Acts for fiscal year 1974 be amended to increase the authority for MASF for South Vietnam and Laos by \$474 million, from \$1.126 billion to \$1.6 billion. The Congress denied this request. The conference report stated: "It cannot be emphasized too strongly that the statutory ceiling of \$1.126 billion enacted in fiscal year 1974 remains unaltered and shall not be circumvented by accounting adjustments."

Military Construction.—As a result of the decision to fund the proposed expansion of Navy and Air Force facilities on the British-owned Indian Ocean island of Diego Garcia through military construction legislation, the controversy surrounding the Diego Garcia proposal focused attention on a part of the defense budget which is usually of less apparent significance to foreign policy. The Defense Department maintained that expanded communications and logistics facilities on the uninhabited, coral atoll were needed to support U.S. Naval operations in the Indian Ocean, where the Soviet Union already had the use of three major naval bases. Opponents of the Diego Garcia proposal argued that it would trigger a naval arms race in the Indian Ocean and might be a destabilizing influence in the Middle East.

On August 9, the House passed the military construction authorization bill for fiscal year 1975 (H.R. 161361, Public Law 93-552) authorizing almost \$3 billion of the \$3.3 billion requested by the Department of Defense and including the \$32.3 million requested for Diego Garcia, after efforts to delete these funds had been defeated on the floor. The Senate version, passed on September 11, authorized a larger total figure for military construction but included only \$18.1 million for Diego Garcia. The Senate bill also contained language prohibiting use of these funds until: (1) the President "has advised the Congress in writing that he has evaluated all military and foreign policy implications regarding the need for these facilities and has certified that this construction is essential to the national interest," and (2) both Houses of Congress have approved the matter by a joint resolution.

The conference version of the \$3 billion military construction authorization bill enacted on December 27, 1974, authorized \$18.1

million for Diego Garcia but limited the use of these funds. The authorization act included language prohibiting their allocation until 60 days after the President had certified to the Congress that the expansion was of vital national interest, during which period either House of Congress could vote to nullify the authorization. The Military Construction Appropriation Act for Fiscal Year 1975 (Public Law 93-636) enacted on January 3, 1975, did not provide any funding specifically for Diego Garcia; however, this legislation permitted the Navy and Air Force to use any available construction funds for the Diego Garcia program, provided it were allowed under the conditions set by the Military Construction Authorization Act. (See section on Asia.)

INTELLIGENCE ¹

In 1974, the main accomplishments of Congress relating to the field of intelligence were the passage of the Foreign Assistance Act, 1974 which limited the funding of Central Intelligence Agency (CIA) covert operations, and the Freedom of Information Act, 1974 (passed over Presidential veto), which authorized judicial review of classified national security information.

The New York Times and the Washington Post reported on September 8, 1974, that the CIA had funded Chilean groups opposed to Salvador Allende, and the New York Times reported on December 22 that the CIA had conducted domestic surveillance programs which included the maintenance of files on 10,000 U.S. citizens. Subsequently, President Ford acknowledged that the United States had funded groups in opposition to Allende, and William Colby, the Director of the CIA, acknowledged that the CIA had set up a counterintelligence unit which gathered files on about 10,000 Americans. These revelations gave force to legislative proposals to clarify congressional intent with regard to; (1) the restriction of CIA domestic activities; (2) the limitation of CIA foreign covert operations; and (3) the reorganization of the congressional oversight of the CIA.

Restriction of CIA Domestic Activities.—A number of bills and amendments to restrict the domestic activities of the CIA were introduced in 1974. H.R. 15845, to amend the National Security Act of 1947 with regard to the activities of the CIA, was introduced on July 10 by Representatives Nedzi and Bray, chairman and ranking minority member, respectively, of the Subcommittee on Intelligence of the House Armed Services Committee. Chairman Nedzi stated that the bill was an attempt to strengthen the National Security Act to assure that the CIA not engage in any activity outlawed by the act and to discourage any future attempts in the executive branch to so use the Agency. Hearings were held on H.R. 15845 July 22 and August 15. A similar bill, S. 2597, was introduced by Senator Stennis, chairman of the Senate Armed Services Committee CIA Oversight Subcommittee on October 18, 1973.

The New York Times report of December 22 on CIA domestic surveillance prompted the announcement of numerous congressional investigations of CIA domestic surveillance programs scheduled for 1975.

Limitation of CIA Foreign Covert Operations.—The September press reports of CIA covert actions in Chile brought forth congressional efforts to limit the funding of CIA covert operations. An amendment to the Foreign Assistance Act of 1974 (Public Law 93-559), offered by Senator Abourezk and an amendment to a continuing appropriations bill for fiscal year 1975 (H.J. Res. 1131), offered by Representative Holtzman, to prohibit funds for foreign covert activities by the CIA, were rejected. The Abourezk amendment

¹ Prepared by William N. Raiford, Analyst in National Defense.

was defeated 68 to 17 and the Holtzman amendment was defeated 291-108.

However, the Foreign Assistance Act of 1974 as signed into law on December 30 did limit the funding of CIA covert operations. Public Law 93-559 prohibited the use of funds appropriated under the act, or any other act, from being expended by or on behalf of the CIA for operations in foreign countries, other than activities intended solely for obtaining necessary intelligence, unless and until the President finds that each such operation is important to the national security and reports, in timely fashion, a description and scope of such operation to the appropriate committees of the Congress, including the Foreign Relations and Foreign Affairs Committees. These provisions do not apply during military operations initiated by the United States under a declaration of war approved by the Congress or an exercise of powers by the President under the War Powers Resolution.

Oversight Committees.—Revelations of CIA covert operations, apparently unknown to some oversight subcommittee members, intensified Congress's concern about its oversight functions. Ten bills to create joint, standing, or select oversight committees were introduced in 1974. S. 4019, introduced by Senator Baker, and four similar House bills, called for establishment of a "Joint Committee on Intelligence Oversight" which would exercise jurisdiction over all U.S. Government agencies dealing with intelligence and surveillance. Senate Resolution 404, introduced by Senator Mondale, and Senate Resolution 419 introduced by Senators Mansfield and Mathias, would create a select committee on intelligence policies and activities. Representative Harrington introduced three similar bills to establish a "Committee on Intelligence Operations." Senator Muskie's Government Operations Subcommittee on Intergovernmental Relations held 2 days of hearings on S. 4019 and Senate Resolution 419. No action was taken on the other bills during 1974.

Under the new House rules (H. Res. 988) the Foreign Affairs Committee was given special oversight of intelligence activities relating to foreign policy. This was in addition to the oversight responsibilities of the Armed Services and Appropriations Subcommittees already in existence.

Military Surveillance.—The Constitutional Rights Subcommittee of the Senate Judiciary Committee held hearings on S. 2318, the Freedom from Surveillance Act. The bill, introduced by Senator Ervin and cosponsored by 34 Senators, prohibited the use of military personnel to conduct investigations into, maintain surveillance over, or record and maintain information regarding the beliefs, associations, or political activities of any person not a member of the Armed Forces, or over civilian organizations. The bill was reported to the full committee but no further action was taken during the 93d Congress.

Freedom of Information.—The Freedom of Information Act Amendments of 1974 became Public Law 93-502 on November 21 when the Congress overrode a Presidential veto. Among other provisions, Public Law 93-502 authorized judicial review of classified national security information in order to determine whether it could be withheld from a citizen.

INTERNATIONAL ORGANIZATIONS AND LAW ¹

In 1974, the accomplishments of Congress relating to international organizations and law included the passage of legislation for U.S. financial participation in the United Nations and resolutions to strengthen the International Court of Justice.

Contributions to International Organizations.—The Department of State Appropriations Act, 1973 (Public Law 92-544) included a section which provided that after December 31, 1973, no appropriation would be authorized and no payment made to the United Nations or any affiliated agency in excess of 25 percent of the total annual assessment of such organization. Section 8 of the State Department authorization for fiscal year 1975 (Public Law 93-475) removed this 25 percent restriction from the authorization for payments, prior to January 1, 1975, of U.S. expenses to the United Nations Educational, Scientific, and Cultural Organization (UNESCO), the International Civil Aviation Organization, and the World Health Organization. That act also authorized \$229,604,000 for "International Organizations and Conferences."

The Foreign Assistance Act of 1974 (Public Law 93-559) increased the authorization for international organizations and programs, financed under the act to \$165 million for fiscal year 1975. The conference committee indicated in its report that \$3 million of the funds thus authorized was to be made available to the United Nations Childrens Emergency Fund (UNICEF) because of the marked increase in the demands on its resources; and \$7.6 million for the United Nations Development Program (UNDP), to help change the U.S. contribution from a split-year to a full-year funding basis. The conference committee also expressed concern about the operations of the United Nations Relief and Works Agency (UNRWA) and directed the Secretary of State to conduct a review of that Agency's operations and promptly report its findings to the Senate Foreign Relations Committee and the House Foreign Affairs Committee.

The Foreign Assistance Act, 1974, also directed that no funds be expended or obligated directly or indirectly to support UNESCO until the President certified to Congress that the organization has adopted policies which are fully consistent with its educational, scientific and cultural objectives, and has taken concrete steps to correct its recent actions of a primarily political character.²

H.R. 16982 authorizing for fiscal year 1975 U.S. contributions to the United Nations for expenses for the U.N. Emergency (UNEF) and the U.N. Disengagement Observer (UNDOF) in the Middle East and for the U.N. Force on Cyprus (UNFICYP) was passed by the House on November 18, 1974, and passed, amended, by the Senate on December 18, 1974. The Senate-passed bill omitted the provision

¹ Prepared by Vita Bite, Foreign Affairs Analyst.

² In November the UNESCO General Conference had cut off support for that agency's regional programs in Israel on the grounds that Israel had ignored U.N. resolutions against altering the cultural character of Jerusalem.

providing for the support of UNFICYP because this payment had already been made from foreign aid funds under a continuing resolution. The House adjourned without indicating whether it agreed or disagreed with the Senate amendment, and no further action was taken in the 93d Congress.

International Police Organization.—On October 24, 1974, legislation was enacted (Public Law 93-468) to increase the limit on annual dues for U.S. membership in the International Police Organization (INTERPOL) from \$80,000 to \$120,000.

International Court of Justice.—On May 20, 1974, the Senate passed a series of five resolutions (S. Res. 74, 75, 76, 77, and 78) whose common purpose was to encourage and facilitate greater use of the International Court of Justice as a forum for the pacific settlement of international disputes. The resolutions had the support of the administration. Each resolution required that the President report to the Senate what actions he has taken pursuant to the resolution.

The resolutions expressed the sense of the Senate with respect to the following: submission of U.S. territorial disputes to the International Court of Justice (S. Res. 74); adjudication of disputes arising out of the interpretation and application of international agreement (S. Res. 75); establishing regional courts within the International Court of Justice, increasing the categories of parties which may request advisory opinions from the International Court of Justice, and having the International Court of Justice consider cases outside the Hague (S. Res. 76); jurisdiction of the International Court of Justice (S. Res. 77); and access to the International Court of Justice (S. Res. 78).

Similar resolutions concerning the International Court of Justice were introduced in the House of Representatives (H. Res. 1212, 1213, 1214, 1215, and 1216), but no action was taken on them by the House Foreign Affairs Committee to which the bills were referred.

OCEANS, SEABED, AND FISHERIES ¹

Throughout the 93d Congress, many bills and resolutions were introduced and debated concerning the oceans, seabed, and fisheries. The preponderance of this legislation was in response to relatively new areas of critical concern to the United States and the world in general over the past few years—energy, raw materials, environment, and food. Increasing competition among nations to explore and exploit the ocean resources in terms of oil and gas, minerals, and fish, prompted the Congress to consider legislation intended to protect U.S. oil drilling, deep sea mining, and fisheries interests. Increased ocean activity also alerted the Congress to the dangers to the marine environment and to the U.S. coastal areas of ocean pollution from such sources as oil spills and toxic ocean waste dumpage.

In addition to desiring to protect American interests from excessive foreign competition, some of the legislation introduced was intended to support American commercial interests anxious to explore and develop the potential ocean resources off U.S. coastal areas. Some of this legislation involved international law and U.S. foreign policy. In a few instances legislation was strongly resisted by the administration on the grounds that unilateral action by the United States would jeopardize ongoing international negotiations pertaining to the Law of the Sea. This was particularly true of two highly controversial bills—the Deep Seabed Hard Minerals Act (H.R. 12233) intended to promote the conservation and orderly development of hard mineral resources of the deep seabed, pending international arrangements for the management of this area; and the Emergency Marine Fisheries Act of 1974 (S. 1988) to extend on an interim basis the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry and for other purposes. Despite much debate and many hearings in committee, only S. 1988 reached the floor of the Senate where it was passed, and neither was passed by Congress. Still another bill, which was passed as amended by the Senate, but was not passed by the House, was the Energy Supply Act of 1974 (S. 3221). This bill was intended essentially to increase the supply of energy in the United States from the Outer Continental Shelf, and to amend the Outer Continental Shelf Lands Act.

On the other hand, the complex energy-related Deepwater Port Act of 1974, which establishes a licensing and regulatory program governing offshore deepwater port development beyond the territorial limits and off the coasts of the United States, and which involves several questions of international law and foreign policy, was supported by the administration and was passed by the Congress (Public Law 93-627).

Congress has also either undertaken or has provided funds for ocean studies aimed at instituting an orderly, rational, and equitable

¹ Prepared by Marion Montague, Analyst in U.S. Foreign Policy.

administration of the oceans and their resources. To this end the Senate in February agreed to Senate Resolution 222 which authorized a National Ocean Policy Study composed of members from various congressional committees having an interest in the oceans.

Additional appropriations for the National Science Foundation (NSF) were authorized for fiscal year 1975 enabling NSF to continue its research programs in a number of fields including oceans, and to continue several advanced scientific and technological projects of national and international significance such as the International Decade of Ocean Exploration Program and the Ocean Sediment Coring Program. The Coastal Zone Management Act Amendment (Public Law 93-430) increased the authorization for the development of the coastal zone management programs in relation to offshore activities, including exploitation of Continental Shelf resources, location of energy-related facilities, and the construction of offshore deepwater ports. In addition, oversight hearings on Federal ocean programs and coordination among various departments and agencies of the Government were conducted throughout the year by various congressional subcommittees.

Several measures to protect the oceans and U.S. coastlines from pollution, including that from oil and chemical compounds, were passed during 1974. In February an administration bill to allow implementation of the Convention Relating to the Intervention on the High Seas in Cases of Oil Pollution Casualties, 1969—an international oil spill convention—was approved (Public Law 93-248). In March a bill was passed to incorporate in the Marine Protection, Research and Sanctuaries Act (the Ocean Dumping Act) certain features of the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, which had not been included in the basic statute (Public Law 93-254). Later in the year, the Marine Pollution, Research and Sanctuaries Act Appropriations Authorization (Public Law 93-472 of October 26, 1974) was approved thereby extending through fiscal year 1975 the appropriations authorized to implement the control of disposal of land-generated waste at sea.

Other ocean-related legislation with international connotations approved in 1974 includes the bill authorizing appropriation for U.S. participation in the International Ocean Exposition 1975 (Public Law 93-304) to be held at the invitation of Japan in Okinawa beginning July 1975, and the approval by the Senate of the Protocol to the Convention for the International Council for the Exploration of the Sea.

In addition to extensive discussion of the extension on an interim basis of the interim fishing zone to 200 miles (S. 1988 discussed above), over 37 other bills were introduced relating to this subject. Essentially, they fell into four categories: (1) to extend unilaterally on an interim basis the U.S. fisheries zone from the present 12 miles to 200 miles and to extend U.S. authority over its anadromous fish until general agreement was reached through the negotiation of the Law of the Sea; (2) to extend U.S. fisheries zone from 12 to 200 miles for an unlimited period, thereby making it necessary for foreign vessels to ask U.S. permission before taking any fish from the area; (3) to extend U.S. exclusive fisheries zone to the edge of the Continental Shelf—a variation of from 1 mile off parts of California to as much as 200 miles off Cape Cod; and (4) a cluster of bills which were varia-

tions of the above-described bills. Hearings were held on these bills but no further action was taken.

Action was taken, however, on a fishery-related enforcement act and a conservation act. In July Congress amended the Northwest Atlantic Fisheries Act of 1950 to permit U.S. participation in the international enforcement of fish conservation in an increased geographic area, pursuant to the International Convention for the Northwest Atlantic Fisheries, 1949, as amended (Public Law 93-339). During the same month, it amended the Anadromous Fish Conservation Act of 1965, in order to extend and increase the authorization for appropriations for 5 years (Public Law 93-362).

Besides the Deepwater Port Act (see above) a number of shipping and energy-related bills which have foreign policy ramifications were also considered during 1974. Two that were passed by Congress but pocket vetoed by the President were the Energy Transportation Security Act of 1975 (H.R. 8193—also referred to as the U.S. tanker preference bill), which would have required that 20 percent of oil imported into the United States be transported in U.S.-flag tankers, and the Maritime Programs authorizing appropriations for fiscal 1975. The President disapproved of the former on grounds that it would have an adverse impact on the U.S. economy and on U.S. foreign relations. He disapproved the latter because of a provision providing for reimbursement for U.S. fishing vessels and equipment damaged by foreign flag vessels, which he maintained would essentially result in a grant program with few effective restraints and would set a precedent for the Federal relief of private parties from the actions of foreign "nationals."

OCEANS AND SEABEDS

(1) *National Oceans Policy Study*.—In accordance with Senate Resolution 222 on February 19, 1974, the Committee on Commerce was authorized to conduct a national ocean policy study: (1) to identify and describe the living and nonliving resources of the oceans; (2) to examine the technological and legal capabilities necessary to the development of an effective national ocean competence; and (3) to make an assessment of proposals for, and current negotiations with respect to, achieving adequate national and international jurisdiction over the oceans, and understanding the relationship of the oceans to world order.

The national ocean policy study group is composed of members from the Committees on Commerce, Appropriations, Government Operations, Public Works, Foreign Relations, Labor and Public Welfare, Interior and Insular Affairs, and Armed Services, plus at-large members.

In November 1974, the Committee on Commerce published as a committee print the first report of the study group entitled: *Outer Continental Shelf Oil and Gas Development and the Coastal Zone*. The report set forth various findings and recommendations compiled from hearings held by the National Oceans Policy Study by the Senate Committee on Interior and Insular Affairs on amendments to the Outer Continental Shelf Lands Act, as well as from various background documents.

(2) *Protocol to the Convention for the International Council for the Exploration of the Sea*.—On September 4, 1974, the Senate by unani-

mous vote approved the Protocol to the Convention for the International Council for the Exploration of the Sea.

The purpose of the protocol done at Copenhagen, August 30, 1970, and signed by the United States August 22, 1973, is to amend the convention with respect to the vote required by the Council for approving its annual budget, thus requiring a two-thirds majority vote of members of the International Council for the Exploration of the Sea (ICES) for approval rather than the simple majority required by the Convention of September 12, 1964. This would provide a safeguard against the possibility of a simple majority imposing a substantial budgetary increase on the entire membership of the Council.

According to the convention, the International Council (which is the oldest international organization dealing with the study of the sea—first having been established on the basis of informal statutes in 1902) is to: promote and encourage research and investigations for the study of the sea, particularly relating to living marine resources. The Council's particular area of concern is in the Atlantic Ocean and its adjacent seas, with primary emphasis on the North Atlantic.

(3) *U.S. Participation in the International Ocean Exposition 1975.*—An act Public Law 93-304 was passed to authorize appropriations for U.S. participation in the International Ocean Exposition 1975 to be held in Okinawa, Japan. The Second Supplemental Appropriations Act of 1974 (Public Law 93-305) contained an appropriation of \$5.6 million for the U.S. Information Agency (USIA) to use for U.S. participation in the exposition, of which \$2.5 million is to be paid in Japanese yen owned by the United States.

The United States is one of 140 countries which has been invited to participate. The theme of the U.S. exhibition will be American achievements in the science and technology of oceanography and cooperative scientific and commercial programs in related marine activities.

(4) *Intervention on the High Seas Act.*—The purpose of the Intervention on the High Seas Act (Public Law 93-248 of February 5, 1974) is to implement the International Convention Relating to Intervention on the High Seas in Cases of Oil Pollution Casualties, 1969. This Convention was signed by the United States November 29, 1969, and approved by the Senate on September 29, 1971. It has not entered into force, however.

The act authorized the necessary measures on the high seas to prevent, mitigate, or eliminate danger to the coastline or related interests (including fish and wildlife, coastal zone and estuarine activities and shorelines) of the United States from pollution or threat of pollution of the sea by oil which may reasonably be expected to result in major harmful consequences.

The act further outlines those measures that may be taken by the Secretary (of the department in which the Coast Guard is operating) when he determines that a grave and imminent danger from an oil spill exists. These include coordinating and directing efforts, or undertaking salvage or other action to remove or eliminate the threatened pollution damage, and removing or if necessary, destroying the ship and cargo which is the source of the danger.

(5) *Certain Ocean Dumping Prohibited.*—On March 22, 1974, Public Law 93-254 was approved. This law brings conformity between the Marine Protection, Research and Sanctuaries Act passed by the 92d

Congress (in response to concern over damage to marine life of U.S. coastal waters and an awareness of the problems in other countries relating to the dumping of mercury compounds in coastal waters) and the Marine Pollution Convention adopted in London November 1972.

In addition to providing technical and conforming language between the earlier legislation—also referred to as the Ocean Dumping Act—and the convention, the act expands the definition of materials to be controlled to include oil which is taken on board for the purpose of dumping.

(6) *Amended Text to Article VII of the 1965 Convention on Facilitation of International Maritime Traffic.*—The Convention on Facilitation of International Maritime Traffic, 1965 deals with general principles intended to simplify documentation and reduce port formalities for international vessels, passengers and cargo thereby preventing or reducing delays to all concerned.

The purpose of the amended text to the convention, done at London, November 19, 1973, which was adopted by the Intergovernmental Maritime Consultative Organization (IMCO), and approved by the Senate December 16, 1974, is to provide a “tacit amendment” procedure for approving changes in the annex to the convention, and thus permit a quicker and more efficient means of bringing about such changes as those dealing with cargo handling equipment, shore leave for crews, and upgrading of the standards and recommended practices relating to public health, customs and immigration regulations, as well as procedures administered by various officials.

(7) *Icebreaking Operations in Foreign Waters.*—The purpose of this law (Public Law 93-519 of December 13, 1974) was to amend section 2 of title 14, United States Code (which outlines basic duties of the Coast Guard with regard to icebreaking operations) to provide authority to the Coast Guard to conduct icebreaking operations pursuant to international agreements, in foreign waters other than the high seas or water subject to the jurisdiction of the United States. While the immediate aim of the legislation was to provide a statutory basis for more efficient icebreaking throughout the Great Lakes-St. Lawrence Seaway System, various portions of which lie within Canadian waters, it would authorize similar activities in other areas when negotiated for by international agreement.

(8) *Deepwater Port Act of 1974.*—The Deepwater Port Act to regulate commerce, promote efficiency in transportation, and protect the environment by establishing procedures for the location, construction, and operation of deepwater ports off the coasts of the United States, was approved January 3, 1975 (Public Law 93-627).

The purpose of the act is to establish a licensing and regulatory program governing offshore deepwater port development beyond the territorial limits and off the coasts of the United States. Such facilities are to be used exclusively to transfer oil supplies transported by tanker to and from the United States.

A number of the provisions of the Deepwater Port Act define its relationship to international law and foreign affairs. They outline interagency cooperation, including the responsibilities of the Secretary of State; forbid the negotiation of any international agreement that might conflict with any law (such as the Outer Continental Shelf Act, the Mineral Leasing Act of 1920, as amended, etc.); and provide extensively for protection of the marine environment. The act explains

the conditions under which the deepwater ports may be used by foreign vessels, the application of customs laws to goods imported for the construction of the port, and the conditions under which trade secrets are protected. It specifically provides for negotiations by the President with Canada and Mexico with regard to intergovernmental understandings concerning the construction and operation of deepwater ports and requires that he report to the Congress with regard to areas of disagreement.

FISHERIES

(1) *Emergency Marine Fisheries Protection Act, 1974*.—Though the Senate passed the highly controversial S. 1988 to extend on an interim basis the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry and for other purposes, the House took no action on it. Therefore, the bill died upon the adjournment of the 93d Congress.

The primary purpose of this bill which had been introduced in June 1973, was to extend unilaterally U.S. fishery jurisdiction from 12 to 200 miles until a general agreement was reached by the U.N. Law of the Sea Conference.

The bill was strongly supported by the fishing interests along the Atlantic coast and Pacific Northwest, various sportsmen's organizations and certain conservation groups, and strongly opposed by the executive branch and the American tuna and shrimp industries which fish off the east and west coasts of Latin America.

Sponsors of the bill maintained that the depletion of fishery stocks was largely due to massive foreign fishing off the shores of the United States, that international fishery agreements concerning the control and regulation of fishing to which the United States is a party have been ineffective, that a generally acceptable treaty on marine fisheries management jurisdiction would not be in effect until the end of the decade, and that the United States must, in its own interest and that of preserving threatened fish stocks, take immediate emergency action. They disclaimed any intention of undermining the Law of the Sea Conference since the bill would have provided an interim measure.

The executive branch maintained that such unilateral extension of jurisdiction would create political tensions internationally, prejudice successful negotiations at the Law of the Sea Conference, be a violation of international law, and be a serious threat to high seas freedoms on which military mobility depends. It feared that if the United States made such unilateral claims in the ocean, it would inevitably be faced with an increasing number of competing, retaliatory or unrelated claims the impact of which would be counter to national security interests.

Indicative of the controversy generated by the bill, which was considered by the Commerce, Foreign Relations, and Armed Services Committees, were the extremely close votes in all but that of the Commerce Committee. And both the reports of the Foreign Relations Committee which reported unfavorably the bill, and the Armed Services Committee which favored the bill, included strongly worded minority views.

(2) *Amending the Northwest Atlantic Fisheries Act of 1950*.—Public Law 93-339 amended the Northwest Atlantic Fisheries Act of 1950 to permit U.S. participation in international enforcement of fish con-

servation in additional geographic areas pursuant to the International Convention for the Northwest Atlantic Fisheries of 1949.

In 1971, the International Commission for Northwest Atlantic Fisheries (ICNAF) initiated a conservation plan which was implemented for the United States through legislation passed in the 92d Congress. In 1973, in order to take into account the migratory movement of certain species of fish outside the original area covered by the 12-nation international Convention for the Northwest Atlantic Fisheries, ICNAF agreed to extend the zone of its fish conservation scheme southward from Rhode Island to Cape Hatteras, N.C. The ICNAF scheme requires vessels of member nations to accept U.S. and other ICNAF inspectors in the extended area, as well as in the conservation area proper.

The new law enabled the United States to participate in this scheme and requires an annual report from the Secretary of State advising the Congress on the costs incurred in reimbursing travel and per diem expenses of not more than five members of the industry advisory committee.

(3) *Anadromous Fish Conservation Act Amendments*.—On July 20, 1974, legislation (Public Law 93-362) was approved by which Congress reaffirmed and extended its commitment to support a Federal-State program intended to provide for the conservation, development, and enhancement of the U.S. supply of salt water and Great Lakes fish, which ascend rivers and streams to spawn. Anadromous fish begin their lifespan in fresh water, eventually migrate to salt water where they usually spend most of their lives and, finally, return to fresh water (usually to the stream of their birth) at maturity to spawn and usually to die having completed their lifespan. During their ocean existence, anadromous fish migrate through territorial and international waters, thus requiring cooperation in their management, not only by the States of the United States, but by the United States and foreign countries as well. Under the Fish Conservation Act of 1965, which would have expired June 30, 1974, States were provided assistance for the construction of fish passages around dams and programs to insure clean water for spawning and rearing young fish. The new amendments extend the termination date to June 30, 1979, and increase the appropriations authorized in the act from \$10 million to \$20 million per year.

INTERNATIONAL SOCIAL ISSUES ¹

The 93d Congress in its second session considered a number of international social issues: human rights; the crime of genocide; terrorism; narcotics; and the world food crisis of resources and distribution.

Human Rights.—In 1974 congressional concern for human rights was manifested by the various hearings held on the subject, and by the enactment of section 46 of the Foreign Assistance Act of 1974 (Public Law 93-559). This section expressed:

The sense of Congress that, except in extraordinary circumstances, the President shall substantially reduce or terminate security assistance to any government which engages in a consistent pattern of gross violation of internationally recognized human rights, including torture or cruel, inhuman or degrading treatment or punishment; prolonged detention without charges; or other flagrant denials of the right to life, liberty, and the security of the person.

The President is to advise Congress of extraordinary circumstances necessitating security assistance to any government engaging in such human rights violations, and a government's cooperation in permitting investigation of alleged human rights violations by appropriate international organizations is to be given consideration in determining whether such a government receive security assistance.

The Subcommittee on International Organizations and Movements of the House Committee on Foreign Affairs has shown continued interest in human rights during the 2d session of the 93d Congress. On March 27, 1974, the majority of members of the subcommittee released a report entitled, "Human Rights in the World Community: A Call for U.S. Leadership," presenting policy recommendations on international protection of human rights. The subcommittee held hearings on human rights in various regions: on human rights in Chile (jointly with the Subcommittee on Inter-American Affairs); on human rights in Africa (jointly with the Subcommittee on Africa); on human rights and détente (jointly with the Subcommittee on Europe); on human rights in Korea (jointly with the Subcommittee on Asian and Pacific Affairs); and on torture and oppression in Brazil. In addition the subcommittee held a hearing to review the activities of the U.N. Commission on Human Rights.

On July 23, 1974, the Senate Judiciary Subcommittee on Refugees and Escapees held hearings on the human rights situation in Chile.

The Genocide Convention.—For the first time since it was originally submitted to the Senate in 1949, the controversial U.N. Convention on the Prevention and Punishment of the Crime of Genocide (Ex. O., 81st Congress, 1st session) was debated by the Senate in executive session (January 28 to February 6, 1974). The main proponents of ratification of the treaty argued that after 80 countries have already become parties to the convention, U.S. ratification would simply

¹ Prepared by Vita Bite, Foreign Affairs Analyst.

be a declaration of conscience against the crime of genocide. The proponents stated, moreover, that U.S. reservations and understandings to the convention would guarantee that an American's constitutional rights would be protected, if he were prosecuted for the crime of genocide. The opponents of ratification argued that the United States understandings and reservations would not adequately protect a citizen against extradition to a foreign country for trial without the procedural guarantees which U.S. trial would provide. Two motions for cloture of debate on the Genocide Convention failed to achieve the needed two-thirds vote (February 5: 55-36; February 6: 55-38).

International Terrorism.—Congress has shown serious concern for curbing international terrorism. After considerable disagreement about the specific provisions of the measure, both Houses of Congress were able to agree and on August 5, 1974, legislation (Public Law 93-366) was enacted to implement The Hague Convention for the Suppression and Unlawful Seizure of Aircraft. The act provided for imposition of life imprisonment or the death penalty in cases where the death of another results from the commission of an offense under the act. It authorizes the President to suspend civil air traffic with any foreign nation which does not abide by The Hague Convention, or aids and abets terrorist groups, or with any nation which continues air service to a nation which encourages hijacking. The act also authorizes the Secretary of the Treasury with the approval of the Secretary of State to restrict the operations of foreign carriers when their governments do not maintain adequate security standards.

On May 5, 1974, the Senate adopted Senate Resolution 324 condemning the terrorist threat against the lives of 90 Israeli children as well as acts of terrorism. It urged the President and the Secretary of State to call upon all governments to condemn the act of violence, and the countries where terrorist groups and individuals are found to take appropriate action to rid their countries of those who subvert the peace through terrorism and senseless violence.

The Subcommittee on Near East and South Asia of the House Foreign Affairs Committee held hearings on terrorism and counter-terrorism on June 11, 18, and 19. The House Committee on Internal Security held extensive hearings on terrorism (February 27 * * * August 20, 1974). The same committee prepared a staff study on terrorism discussing terrorist organizations in various areas of the world as well as terrorist acts in the United States.

On November 18, 1974, the President sent to the Senate for its approval the 1973 Convention on the Prevention and Punishment of Crimes Against Internationally Protected Persons. The Senate, did not, however, take any action on the treaty during 1974.

The Committee on Public Works in its report on H.R. 17463 to amend title 3 of the United States Code, to provide protection for foreign diplomatic missions, and to increase the size of the Executive Protective Service, added an amendment to the bill whereby the protection of the Executive Protection Service might be provided to:

Foreign diplomatic mission located in metropolitan areas (other than the District of Columbia) in the United States, and in its territories and possessions, where there are located 20 or more such missions headed by full-time career officers, except that such protection shall be provided only upon request of the affected metropolitan areas.

The bill as reported would also provide reimbursement to State and local governments providing protection to foreign diplomatic missions in the United States (other than in the District of Columbia) at the request of the Secretary of the Treasury. The House did not take any action on this bill before adjournment.

International Narcotics.—Pursuant to section 653 of the Foreign Assistance Act of 1961, the Acting Assistant Secretary of State for Congressional Relations transmitted a report to Congress on April 9, 1974, showing proposed revisions of fiscal year 1974 country and international organization allocations for international narcotics programs. The total amount allocated to country programs, international organization programs, and worldwide programs was \$42.5 million. The largest individual sums went to Turkey (\$15.0 million), Thailand (\$6.6 million), Mexico (\$4.6 million), and for worldwide program training costs (\$6.9 million).

On February 25, 1974, the Senate Committee on the Judiciary held hearings on S. 1646 and S. 2544 to implement the Convention on Psychotropic Substances (signed at Vienna on February 21, 1971, and awaiting Senate approval). The Senate Subcommittee on Internal Security of the Committee on the Judiciary on May 9 and 16 held hearings on the world drug situation and its impact on U.S. security. Testimony was given by a large number of witnesses from Government, medical, and academic circles.

Under a ban on poppy production worked out between the United States and Turkey in 1971 which came into effect in the fall of 1972, the United States agreed to provide \$35.7 million to Turkey to help offset the economic effects of such a ban. During the 2-year period when the ban was in effect it is estimated that the number of people addicted to heroin in the United States dropped from between 500,000 and 700,000 to about 200,000. The House Committee on Foreign Affairs in mid-May, 1974, released a committee print entitled, *The Politics of the Poppy*, a report of a study mission to Turkey, March 14–16, 1974. The report attempted to assess the possibility of renewed Turkish production of the opium poppy and the possible consequences of the end of the ban negotiated with the United States nearly 3 years ago. On July 1, 1974, the Turkish Government did, indeed, announce the lifting of the ban. This action led to the introduction in the House of House Concurrent Resolution 507 calling on the President to negotiate a ban on Turkish opium production. A total of 30 similar and identical bills were introduced in the House having 251 sponsors and cosponsors. On August 5, 1974, the House passed this resolution which called on the President in the event of the failure of all efforts to work out a ban on opium production to suspend assistance to Turkey. (See section on the Middle East.)

World Food Crisis.—Congress struggled in 1974 to reconcile the traditional humanitarian role of the United States with the increasing global food crisis, diminished resources, and growing economic problems in the United States. Numerous bills and resolutions were considered which proposed systems for food reserves, short- and long-term food assistance and famine relief programs, and methods for resolving fertilizer and food shortages. Although much of the proposed legislation relating to the food crisis did not receive final action, the following bills and resolutions were enacted in 1974.

After hearings before the Senate Foreign Relations Committee on July 11, the Senate on August 7 passed Senate Resolution 329 relat-

ing to the participation of the United States in an international effort to reduce the risk of famine and lessen human suffering. It expressed the sense of the Senate that the United States should contribute to the alleviation of the immediate economic and human crisis of the developing world by providing assistance in the form of food and the means and technology to produce it.

In September 1974, the House Foreign Affairs Subcommittee on International Organizations and Movements and on Foreign Economic Policy held hearings on U.S. food policy and world food needs. The House passed on December 9, House Resolution 1399, which stated that the United States should help poor countries increase agriculture production, promote economic and social development, increase emergency food aid, and seek an international agreement for a system of food reserves, and the President should encourage reduction in the domestic consumption of fertilizer for nonfarm uses.

On November 25 the Senate passed H.R. 16901, making appropriations for agriculture, environmental, and consumer protection programs for fiscal year 1975, which included the Clark amendment giving highest priority to the allocation of funds (under Public Law 480) to those nations most seriously affected by current food shortages. It was enacted on December 31, 1974 (Public Law 93-563).

On November 26, the Senate approved Senate Resolution 437 which recognized the Monday of Thanksgiving week, November 24, 1975, as a National Day of Fasting.

On December 3 the Senate agreed to Senate Resolution 440, which stated that the United States should continue to cooperate fully with other nations in the implementation of the agreements reached at the World Food Conference and the World Population Conference (held November 6-15, 1974) wherever and whenever possible.

The problem of balancing a humanitarian response to foreign starvation with lowered U.S. food supplies and a weakened economy was the subject of hearings held in December by the Senate Select Committee on Nutrition and Human Needs.

THE MIDDLE EAST¹

Events in the Middle East during the latter part of 1973 and throughout 1974 evoked considerable response on the part of the 93d Congress to political, economic, and military developments in the region. In the wake of the October 1973 Arab-Israeli conflict, congressional attention focused upon the complex course of negotiations toward a Middle East peace settlement, and on U.S. regional commitments, interests, and assistance. Periodic briefings by the Secretary of State and other key executive branch officials were held during the year to provide information to Congress on regional developments.

The use of the oil embargo by Arab oil-producing states as a political and economic weapon, together with the precipitate rise in the price of crude oil, prompted intense congressional concern. President Nixon's announcement, during his visit to the Middle East in June, of U.S. willingness to enter into agreements with Egypt and Israel for cooperation in nuclear technology drew immediate reaction from Congress.

The Turkish decision to resume cultivation of the opium poppy, the mid-July Cyprus crisis, and the subsequent Turkish military intervention on the island, generated strong congressional activity in the form of resolutions and amendments affecting U.S. commitments abroad. These developments culminated during September and October in a challenge by the Congress to the administration in its conduct of foreign policy on this issue, and, in light of Turkish use of U.S.-supplied arms and materiel during its invasion of Cyprus, in direct confrontation on the issue of continued economic and military aid to Turkey. Action was pressed, in the face of Presidential veto, through a continuing appropriations resolution, and through the Foreign Assistance Act. The latter, which contained a ban on aid to Turkey as well as various policy restrictions on the executive branch, followed a tortuous course through Congress. Compromise on Turkish aid was reached only in the final week of the session.

During 1974, Congress exhibited its concern for the plight of refugees in the Middle East and Cyprus and for the free emigration and resettlement of Soviet Jews in Israel. The Foreign Assistance Act and a continuing appropriations resolution earmarked funds for Palestinian and Cypriot refugees, and Jewish emigrants from the Soviet Union. The Trade Act of 1974 resolved a prolonged controversy over congressional insistence that trade benefits for the Soviet Union be conditional upon more liberal Soviet emigration policies. The Trade Act also barred Organization of Petroleum Exporting Countries (OPEC) nations from receiving tariff preferences offered to other developing countries. This ban was primarily aimed at Arab oil-producing states.

Middle East Assistance.—At the end of 1973 through the Emergency Security Assistance Act (Public Law 93-199), Congress authorized \$2.2 billion to assist Israel in replacing material losses it incurred

¹ Prepared by Richard M. Preece, Specialist in Middle Eastern Affairs.

during the October 1973 hostilities. This amount was appropriated in the Foreign Aid Appropriations Act for fiscal 1974 (Public Law 93-240). The legislation placed certain restrictions on the use of assistance in excess of \$1.5 billion. President Nixon, on April 24, 1974, issued an "initial determination," in accordance with the provisions of Public Law 93-199 and Public Law 93-240, outlining disposition of the \$2.2 billion. The determination included releasing Israel from its contractual liability to pay for \$1 billion in defense articles and services purchased since October 1973; and providing \$1.2 billion, less the U.S. share of U.N. peacekeeping operations in the Middle East, in the form of credits, to be repaid over 20 years after a 2-year grace period with a 3 percent annual interest rate. On June 30, the President acted to waive repayment of \$500 million of the \$2.2 billion, thus bringing the amount of grants under the Emergency Security Assistance Act to the authorized maximum of \$1.5 billion.

The Foreign Assistance Act of 1974 (Public Law 93-559) authorized for the Middle East \$600 million in security supporting assistance which would allow \$324.5 million for Israel, \$250 million for Egypt, and \$77.5 million for Jordan; \$300 military credit sales for Israel, with a provision that Israel was released from repaying \$100 million of that total, and \$30 million for Jordan; and the establishment of a Special Requirements Fund to be used for peacekeeping forces, refugee aid, and development projects, including aid to Syria if that country removed barriers to the emigration of Jews. The act also prohibited U.S. contributions to the U.N. Educational, Scientific and Cultural Organization (UNESCO) until that organization had corrected its recent actions of a political nature. UNESCO had expelled Israel from participation.

Acting in response to the declaration by the Turkish Government of July 1, 1974, that it was lifting a ban on the cultivation of opium poppies, the House passed and sent to the Senate a resolution (H. Con. Res. 507, passed the House August 5, 1974) urging the President to conduct negotiations with Turkey to prevent the renewed production of opium. The resolution also urged the President, in the event of the failure of such negotiations, to suspend all foreign assistance to Turkey, as provided in the Foreign Assistance Act Amendments of 1971 (Public Law 92-266), which directed an aid cutoff to any nation not taking adequate measures to prevent the flow of illicit drugs into the United States.

Following Turkish intervention on Cyprus in July 1974 (see section on Western Europe) Congress reached agreement with the President on a continuing appropriations resolution for fiscal 1975 (H.J. Res. 1167, Public Law 93-448, approved October 17, 1974), which contained a provision restricting U.S. military aid to Turkey. The President had vetoed two similar measures (H.J. Res. 1131, vetoed October 14, 1974; and H.J. Res. 1163, vetoed October 17, 1974). Under the language agreed to, all military assistance to the Turkish Government was to be halted after December 10, 1974, until the President determined that substantial progress had been made toward achieving a resolution of the Cyprus situation, and that Turkey was in compliance with the Foreign Assistance Act of 1961 and the Foreign Military Sales Act. All such aid would cease immediately if Turkey violated the cease-fire on Cyprus, increased its forces on the island, or transported U.S. arms and materiel to the island. The President

was given the authority to suspend the aid cutoff if he determined that such a suspension would further the opportunity for a negotiated settlement.

The Foreign Assistance Act of 1974 (Public Law 93-559) contained a provision ordering an immediate halt to military aid to Turkey until substantial progress was made toward resolving the Cyprus crisis. The President was permitted to delay the cutoff until February 5, 1975, if he considered it to be in the interest of the negotiations. Turkey could receive aid until that date providing it adhered to the Cyprus cease-fire and refrained from transporting more troops or armaments to the island. Another provision of the foreign aid package included an allocation of \$25 million to aid refugees on Cyprus.

Included in the State Department-United States Information Agency Fiscal 1975 Authorization (S. 3473, Public Law 93-475) was \$40 million to aid the resettlement of Jews emigrating from the Soviet Union—an action representing a continuation of U.S. policy during the past 2 years, when \$86,500,000 was appropriated for this purpose.

Energy.—In passing the Extension of the Emergency Petroleum Allocation Act of 1973 (H.R. 16757, Public Law 93-511, approved December 5, 1974), Congress recognized the continuing need for petroleum allocation and pricing oversight by the Federal Government. The act extended the life of the Emergency Petroleum Allocation Act of 1973 (Public Law 93-159), which had been passed in November 1973 in response to the gasoline shortage of the summer of 1973 and the Arab oil-producing states embargo on oil shipments to the United States following the October 1973 Middle Eastern conflict.

President Ford pocket vetoed on December 20, 1974, the Energy Transportation Security Act of 1974 (H.R. 8193) which had been approved by Congress in an effort to reduce the nearly complete dependence of the United States on foreign flag vessels for its oil imports. The measure required that a percentage of certain liquid petroleum products be imported on U.S.-flag vessels. (See section on International Trade and International Economy Policy.)

Earlier in the year, the Senate adopted on January 29 an Oil Price Resolution (S. Res. 249) which expressed the sense of the Senate that the United States should communicate to the governments of Canada, Venezuela, and the Arab oil-producing countries that the United States viewed with the utmost concern the oil price increases as detrimental to prices, real income, and employment in the United States, and that such action should not be taken by these countries without regard for the effects on the life of the American people, and for the possibility of reciprocal economic actions by the United States which might adversely affect the economies of these countries.

The Washington Energy Conference Resolution (S. Res. 279) adopted by the Senate on February 7, stated the sense of the Senate that the Washington Energy Conference, called by President Nixon to provide a forum for the discussion of the common problems faced by the oil-consuming nations, should consider the following points: (1) conservation measures necessary to reduce demand; (2) procedures for the emergency sharing of oil resources; (3) guidelines for bilateral agreements between oil-consuming and oil-producing countries; (4) coordination of research efforts in developing conservation practices and alternative sources of energy; (5) the responsibility for and the means to help to alleviate the plight of the developing countries in

in the oil crisis; and (6) closer coordination of fiscal and monetary policies. The resolution further stated that the United States should continue to bring about conditions of peace and stability in the Middle East.

Other Legislative Activity Concerning the Middle East.—The Senate adopted a Middle East Terrorists Resolution (S. Res. 324) on May 15, 1974, condemning the terrorist threat made against the lives of 90 Israeli schoolchildren as well as all acts of terrorism. The resolution urged the President and the Secretary of State to call upon all governments to condemn such inhumane acts of violence against innocent victims, and to request that the countries where these groups and individuals were found take appropriate action to rid their territories of those who subverted the peace through terrorism and senseless violence.

In passing the Trade Act of 1974 (H.R. 10710, Public Law 93-618, approved January 3, 1975), Congress completed action on a major overhaul of trade legislation. Among the powers granted to the President by the legislation was authority to grant most-favored-nation status to Communist countries not restricting emigration. As a result of a compromise with the executive branch, it was agreed that the President, under the act, could grant nondiscriminatory tariffs to the Soviet Union for 18 months if he certified that he had received assurances that freer emigration of Jews and others would result. The act also barred OPEC nations from receiving tariff preferences offered to other developing countries.

The Supplemental Appropriations Act (Public Law 93-305, approved June 8, 1974), provided additional funding of \$133 million to the Department of Defense for replacement in the U.S. defense inventory of equipment sold to Israel. Termed the "Middle East Payback", the legislation provided that such equipment must be replaced at a current price higher than that received at the time of the transfer to Israel.

United Nations Peacekeeping Forces.—(See section on International Organization and Law.)

Nuclear Controls.—Congress passed the Nuclear Agreement Controls legislation (S. 3698, H.R. 15582, Public Law 93-485) to provide itself with veto power over international agreements regarding certain nuclear technology. (See section on Arms Control.) This legislation was prompted by President Nixon's offer in June to provide nuclear reactors to Israel and Egypt for peaceful purposes.

ASIA ¹

The 93d Congress in its second session exerted its primary influence in Asia through the Foreign Assistance Act which set limits on the amount of aid to be given to South Vietnam, Laos, Cambodia, India, and South Korea. Assistance to South Vietnam was also limited in the defense authorization and appropriation bills; and in still other legislation, the Secretary of State has been required to submit a plan for the phased reduction of U.S. assistance to Vietnam.

During 1974 Congress displayed much concern over the apparent violation of human rights in countries supported by U.S. military and economic aid. As a result of hearings, debate, and compromise, Congress added language to the Foreign Assistance Act requiring the termination or substantial reduction of security assistance to any government that grossly violates the rights of its people.

Congress appeared very reluctant to take any action that might reverse the trend of a gradual reduction of the U.S. military presence in Asia. It deleted funds for the expansion of U.S. military bases on Diego Garcia in the Indian Ocean from two money bills, then authorized a portion of the amount requested with restrictive provisions. The President must vouch for the project's necessity, and the Congress may still veto it by a simple resolution.

Congress repealed the Formosa Resolution, by which it had previously granted the President authority to use U.S. forces for the defense of Formosa (Taiwan); but, after long consideration, no action was taken to change the U.S. commitment to the South East Asia Treaty Organization (SEATO).

Several resolutions were proposed that would have affected U.S. relations with the People's Republic of China (PRC) or Taiwan, but none were reported out of committee. Some resolutions suggested that while the United States pursued improved relations with the PRC it should do nothing to impair its relations with the Republic of China on Taiwan; one suggested most-favored-nation trade status for the People's Republic of China; and one proposed United Nations membership for the Republic of China.

Southeast Asia Assistance.—The second supplemental appropriations act for fiscal year 1974 (Public Law 93-305) prohibited use of funds appropriated therein for reconstruction of North Vietnam or for the direct or indirect support of U.S. troops in Southeast Asia.

The military procurement authorization act for fiscal year 1975 (Public Law 93-365) authorized \$1 billion in military assistance for South Vietnam, whereas the administration had asked for \$1.6 billion.

Vietnam assistance was further cut by Congress in the Defense appropriations act (Public Law 93-437) which provided \$700 million in military aid to South Vietnam—\$300 million less than the authorization.

¹ Prepared by Robert D. Shuey, Analyst in Asian Affairs.

The act also cut the authorized number of U.S. military and civilian employees in South Vietnam by 10 percent and prohibited the transfer of war materials to any foreign country unless specifically authorized by law.

Included in the State Department/USIA authorization act (Public Law 93-475) was a statement of the sense of the Congress that the Secretary of State should prepare a detailed plan for future U.S. economic and military assistance to the Government of South Vietnam, including a specific timetable for the phased reduction of such assistance to the point when the United States will cease to be the principal source of funds and materiel for South Vietnam's self-defense and economic viability.

The Foreign Assistance Act of 1974 (Public Law 93-559) restricted economic assistance to South Vietnam in fiscal year 1975 to \$449.9 million and set a ceiling of \$377 million in total foreign assistance for Cambodia and \$70 million for Laos. The act called on the Executive to organize a consortium to include multilateral financial institutions to help plan for Indochina reconstruction and development; to coordinate bilateral and multilateral aid for Indochina, and to develop detailed development plans emphasizing economic development. The Foreign Assistance Act, as well as the continuing appropriations resolution (Public Law 93-448), prohibited the use of funds to procure fertilizer for Vietnam in fiscal year 1975.

The Agriculture-Environmental and Consumer Protection Appropriation Act (Public Law 93-563) set a limit of 10 percent of the total funds allocated for Public Law 480 credit sales that could be made available to any one country. This action apparently was taken to stop the use of large amounts of Food for Peace money for military purposes in Southeast Asia.

Funds for Diego Garcia.—In February 1974, the administration requested \$29 million to expand and improve U.S. naval and air facilities on the British-owned island of Diego Garcia in the Indian Ocean. The administration described its expansion plan for Diego Garcia as necessary to counter potential Soviet control of the Indian Ocean after reopening of the Suez Canal. Congressional opponents of the project warned of a naval arms race where none currently existed and a new military commitment in the Indian Ocean. Advocates considered the expanded naval support base a necessary means for protecting America's interests in that part of the world. After considerable debate in both Houses and a conference committee, funds for Diego Garcia were deferred without prejudice from the supplemental military appropriation authorization bill. The bill was enacted on June 8, 1974, as Public Law 93-307.

Funds for expanding air and naval facilities on Diego Garcia were also deleted from the supplemental appropriations act for 1974 (Public Law 93-305, June 8, 1974).

The 1975 military construction authorization act (Public Law 93-552) included \$14.8 million for expansion and improvement of U.S. Navy facilities on the island (of \$29 million requested) and \$3.3 million for Air Force facilities. However, the act stated that these funds may not be obligated until 60 days of continuous session of Congress have passed after the President has certified to the Congress in writing that the improved facilities are essential. Either the House

or Senate may veto the proposed construction by passing a resolution of disapproval within the 60 days of session.

The act appropriating funds for military construction in 1975 (Public Law 93-636) did not specifically provide funds for the Diego Garcia project. However the Navy and Air Force may use their available construction funds for work on the island if and when the requirements in the authorization act (H.R. 16136) are met. (See section on the Defense Budget.)

Other Legislative Activity Regarding Asia.—The Foreign Assistance Act (Public Law 93-559) also placed a limit of \$50 million on all assistance to India under the Foreign Assistance Act and the Foreign Military Sales Act. Military assistance, excess defense articles, and military credit sales and guaranties for Korea in fiscal year 1975 were limited to \$145 million unless the President reports to Congress that the Government of Korea has made substantial progress in the observance of international standards of human rights. Upon such report, the ceiling would be increased to \$165 million. Several Asian countries may be affected by the provision of the act that requires the President to substantially reduce or terminate security assistance to any government that engages in a consistent pattern of gross violations of internationally recognized human rights.

The Foreign Disaster Assistance Act (Public Law 93-333) authorized \$150 million for relief and recovery operations in Pakistan, Nicaragua, and Africa. The Congress also authorized (Public Law 93-537) a capital subscription of \$362 million in the Asian Development Bank and \$50 million for the Bank's concessionary lending window, the Asian Development Fund.

Congress reexamined U.S. commitments in Asia through public hearings, including an appraisal of the Southeast Asia Treaty Organization (SEATO). Senate Resolution 174 required the Senate Foreign Relations Committee to report its findings regarding the desirability of continuing the U.S. commitment to SEATO, but the requirement was waived on October 9, 1974. The Formosa Resolution, which authorized the President to employ U.S. Armed Forces for protecting the security of Formosa (Taiwan), the Pescadores, and related possessions and territories of that area, was repealed by section three of State Department/USIA Authorization Act (Public Law 93-475).

Congress gave considerable attention to the status of prisoners of war and personnel missing in action in Southeast Asia. Hearings were held and numerous resolutions were proposed, but probably the most significant action was contained in the Trade Act of 1974 (Public Law 93-618). Section 403 of the act authorized the President to deny the extension of most-favored-nation treatment, credits, and guaranties to countries which he determines are not cooperating with the United States to account for all U.S. personnel missing in action in Southeast Asia, to repatriate such personnel who are alive, and to return the remains for such personnel who are dead.

LATIN AMERICA ¹

Congressional activity in the Latin American region in 1974 centered mostly around three issues: new treaties with Panama governing the Panama Canal, reevaluation of U.S. policy toward the Castro regime in Cuba, and reported violations of human rights by the military government in Chile.²

United States-Panama Relations—The Panama Canal Treaties.—Congressional concern with the ongoing United States-Panama negotiations to develop new treaties to govern the Panama Canal received added impetus with the February 7, 1974, signing by Secretary of State Kissinger and Panamanian Foreign Minister Juan Antonio Tack of a statement of principles upon which new canal treaties would be based. Included in the guidelines were provisions for relinquishing U.S. sovereignty and jurisdiction over the canal and Canal Zone and joint Panamanian-United States control of the present canal, with the eventual reversion of canal control and operation to Panama.

A substantial number of members of the House and Senate have consistently opposed the establishing of new treaty terms which would in any way weaken the current U.S. status of absolute sovereignty, jurisdiction and control of the canal and Canal Zone. During 1974 numerous resolutions were introduced in the House of Representatives, together with a Senate resolution cosponsored by one-third of the members of the Senate calling for the maintenance of U.S. sovereignty, jurisdiction, and control at its present level. Legislation was introduced by opponents of new treaties to implement an earlier plan for modernizing the present canal in lieu of construction of a new sea-level canal with greater capacity in Panama, one of the major arguments advanced by proponents of the need for new canal treaties.

Support for new canal treaties was expressed in the Senate in the form of a resolution with several cosponsors endorsing the Kissinger-Tack statement of principles. No action was taken in the second session on any of the bills and resolutions pertaining to the canal and zone.

United States-Cuba Relations.—Recent U.S. policies of détente elsewhere in the world, as well as some indications of change in attitudes toward each other, stimulated congressional interest in reviewing the status of the U.S. relationship with Cuba. Bills and resolutions were introduced in the House and Senate with the goal of encouraging a reevaluation of present U.S. policy and calling for repeal of certain U.S. economic, and political sanctions against Cuba, imposed in the early 1960s. No action was taken on the legislation introduced, although an amendment was incorporated in the 1975 State Department

¹ Prepared by Virginia Hagen, Analyst in Latin American Affairs.

² In a legislative action the Trade Act of 1974 barred Organization of Petroleum Exporting Countries (OPEC) nations, which includes Venezuela and Ecuador, from receiving tariff preferences offered to other developing countries.

and USIA authorization bill (S. 3473) calling for a review of United States-Cuba policy in order to develop a new policy based upon current circumstances. The amendment passed the Senate but was eliminated in conference.

On June 28 Pat M. Holt, Chief of Staff of the Senate Foreign Relations Committee and Latin American affairs specialist, left for Cuba on what was described as a "fact-finding visit" for the committee. During his 10-day visit, Mr. Holt conferred with Cuban Premier Fidel Castro.

On September 27, Senators Javits and Pell began a weekend visit to Cuba during which they met with Premier Fidel Castro and high-level government officials. At the end of their visit, the Senators issued a statement expressing their belief that the Cuban leadership is interested in working toward better relations with the United States.

A proposal to lift the diplomatic and economic sanctions against Cuba was the subject of a Meeting of Consultation of Organization of American States Foreign Ministers in Quito, Ecuador in November. The United States abstained on the vote on the resolution taken November 12, 1974. Although the resolution received 12 votes in favor, it was defeated because it lacked the necessary two-thirds majority by two votes.

United States-Chilean Relations.—Extensive reports by international agencies and others regarding violation of human rights by the Chilean military government, which overthrew the elected government of President Salvador Allende in September 1973, evoked considerable concern in the U.S. Congress. During this session numerous statements were made in the House and Senate concerning the Chilean human rights situation, with many members urging the United States to take a strong stand on behalf of human rights guarantees by the military government in Chile. Hearings concerning the situation were held by the Senate Subcommittee on Refugees and Escapees (Senate Judiciary Committee) which sent an investigatory mission to Chile, and a series of hearings were conducted on the issue by the Inter-American Affairs and International Organizations and Movements Subcommittees of the House Foreign Affairs Committee.

A second hearing on the human rights situation in Chile was held on September 23 by the Subcommittee on Refugees and Escapees of the Senate Judiciary Committee during which the subcommittee received testimony from two witnesses who had conducted a special investigation in Chile earlier in the year at the subcommittee's request.

Repeated attempts were made in both Houses of Congress to limit U.S. economic assistance and to prohibit all U.S. military assistance to the present government in Chile. On September 3, the Senate Foreign Relations Committee reported out the fiscal year 1975 foreign aid authorization bill (S. 3394) which included a ceiling of \$65 million in total economic and military assistance for Chile, specifying a limit of \$10 million for military assistance and credit sales. The executive branch had requested \$84.9 million, including \$21.3 million for military aid to Chile for fiscal year 1975. The report stated that the limitation was "an expression of the committee's concern about the continuing disregard for the protec-

tion of human rights" in Chile and suggested a possible cutoff of all future aid to Chile unless the situation improved. In October, the Senate adopted amendments both to the fiscal year 1975 foreign aid authorization bill and to the continuing appropriations resolution on foreign aid (H.J. Res. 1131) to cut off all U.S. military assistance and sales to the Chilean government. The former bill was subsequently recommitted, and the Chile provision was dropped in conference on the latter. However, the ban on military assistance to Chile together with a limitation of economic assistance to \$25 million was subsequently included in the final text of the Foreign Assistance Authorization Act passed by both Houses on December 18 (Public Law 93-559, signed December 30, 1974).

Another issue which aroused significant congressional concern regarding Chile was the September 8 disclosure that \$11 million had been authorized by the Committee of 40 for the Central Intelligence Agency to finance covert operations against Chilean President Salvador Allende during his administration and while he was a candidate for the presidency. (In a press conference on September 16, President Ford defended U.S. covert activities in Chile on grounds that they were designed to preserve political opposition to President Allende, seriously threatened by the Allende government.) The report evoked strong criticism from members of congressional committees which oversee CIA activities and from the House Foreign Affairs Committee and Senate Foreign Relations Committee that members of the Nixon administration had misinformed or failed to provide information concerning CIA activities in Chile. Members of both Houses of Congress called for congressional investigation of CIA-Chilean activities and the overall issue of U.S. intervention in the internal affairs of foreign nations. On September 17-18, the House Inter-American Affairs Subcommittee (House Foreign Affairs Committee) held hearings on the impact of U.S. policies in Chile during Salvador Allende's presidency.

AFRICA¹

The major legislative attention of Congress in 1974 with respect to Africa focused on aspects of U.S. aid policy and an effort to repeal the Byrd amendment, which permits the importation of strategic materials in contravention of U.N. sanctions.

In the area of U.S. aid policy, the Congress adopted several pieces of legislation with implications for Africa. The Foreign Assistance Act of 1974 (Public Law 93-559) requested the President to increase Africa's share of the Agency for International Development (AID) loans and grants and to provide the developing nations of Africa with an equitable share of United States economic assistance (sec. 49). It appeared to mark a congressional effort to reverse a trend of declining levels of U.S. aid to Africa, and the policy of focusing development aid on a few selected African nations where it was believed aid would achieve the most substantial results, such as Zaire and Nigeria, rather than the poorest African nations. In addition, the Foreign Assistance Act contained other statements of congressional policy on Africa. One of these was a statement of policy with respect to the independence of the Portuguese territories of Angola, Mozambique and Guinea-Bissau, which called upon the President to take steps to show U.S. support for the peaceful transition of these territories to independence (sec. 50). The agreements by the Portuguese Government to grant independence to her overseas territories seemed likely to end the opposition to the United States-Portuguese Azores Base agreement. In the past, Members of Congress opposed to Portuguese colonial policy argued that U.S. aid given in return for use of the base supported the Portuguese war efforts in its colonies.

Legislation specifically directed at African nations included the Foreign Disaster Assistance Act (Public Law 93-333) which provided for \$85 million in medium- and short-term rehabilitation aid for the drought afflicted African nations. In addition, the Foreign Assistance Act of 1974 authorized the President to provide up to \$40 million in disaster relief assistance to any country.

Two pieces of legislation affecting United States-African relations did not pass both Houses in the 93d Congress. Legislation to repeal the Byrd amendment (S. 1868), was passed by the Senate and cleared by the House Rules Committee, but it was withdrawn by its supporters shortly before it was scheduled for a vote at the end of the 93d Congress. A bill to provide for U.S. participation in the African Development Fund was also passed by the Senate, but it was not acted on by the House (S. 2354).

Aid Policy Toward Africa.—Section 49 of the Foreign Assistance Act of 1974 contained a statement of congressional policy on assistance to Africa. The President was requested to revise the regional allocation of economic development assistance and to increase Africa's

¹ Prepared by Susan M. Mowle, Analyst in International Relations.

share of the Agency for International Development loans and grants. In addition, the act stated that a special effort should be made to provide more assistance to the 16 of the world's 25 least developed countries that are in Africa and to the 14 African nations that are judged to be most seriously affected by rising costs of food and fuel. The President was also requested to make a report on action taken to provide the developing countries of Africa with an equitable share of U.S. economic assistance.

The Sahelian famine, as well as famine and food shortages in other areas of the world, led to the inclusion of several provisions in the Foreign Assistance Act which could also affect U.S. aid policy toward Africa. Section 2 of the act stated a congressional finding that due to rising world food, fertilizer, and petroleum costs, human suffering and deprivation were growing in the poorest and most slowly developing countries. As a result, section 2 specified that in the allocation of funds, special attention should be given to increasing agricultural production in countries with per capita incomes under \$300 a year, and which were the most severely affected by sharp increases in worldwide commodity prices.

Section 55 of the Foreign Assistance Act called upon the President and Secretary of State to take several steps to mobilize appropriate resources to meet the world food emergency. These include appropriate adjustments in the level of food and fertilizer assistance programs to those countries on the U.N. designated list of 32 countries "most seriously affected" by the current economic crisis, and by restricting any more than 30 percent of concessional food aid being allocated to nations other than those most seriously affected by current food shortages, unless the President demonstrated that the use of such food assistance was solely for humanitarian food purposes. In addition, the President was called upon to report to Congress on a global assessment of food needs for fiscal year 1975, and on what steps were being taken to encourage other countries to increase their participation in food assistance, and to implement the resolutions and recommendations of the World Food Congress.

Disaster Relief for the Drought Afflicted African Nations.—The Foreign Disaster Assistance Act of 1974 (Public Law 93-333) allocated \$85 million for medium- and short-term assistance to the drought afflicted African nations, of which not more than \$10 million was earmarked for Ethiopia. The Sahelian nations of West Africa, who have been experiencing a 7-year drought, were among the other major beneficiaries of this legislation. These include Mauritania, Chad, Mali, Niger, Upper Volta, and Senegal. In addition, it is possible that additional funds could be made available for African drought relief through section 28 of the Foreign Assistance Act. According to this section, the President may provide up to \$40 million in famine or disaster relief assistance to any foreign country on such terms and conditions as he may determine.

Portuguese Africa.—The Foreign Assistance Act of 1974 included a statement of congressional policy with respect to the independence of Angola, Mozambique and Guinea-Bissau, calling upon the President and the Secretary of State to take certain actions to make clear U.S. support for a peaceful and orderly transition to independence in the Portuguese African territories (sec. 50). The actions include an official

statement of U.S. support for their independence; encouragement of U.N. support for a peaceful settlement of all differences and protection of human rights in these territories, and readiness by AID to cooperate in providing the kind of assistance that will help make their independence viable. Section 53 authorized \$5 million in grants and \$20 million in loans to provide economic assistance to Portugal and the former territories. This aid was included at the request of the Secretary of State because it was deemed important that the United States demonstrate support for the transition to independence of Portuguese Africa, as well as indicating interest in Portugal's transition to democracy.

Rhodesian Chrome.—The Byrd amendment, passed in 1971, permitted the importation of strategic materials such as chrome, ferrochrome, and nickel from Rhodesia contrary to U.N. imposed sanctions. Debate on the bill to repeal this legislation (S. 1868) focused on how American national security interests were affected by reliance on Soviet chrome, the economic well being of the domestic ferrochrome and stainless steel industries, U.S. international treaty obligations, and U.S. relations with the United Nations and the independent African nations. The Senate passed S. 1868 in December 1973. In the House, the legislation cleared both the Foreign Affairs Committee and the Rules Committee and was twice scheduled for a floor vote. However, in December 1974, the bill was withdrawn shortly before it was scheduled for consideration.

Other Congressional Activities.—Two other measures relating to U.S. policy toward southern Africa did not pass in 1974. In the Senate, an amendment to the Trade Reform Act of 1974 was proposed which would have denied U.S. companies credit for taxes paid to any government whose "administration has been held illegal by the International Court of Justice and the United States Government has accepted the conclusions of such * * * opinion." In practice, this legislation would only have applied to Namibia (South-West Africa). In the House legislation to deny Federal contracts to firms which do not enforce U.S. fair employment practices was aimed at requiring American firms operating in South Africa to adhere to American labor standards in its relations with nonwhite employees.

Concern over publicized cases of violations of human rights in U.S. aid recipient nations led to the inclusion of a section on human rights in the Foreign Assistance Act (sec. 46). It stated that it is the sense of Congress that except in extraordinary circumstances, the President shall substantially reduce or terminate security assistance to any government which engages in a consistent pattern of gross violations of internationally recognized human rights.

WESTERN EUROPE ¹

Throughout 1974 the Congress exerted more influence than in the recent past on U.S. relations with Western European countries and showed a greater sense of independence of executive guidance in this field. These characteristics were exhibited in all three of the major areas of congressional interest in West European developments: (1) NATO; (2) U.S. relations with the European Communities (EC); and (3) Greek-Turkish relations, although in varying degrees.

In regard to NATO the Congress applied legislative pressure to the issues of troop levels, burden sharing, and tactical atomic weapons policy. However, the pressure was moderate and specific in character and did not challenge the basic administration policy of continuing U.S. combat troop levels at current levels until mutual East-West force reductions are agreed upon in the Vienna Mutual Balanced Force Reduction (MBFR) negotiations. Thus an amendment to the military procurement authorizations calling for troop reductions applied only to headquarters and noncombat military personnel located in Europe and was limited in extent to 18,000. However, there is no reason to believe that the debate over the reduction of combat troops in Europe has ended. A sign to the contrary was the failure by only two votes of an amendment in the Senate limiting the number of active duty military personnel to be assigned outside the United States after December 31, 1975, to 361,000 men.

Congressional action in the field of defense burden sharing has also been moderate and constructive. A report requirement imposed by section 812(d) of the Department of Defense Appropriation Authorization Act of 1974 (Public Law 93-155) may have stimulated action. The President was required throughout 1974 to report periodically on the progress made by NATO allies in offsetting fully any balance of payments deficit incurred by the deployment of U.S. forces to NATO Europe. Moreover, the provision in Public Law 93-155 for reducing U.S. forces in Europe if European allies fail to offset the U.S. deficit undoubtedly contributed to the increased efforts in 1974 to deal with the balance-of-payments problem.

In addition, the Congress imposed a freeze on the total number of nuclear warheads located in Europe and called on the Secretary of Defense to conduct a study of the use of nuclear weapons in Europe.

In the field of economic relations with the Economic Communities the Congress also showed independence. The administration was eager to have the Trade Reform Bill of 1974 enacted, partly to facilitate trade and tariff negotiations with industrial trading partners of which the EC countries were important members. Congress considered that the issue of the emigration of Soviet Jews justified holding up the legislation for a year and a half. It therefore refused to remove

¹ Prepared by Edward Lampson, Analyst in European Affairs.

title IV (which dealt with the special case of the Soviet Union) from the rest of the bill and to treat it separately despite the desire of the administration to do so in order to get tariff negotiations started.

The independence of the Congress was also demonstrated in the case of the Greek-Turkish conflict. Against the strong opposition of the administration the Congress consistently pressed for applying economic sanctions to the Turkish Government by cutting off military aid shipments on the ground that Turkey had violated the terms of the Foreign Assistance Act of 1961 by using U.S.-supplied military materiel in the invasion of Cyprus.

NATO.—The U.S. commitment to NATO was the subject of recurring debate in the second session of the 93d Congress. The main questions at issue were: (1) U.S. troops levels in Europe; (2) burden sharing within the North Atlantic Alliance; and (3) the role of tactical nuclear weapons in NATO's strategic plans for the defense of Europe.

(1) *Troop Levels in Europe.*—Both the House and the Senate defeated attempts to make significant reductions in U.S. troop levels in Europe during the consideration of military procurement authorizations for fiscal year 1975 (H.R. 14592 and S. 3000).

On May 22, 1974, the House rejected by a vote of 163 yeas to 240 nays an amendment to H.R. 14592 that sought to reduce the total of U.S. troops overseas by 198,000 and to place a ceiling of 293,000 on the number of troops to be assigned overseas after fiscal year 1975. It also rejected by the same vote an amendment to the previous amendment which sought to reduce the total number of U.S. troops by 100,000 by the end of calendar year 1975, with the reduction to be determined by the Department of Defense.

On June 6, 1974, the Senate rejected by a vote of 35 yeas to 54 nays an amendment to S. 3000 limiting to 312,000 the number of active duty military personnel to be assigned outside of the United States after December 31, 1975. Another amendment limiting to 361,000 the number of such personnel assigned outside the United States, effective December 31, 1975, was rejected by a vote of 44 yeas to 46 nays.

The rejection of these amendments reflected such factors as a skeptical mood among some Members of Congress concerning the meaning and implications of détente, especially in the aftermath of the Mideast war, a shift in the U.S. balance-of-payments situation vis-a-vis Western Europe, and the acceptance of the argument that unilateral troop cuts at this time would jeopardize the Mutual Balanced Force Reduction (MBFR) talks in Vienna. These particular views were expressed in a report by the Committee on Armed Services to the House required by section 301(c) of the Department of Defense Appropriation Authorization Act, 1974 (Public Law 93-155) on the advisability of maintaining our present military commitments in Europe. The report, issued on April 9, 1974, recommended that the United States not reduce its troop levels in Europe at this time.

Congress passed an amendment to H.R. 14592 (signed by President Nixon on August 5, 1974, as Public Law 93-365), which called for a reduction in the ratio of noncombat to combat troops in Europe. Section 302(a) of the act required the Secretary of Defense to reduce headquarters and noncombat military personnel located in Europe by 18,000 as of June 30, 1976, but authorized the Secretary to increase the combat component by a comparable amount if necessary. The

Secretary must submit a semiannual report to Congress on all actions taken to improve the combat proportions of U.S. forces in Europe.

(2) *Balance of Payments*.—Throughout 1974 the Congress received the Presidential reports required every 90 days by section 812(d) of the Department of Defense Appropriation Authorization Act, 1974 (Public Law 93-155), on the progress made by NATO allies to offset fully any balance-of-payments deficit incurred by the United States as a result of the deployment of forces to NATO in Europe.

On February 20, 1974, President Nixon submitted the first report. It cited the establishment of a working group within the executive branch to determine the pertinent deficit and of an interagency committee to prepare recommendations concerning what acceptable actions U.S. NATO allies could take to offset the expected deficit. The report noted that the estimated balance-of-payments deficit for fiscal year 1974 was approximately \$2.1 billion. It also stated that a high level of military procurement on the part of NATO allies would be essential if the requirements of section 812 were to be met.

The Presidential report also discussed progress made in bilateral offset negotiations with the Federal Republic of Germany, which constitute the major element in the U.S. effort to obtain allied payments. (Section 812(b) of the Department of Defense Appropriation Authorization Act, 1974 (Public Law 93-155), stated that a failure on the part of the NATO allies to offset the balance-of-payments deficit would result in a reduction in the number of U.S. forces stationed in Europe by a "percentage figure equal to the percentage figure by which such balance-of-payment deficit during such fiscal year is not offset.")

On August 20, 1974, President Nixon reported that the NATO Economic Directorate had concluded a study showing that the payments for military-related items from U.S. allies other than the Federal Republic of Germany should amount to approximately \$1 billion—a figure slightly more than the difference between the estimated U.S. deficit for 1974 of \$2.1 billion and the German offset figure for 1974 of \$1.2 billion.

On November 18, 1974, President Ford submitted a report containing preliminary figures on U.S. defense expenditures entering the international balance-of-payments during fiscal year 1974, and estimates relating to military purchases in the United States by European NATO allies. The report anticipated that the balance-of-payments costs of U.S. forces assigned to NATO would be fully offset by the German-United States Offset Agreement and by military-related purchases of other NATO allies in the United States, thus meeting the requirements of section 812(b) of Public Law 93-155 for retaining U.S. troops in Europe at current levels. But the report noted that data was still incomplete on specific purchases and payments made by European members of NATO.

(3) *Tactical Nuclear Weapons*.—Section 302(d) of the Military Procurement Authorization Act for fiscal year 1975 (Public Law 93-365) imposed a freeze on the total number of tactical nuclear warheads located in Europe until June 30, 1975, except in the event of hostilities, and called on the Secretary of Defense to undertake a study of the overall concept of the use of tactical nuclear weapons in Europe, the results of which are to be reported to Congress no later than April 1, 1975.

Section 302(c) called on the Secretary of Defense to undertake an assessment and develop a list of standardization of weapons actions that could improve the overall nonnuclear defense capability or save resources for NATO as a whole. A semiannual report on specific assessments and evaluations as well as results achieved in weapons standardization is also to be made to Congress.

These provisions reflected a growing congressional interest in reassessing U.S. tactical nuclear policy and the general direction to be taken in defense planning. An example of this interest was provided by the hearings of the Senate Foreign Relations Committee, Subcommittee on U.S. Security Commitments in Europe. In this connection the subcommittee reviewed the question of the deployment in Europe of 7,000 land-based tactical nuclear warheads.

Economic Relations Between the United States and the European Communities.—In 1974 the economic relations between the United States and the European Communities attracted considerable congressional attention, partly owing to the severe problems caused by the energy crisis and partly because of the implications for U.S. exports to Europe of the accession of the United Kingdom, Denmark, and Ireland to the European Communities. On December 20, 1974, the Trade Act of 1974 was passed in the House by a vote of 323 to 36 and in the Senate by a vote of 72 to 4. The act, which gave the President negotiating powers in international trade matters, provided the administration with the authority needed to settle many of the commercial issues outstanding between the United States and the Communities. President Ford signed the act on January 3, 1974, as Public Law 93-618.

Turkish Aid.—Subsequent to the Turkish invasion of Cyprus in July 1974 numerous resolutions and concurrent resolutions were introduced in both Houses calling for a withdrawal of all foreign troops from Cyprus and an end to military and economic assistance to Turkey until Turkey withdrew its troops from the island. The attempts to cut off aid to Turkey resulted in a Presidential veto of two continuing appropriations joint resolutions. House Joint Resolution 1167, which passed on October 17, 1974, included an amendment that postponed an aid cutoff until December 10. (See section on the Middle East.)

Amendments cutting off U.S. military aid to Turkey were included in both Senate and House foreign assistance authorizations for fiscal year 1975. On December 11, 1974, the House, by a vote of 297 to 98, agreed to an amendment to H.R. 17234, to amend the Foreign Assistance Act of 1961. This amendment provided for a complete cutoff of military aid to Turkey unless the President determined that the country was in compliance with the Foreign Aid and Military Sales Acts which specified that U.S. aid should only be used in self defense in NATO-approved military actions. The Senate bill S. 3394 authorizing foreign aid programs for fiscal year 1975 passed on December 4, 1974. By a vote of 55 to 36, the Senate adopted an amendment to a comparable amendment making such suspension effective only until 30 days after the convening of the 94th Congress and authorizing the President to suspend its provisions under certain circumstances.

As a result of agreement in conference committee both Houses accepted modified language which suspend all military assistance to Turkey "unless or until the President determines and certifies to the Congress that the Government of Turkey is in compliance with the

Foreign Assistance Act of 1961" and the Foreign Military Sales Act and "that substantial progress toward agreement has been made regarding military forces in Cyprus: *Provided*, That the President is authorized to suspend the provision of this section and such acts if he determines that such suspension will further negotiations for a peaceful solution of the Cyprus conflict. Any such suspension shall be effective only until February 5, 1975." This language was approved in the Senate by a vote of 49 yeas to 43 nays on December 17 and in the House by 209 yeas to 189 nays on December 18. The President signed the Foreign Assistance Act of 1974 with the above provisions included on December 30, 1974, as Public Law 93-559, and subsequently invoked the power of suspension until February 5, 1975, contained in the provision.

SOVIET UNION AND EASTERN EUROPE ¹

In 1974 Congress generally offered support for the administration's efforts to improve relations with the Soviet Union and negotiate arms limitation agreements. Nevertheless, some Members of Congress felt the United States was conceding too much to the Soviet Union to secure cooperation on arms talks, and that the U.S. position in arms negotiations was not strong enough. Others deplored the unlimited arms race and increasing defense costs. Although attitudes toward the "era of negotiation" pursued by the administration varied, Congress seemed in agreement on overseeing the administration's policy closely and questioning the negotiations more frequently.

Congress had the greatest impact on U.S. policy towards the Soviet Union in the field of economic relations. In the Trade Act trade benefits for the Soviet Union were made conditional upon more liberal Soviet emigration policies. In addition the Export-Import Bank legislation, the Trade Act, and the Export Administration Act all included measures proposed by Congress to limit and control trade and its financing with the Soviet Union.

These initiatives by Congress prompted reaction from both the Soviet Union and the administration. Soviet statements decried congressional "interference" in domestic Soviet affairs, and the Soviet Union was moved to deny existence of a compromise agreement on emigration and trade benefits. Secretary of State Kissinger consistently resisted the Jackson-Vanik amendment linking emigration and the trade bill, considering it to be interference in the administration's carrying out its policy of normalizing trade relations with the Soviet Union. For the same reason, he criticized the loan restrictions in the Export-Import Bank legislation. President Ford has also stated concern that Congress was denying the executive branch foreign policy flexibility.

National Defense and Détente.—As momentum toward arms control agreements with the Soviet Union seemed to slow in 1974, Congress began to question U.S. policy more frequently. Early détente initiatives had come at a time when an increasing number of Members of Congress sought an end to the U.S. involvement in Vietnam. Many willingly supported policies to relax the cold war, believing that such a relaxation would reduce the risks of nuclear war and provide an opportunity for cutting national defense expenditures. However, after a negotiated withdrawal from Vietnam was accomplished in January 1973, fear increased that the development of friendly relations with the Soviet Union might result in the United States relegating itself to a position of military inferiority. Détente became suspect to some members who felt the administration was conceding too much to the Soviets in pursuit of "a generation of peace." Their fears were added to by the Soviet Union's continued buildup of strategic nuclear

¹ Prepared by Carlo La Porta, Analyst in International Relations.

capability and the Middle East confrontation with the Soviet Union in the fall of 1973.

Thus, in 1974, Members of Congress reviewed détente more closely, criticized the negotiation process, and assessed the ramifications for the United States of such a foreign policy. The House Foreign Affairs Subcommittee on Europe held hearings on détente in May, June, and July 1974, and the Senate Foreign Relations Committee held hearings on U.S. relations with Communist countries in August and September 1974. Part of the congressional concern arose from the Watergate crisis and its effect on the Government and from the lack of substantive agreement on arms limitation during President Nixon's summit meeting in Moscow in June 1974.

On August 19, Senator Frank Church called for congressional attention to the choice "between strategic arms reductions and a continuing arms race masked behind a facade of cosmetic agreements." On August 21, Senator Edward Brooke challenged Defense Secretary Schlesinger's views on graduated nuclear conflict and defense requests that could alter deterrence strategy by providing the United States with a first strike capability. He specifically asked for Senator Jackson's assurance that appropriations to conduct research and development on missile accuracy and warhead size did not mean the United States was about to change its strategic doctrine. On the Senate floor in response to Senator Brooke's queries, Senator Jackson gave such an assurance.

When Gerald Ford succeeded President Nixon in August 1974, he vowed to continue to improve relations with the Soviet Union while keeping the United States militarily strong. At that time, the Republican and Democratic party leadership in the Senate pledged bipartisan support for U.S. foreign policy toward the Soviet Union. The new President subsequently met with Secretary-General Brezhnev in Vladivostok in late November. The two leaders agreed in principle to an arms limitation formula designed to place ceilings on total numbers of strategic nuclear delivery vehicles and the number of such missiles equipped with MIRV warheads. A final agreement was yet to be negotiated. (See section on Arms Control and Disarmament.)

The Vladivostok agreement was well received by most Members of Congress, who considered it a major advance in the détente process. Yet, because the ceilings discussed at Vladivostok were above current U.S. arms levels, several Members of Congress criticized the agreement for possibly encouraging greater strategic defense expenditures rather than curbing them. On December 12, 1974, Senators Kennedy, Mathias, Mondale, and Tunney submitted Senate Resolution 448 to urge the President to negotiate lower ceilings and actual arms reductions as part of any final agreement with the Soviet Union. Senator Kennedy stated that such an agreement should be in treaty form, thereby requiring Senate approval. No action was taken on the proposed resolution.

UNITED STATES-SOVIET TRADE RELATIONS

(1) *Trade Act of 1974*.—On December 20, 1974, Congress passed the Trade Act of 1974, which included provisions governing U.S.-U.S.S.R. economic relations. (See section on International Trade and International Economic Policy.) The administration's foreign policy designed to ease tension between the U.S. and U.S.S.R. had linked

normalization of trade relations to U.S.S.R. cooperation. Congress acted to add a further link—Soviet concessions on emigration policy before U.S. trade benefits could be offered—by the Jackson-Vanik amendment to title IV of the trade bill.

Freedom of emigration became an issue because of Soviet restrictions on Jews wanting to emigrate. Nearly 100,000 have emigrated since 1970, when Soviet policy relaxed emigration bars. Sponsors of the trade-human rights linkage argued that the United States should not lose the opportunity, given Soviet interest in trade, to seek liberalization of the Soviet Union's emigration policy, which they considered necessary before better relations between the two countries could be established on a long-term bases.

These sentiments coincided with a view held by many in Congress that the Soviet Union was not offering enough for the benefits of improved relations with the United States. In addition, those opposed to the legislation saw support of the Jackson-Vanik amendment as a possible means for blocking the trade bill entirely.

During Senate Finance Committee hearings on the trade bill in March 1974, the administration stressed that first priority for U.S. diplomacy must be diminishing the threat of war with the U.S.S.R. Consequently, the administration maintained that the Jackson-Vanik amendment was not the proper vehicle to change the Soviet Union's society in view of its possibly jeopardizing other objectives of détente. At these hearings Secretary of State Kissinger said he would seriously consider recommending a veto of the trade bill if it included the emigration provisions.

Secretary Kissinger began seeking a compromise with the sponsors of the Jackson-Vanik amendment and with the Soviet Union, apparently encouraged by signs of Soviet willingness to satisfy Congress. Through the year pressure for such a compromise increased. Negotiations with the Soviets on arms limitations were lagging, and President Nixon's summit visit to Moscow in June provided no major advances for détente. Furthermore, Jewish emigration from the Soviet Union was declining. Approximately 20,000 eventually left in 1974 compared to nearly 35,000 in 1973 and 30,000 in 1972. Finally, the United States could not enter important international trade talks without the authority granted by the trade bill, but the Senate Finance Committee delayed reporting it.

Finally, on October 18, 1974, Senator Jackson announced that an agreement had been reached which would permit Senate action on the trade bill. The legislation was to include the Jackson-Vanik provisions barring most-favored-nation (MFN) trade status and credits to non-market-economy countries that restricted emigration, but it would permit a Presidential waiver of the Jackson-Vanik terms. This agreement was based on "assurances" given by the administration based on an informal understanding reached through discussions with the Soviet Government. The agreement was embodied in an exchange of letters between Secretary Kissinger and Senator Jackson describing expected Soviet policy and guidelines to evaluate it.

According to the terms of the Trade Act of 1974 (January 3, 1975), the President has authority for 18 months to waive restrictions on credits and granting of most-favored-nation trade status to non-market-economy countries. To do so, however, he must be able to give assurances that the emigration practices of any country con-

cerned "lead substantially to the achievement of the objectives" of the freedom of emigration provisions. In debate, Senator Jackson stated that he had personal assurances from President Ford that the President would in fact terminate trade benefits if a country did not live up to its assurances. The Trade Act also gives Congress the power to deny particular countries the trade concessions in question and to vote on extending the waiver authority for 1 year beyond the original 18-month period. Subsequent extension of the waiver authority for additional 1-year periods requires a report to Congress by the President. Upon submission of such a report, either House has 60 days to adopt a disapproval resolution to prevent the extension.

The Senate Finance Committee reported the trade bill on November 20, but stipulated that Secretary Kissinger testify on the compromise agreement before Senate debate on the legislation. The Secretary testified before the committee on December 3. Then on December 13, 1974, the Senate passed the Trade Act, 77 to 4. Senator Jackson's floor amendment establishing the Presidential waiver had been adopted unanimously 88 to 0. The conference report was approved on December 20.

The final version of the Trade Act included other restrictions on trade relations with Communist countries besides those connected with freedom of emigration. For the extension of nondiscriminatory treatment to them it required bilateral trade agreements approved by a concurrent resolution of Congress. The act provided that previously signed agreements, such as that signed in October 1972 with the U.S.S.R., were subject to a congressional resolution of disapproval for 90 days from the date of enactment of the trade bill.

Other sections outlined procedures for protecting the United States from market disruption caused by import from Communist countries. Sections 410 and 411 provided for an East-West Foreign Trade Board and a monitoring system to oversee U.S. trade with Communist countries. The Senate and House also accepted an additional freedom of emigration amendment which bars trade benefits to those countries that deny their citizens the right or opportunity to join permanently through emigration a very close relative in the United States, or imposes more than a nominal tax or fee on such prospective emigrants.

The trade bill also requires a Presidential report every 6 months on the emigration practices of countries receiving nondiscriminatory tariff treatment under this legislation. During Senate debate on the trade bill it was indicated that the Senate Permanent Investigating Committee of the Government Operations Committee, headed by Senator Jackson, would be given responsibility for monitoring Soviet emigration policy.

Congress also amended title VI of the Trade Act to include a limit on U.S. Government credits to the U.S.S.R. in excess of \$300 million unless there was congressional approval for more. The Commodity Credit Corporation was exempted from this provision. A similar limitation was added to the Export-Import Bank bill. (See section on International Trade and International Economic Policy, and below.)

The Soviet Union has consistently decried trade restrictions tied to Soviet emigration policy as intervention in Soviet internal affairs. Nevertheless for a time the Soviet Union did evidence more favorable response to pressures from the United States and the international community over the emigration issue than might have been imagined several years ago.

In May 1974 a delegation from the Supreme Soviet led by politburo member Boris Ponomarev visited Congress to inaugurate inter-parliamentary relations and sound out Congress on détente. The delegation insisted there was no Jewish problem in the Soviet Union and asserted that the number of exit visa applications was decreasing. (American critics contended that increased harassment accounted for the drop in the emigration rate, and some analysts felt that new subtle restrictions were designed to show Congress that the Soviet Union could make support for the Jackson-Vanik amendment counterproductive.)

Later the Soviet reaction grew more adverse. Three days prior to Senator Jackson's October 18 press conference, Secretary-General Brezhnev warned Treasury Secretary William Simon in Moscow about "utterly irrelevant and unacceptable" conditions imposed by the United States on trade. Then on December 17, 1974, just before Congress was to take final action on the trade bill, the Soviet Union publicly released the text of a letter to Secretary Kissinger from Soviet Minister of Foreign Affairs Andrei Gromyko delivered on October 26, 1974, denying existence of any formal agreement on the emigration issue.

Although the administration has taken care to avoid implying that the October 18 letters represented a formal agreement with the Soviet Union, this was widely thought to be the case. Furthermore, the Gromyko letter may be seen as a dissatisfied response to the publicity given the accord, particularly that stemming from Senator Jackson's release of the October 18 letters at a White House press conference. The December release of the Gromyko note may also have been a final Soviet attempt to dissuade Congress from adopting the Jackson-Vanik provisions. Nevertheless, Congress did not alter the legislation. Sponsors of the Jackson-Vanik amendment discounted the Soviet Union declarations as face-saving, and held that the actual situation had not changed. Several of the trade bill conferees stated it would be up to the administration to "straighten it out with the Soviets" if any problem existed.

On January 14, 1975, Secretary Kissinger announced that the Soviet Government stated that it "does not intend to accept a trade status that is discriminatory and subject to political conditions and accordingly, that it will not put into force the 1972 Trade Agreement [signed with the United States]." Consequently under present conditions the Soviet Union will not receive most-favored-nation trade status and is ineligible for U.S. Export-Import Bank credits. The implications of this development for general U.S.-U.S.S.R. relations are not yet clear.

(2) *Export Import Bank Act Amendments.*—Soviet reaction to the trade bill was sharpened by the fact that Congress also restricted Export-Import Bank loans for the Soviet Union when it passed the Export-Import Bank Act (Public Law 93-646). (See section on International Trade and International Economic Policy.) The restrictions included a 4-year ceiling of \$300 million on loans to the Soviet Union, with a higher ceiling subject to Presidential request and congressional approval; bans on loans to finance exports for Soviet fossil fuel resources production; and a limit of \$40 million on loans for research and exploration of fossil energy in the U.S.S.R. The Department of State called the specific bans on the U.S.S.R. "grossly discriminatory," but Senator Adlai Stevenson denied that charge, saying the restric-

tions were in keeping with a decision by Congress to review Bank activities more closely.

These restrictions resulted from concern about U.S. exports of scarce oil exploration equipment to the Soviet Union and fears of investment projects that anticipated Soviet payment in kind with energy resources. In addition, Members of Congress were critical of increasing U.S. dependence on an easily interruptible foreign source of energy.

The Bank's credit for the Soviet Union had also come under congressional scrutiny in 1974 in connection with the Jackson-Vanik amendment and the trade bill. Sponsors of the amendment wanted the Bank to halt such credit until Congress completed consideration of the trade legislation. During March 1974, the Bank did halt credit authorizations pending a decision whether each transaction required a Presidential determination saying it was in the national interest. The halt was prompted by a Government Accounting Office (GAO) study requested by Senator Richard Schweiker. When the Bank's authority expired on June 30, 1974, it ceased extending further credit to the Soviet Union. Continuing resolutions passed later by Congress expressly prohibited such credits pending final action on the trade bill.

Critics of the Bank's lending activities made the following points in favor of restricting the Bank's operations.

(1) The Soviet Union was benefiting from cheaper credit than that available for U.S. citizens.

(2) The United States was subsidizing cheap exports and technology transfers to a rival power that would thereby become stronger.

(3) Uncontrolled bank financing might permit export sales paid for by energy imports, a condition leading to U.S. dependency on the Soviet Union.

(4) The Bank was exporting U.S. jobs by facilitating export of U.S. manufacturing capability.

(5) A relatively rich country like the U.S.S.R. should not require subsidized loans.

Those in Congress who supported the Bank and its activities pointed out that increased exports benefited the U.S. international payments position and provided jobs for Americans. They also noted that the Bank paid for itself, returning yearly dividends to the U.S. Treasury. Others were concerned about the negative effect on détente of severe investment curbs on the Soviet Union.

The final legislation was approved on December 19, 1974.

(3) *Trade Relations and Security*.—Congressional concern over risks in technology transfer through trade with the Soviet Union was expressed in amendments to the Export Administration Act of 1969 (Public Law 93-500). (See section on International Trade and International Economic Policy.) The act as finally passed authorized the Secretary of Defense to review proposed exports of goods or technology to the Soviet Union and other Communist countries to determine the effect on the military capabilities of the countries concerned. Upon the Secretary's recommendation that a proposed export would significantly increase the military capability of such a country, the President was authorized to disapprove it. The administration's response to criticism on the issue was that the administration was balancing the strengthening of the Soviet economy "against advantages of drawing the Soviet Union into more normal international relations."

OTHER ASPECTS OF THE CONGRESSIONAL ROLE IN THE CONDUCT OF U.S. FOREIGN POLICY¹

Resignation of the President.—The effect of the Watergate events on U.S. foreign policy caused much concern in the 93d Congress. Senate Resolution 200, agreed to November 9, 1973, expressed the sense of the Senate that other nations should not consider domestic events to be adversely affecting the American resolve to uphold the vital national interests of the United States, nor be tempted to seize upon the domestic events as an opportunity to undermine the security of the United States.

On February 6, 1974, the House adopted by a vote of 410-4 a resolution authorizing the Committee on the Judiciary to investigate whether sufficient grounds existed for the impeachment of President Nixon. This action prompted several Members of Congress to call for restrictions of the President's foreign policy activities during impeachment proceedings. For example, three concurrent resolutions, which were introduced in the House in April, asked that foreign policy information be provided to the Vice President and the Congress, that the President be prevented from making or signing international agreements, and that he be prohibited from official travel abroad or the reception of foreign heads of State. These resolutions were not enacted.

After intensive study, the House Judiciary Committee on July 27, 1974, by a vote of 27-11 adopted the first article of impeachment charging the President with obstruction of justice in the investigation of the Watergate break-in. In the following days the committee voted for two other articles. Among the articles of impeachment which were rejected by the committee was one charging the President with concealing from Congress the facts concerning the American bombing of Cambodia in derogation of the congressional power to declare war. Before the articles of impeachment could be debated by the full House, President Nixon resigned his office. On August 9, 1974, Vice President Ford became the 38th president of the United States.

The transition in administration from President Nixon to President Ford did not appear to cause major changes in U.S. foreign policy, or related congressional action during 1974. Continuity was provided by the continuing role of Henry Kissinger as Secretary of State, and the stated intention of President Ford that the foreign policy of the Nixon administration would be continued.

Ambassadorial Nominees.—Following the disclosure of information tying the appointment of some ambassadors to political contributions, the Senate Foreign Relations Committee in consultation with the Department of State, composed a set of rules which it hoped would guide the selection of ambassadors by the President, and which the

¹ Prepared by Lois McHugh, Analyst in International Relations.

committee would use to consider the qualifications of ambassadorial nominees. No final agreement on the rules was reached during 1974.

Executive Agreements.—The congressional role relating to executive agreements was again studied in 1974. Legislation passed in 1973 had required that all executive agreements be submitted to the Congress. S. 3038, which was considered during 1974 but not enacted, would have broadened the power of Congress by requiring that executive agreements be transmitted to the Congress and enter into force only after a period of 40 days, provided that both houses did not agree to a joint resolution disapproving the agreement. The bill passed the Senate on November 21, but no action was taken by the House.

Emergency Powers.—For the last several years Congress has studied the matter of terminating the national emergency proclaimed by the President in 1950, and of legislating a procedure whereby proclamations of emergency would be automatically terminated after a certain period of time, and in which Congress would have a role. On October 7, 1974, the Senate passed and sent to the House S. 3957 to terminate the four operative proclamations of national emergency now in existence 9 months after the enactment of the measure, thereby providing time for the determination of which of the provisions should be retained in the form of permanent law. The bill also provided a formula whereby future proclamations of national emergency would be published in the Federal Register with specific reasons for the declaration and enumeration of the statutory powers being used. The Congress would then have 4 months to affirm or reject the proclamation. The bill also restricted activated emergency law to a specific circumstance. No action was taken on this legislation in the House in 1974.

However, a routine piece of legislation (H.R. 13320) which would have extended for 4 more years the President's emergency powers, and which had been reported favorably by the House Armed Services Committee was never considered by the full House because of strong criticism by some members for its wide delegation of powers to the President in a time of national emergency or anticipated national emergency.

